

BHP Timeline

- 10/27/2009 Kickoff meeting with BHNH
- 10/28/2009 Kickoff meeting with MBRNF & TBNG
- 02/26/2010 Kickoff meeting with BLM & WYGF
- Project Notification Packet to Local Elected Officials
 - Campbell County Wyoming Commissioners
 - Weston County Wyoming Commissioners
 - City of Rapid City, Growth Management Director; 06/15/2010
 - Meade County South Dakota Commissioners; 06/15/2010
 - Pennington County South Dakota Commissioners; 06/15/2010
- 06/28/2010 Newcastle, WY Public Meeting
 - 06/20/2010 notice posted in *Gillette News Record*, the Gillette daily newspaper
 - 06/23/2010 notice posted in *News Letter Journal*, a weekly newspaper
- 06/29/2010 Rapid City, SD Public Meeting
 - 06/20 & 06/23/2010 notice posted in *Rapid City Journal*
- 09/16/2010 Rapid City, SD Public Meeting
 - Informational Packet mailed to approximately 1,250 landowners in South Dakota for the 09/16/2010 meeting
- Key Stakeholder Meetings
 - 6/29/2010 Powder River Coal
 - 6/29/2010 Cloud Peak Energy
 - 7/22/2010 Thunder Basin Coal Company
 - 8/12/2010 Thunder Basin Coal Company and Powder River Energy
 - 10/21/2010 Rapid City Quarry Operator (Pete Lien)
- 03/11/2011 NEPA Kickoff meeting with EnValue
- 05/16/2011 Rapid City, SD Public Meeting
 - Route alternatives in the vicinity of Rapid City changed since the last Public Meeting and 400 additional property owners were notified.
- 06/06/2011 Project Initiation Letter
- 08/26/2011 Notice of Intent (NOI) posted
- 09/13/2011 Newcastle, WY Public Meeting
 - 08/25/2011 News Release to Media Outlets
 - 09/01/2011 Newcastle News Letter Journal
- 09/20/2011 Rapid City, SD Public Meeting
 - 08/25/2011 News Release to Media Outlets
 - 08/31/2011 Hill City Prevalier News
 - 09/01/2011 Rapid City Journal
- 12/27/2013 Notice of Availability (NOA) for Draft Environmental Impact Statement (DEIS) posted
- 01/13/2014 Rapid City, SD Public Meeting
- 01/14/2014 Newcastle, WY Public Meeting
- 01/29/2014 Newcastle, WY Public Meeting (makeup date for 01/14/14)



MEETING NOTES

SUBJECT: Project Introduction Meeting – Black Hills National Forest

MEETING DATE: October 27, 2009

LOCATION: Mystic Ranger District Office,
Rapid City, SD

PROJECT NAME: Teckla-Osage-Lange 230kV Transmission Line **PROJECT #:** 117390

PREPARED BY: Lynn Askew

TO: See Attached List at end

ATTENDEES:

See attached Meeting Attendees list at end of these Meeting Notes.

COMMENTS ON PREVIOUS MINUTES:

No previous meeting notes

AGENDA ITEMS:

1. Introductions

Everyone went around the room and introduced themselves.

2. Project Description

- This is a Black Hills Power (BHP) 230 kV transmission line project to improve reliability in the Rapid City area. Lynn Askew described the project to the Forest Service staff using a study area map. The project begins at Teckla Substation in Wyoming, interconnects with the Osage Substation in Wyoming and terminates at the Lange Substation at the northwest end of Rapid City. A fact sheet describing the project was handed out for review. The project includes two phases, Teckla to Osage and Osage to Lange. The timing of construction is separate for the phases but they constitute a full and complete project and thus will be routed and analyzed together in one project.

3. Protocols

Communications

- Dave Slepnikoff will be the overall project manager for the Black Hills National Forest (BHNF). Katie Van Alstyne will be the project coordinator and NEPA lead. All correspondence should be through Katie with Dave and Rick both being copied.
- Mark Carda will be the lead contact for BHP. Lynn Askew will be the lead for POWER Engineers.

MEETING NOTES

Application

- Katie asked about the right of way width on National Forest Lands. The application states that 100 feet of right of way is being sought while the fact sheet states 125 feet. Lynn responded that 125 feet is being sought on nongovernmental land while a reduced right of way is being sought on governmental lands. This is due to the fact that no building can take place on governmental lands while building next to the line could occur on private lands. BHP will also need tree trimming rights on the 100 foot right of way to remove danger trees and keep the right of way clear of possible electrical clearance issues.
- A routing study will be completed to identify route alternatives. The Forest Service will be kept informed about the progress and results of the routing study. This will take from 4-6 months.
- No other application issues were discussed.

Cost Recovery

- Black Hills Power (BHP) has signed a cost recovery and Memorandum of Agreement with the Black Hills National Forest (BHNF). The agreement includes language allowing for a third party preparer, POWER Engineers, Inc.
- BHNF will provide an estimate to BHP for the BHNF costs.
- The Thunder Basin National Grassland (TBNG) can and will use the agreement executed with BHNF. TBNG will likely get its own individual charge number so that costs between the two National Forest Entities can be tracked. BHNF will also use a separate charge number.
- Other Forest staff that will be involved are: Shirlene Haas, Wildlife Biology; Andy Korth, Botany; Christy Harper, Cultural Resources; Les Gonyer, Hydrology; Steve Keegan, Landscape Architect and Visual Specialist.

4. Study Area

Study Area Map

- Lynn asked if the study area appeared to be reasonable to BHNF. The consensus was that it was a reasonable area on the BHNF. TGNG will need to weigh in on the Wyoming portion of the project.

Key Issues

- Lynn asked what key issues the Forest staff saw with the project. Forest staff responded as follows:
 - Travel management and roads. BHNF is expecting a Record of Decision for its revised Travel Plan in January of 2010. Use of existing roads as much as possible is critical. Opening already closed roads are better than cutting new roads.
 - Goshawk habitat and occurrence.
 - Use the BHP vacated 69 kV right of way as much as possible including access. BHNF favors this corridor because of already existing impacts.
 - Osprey habitat and occurrence near Pactola Reservoir.
 - Hat Mountain is a critical Traditional Cultural Property (TCP); BHNF will conduct tribal consultation on the project and there may be issues that are currently unknown.

MEETING NOTES

- BHNF expects at least 3 alternatives, the proposed action, no action and an alternate.
- BHNF expects that alternatives in addition to the old 69 kV right of way alternative will be discussed in the NEPA document.
- There is a proposed trail in the area of the old 69 kV right of way.
- NEPA
 - BHNF offered to be the lead for NEPA. Lynn is to advise the TBNG of this during a meeting with them on Oct. 28, 2009. BHNF and TBNG staff will work out who will be lead for NEPA.
 - BHNF wants to see an Environmental Impact Statement (EIS) completed for the project. Staff believes that there may be significant environmental impacts and that trying to prove non-significance could be costly and risky to the project schedule.
 - Rick believes that the two Forest Supervisors, BHNF and Medicine Bow-Routt NF can sign the Record of Decision. He will check to make sure this doesn't need to go to the Regional Forester. Supervisors can sign up to a 30 year permit approval.
 - The current project schedule shows the line between Teckla and Osage to be energized by the end of 2012 while the segment between Osage and Lange is to be energized by the end of 2014.
 - POWER is to provide a project schedule to the Forest Service. Scheduled date for the ROD is now spring 2011.
 - GIS positions on the BHNF are currently vacant. Rick will provide us a GIS contact for data acquisition.
 - BHNF wants files returned to them in the same format as they are originally provided by BHNF to POWER. Any mapping or data files should be provided in shape file format.
 - Rick asked that POWER identify and get approval for any subcontractors we use. All those who conduct field resource studies will need a permit from the BHNF. Lynn responded that we intend to use our own resource specialists as much as possible for now but will provide a listing of any subcontractors if they are needed. POWER's staff will obtain permits as needed. As of the date of the meeting FMG will be a subcontracted land surveyor, Furgo-Horizons will do aerial photogrammetry if needed.
 - We will need a timber cruiser as a subcontractor. BHP uses Dick Kessler from Rapid City for this. BHNF expects that the BHP will handle all cleared timber for disposal and no forest personnel will be involved in the disposal of timber or slash. NEPA documentation will include a timber action.
 - Rick asked for reference and qualification information from POWER Engineers for the file. POWER was selected in a competitive bid process by BHP. Mike will provide this information.
 - Rick requested a copy of the contract between BHP and POWER Engineers. Ron to provide the contract.
 - Groups and interested organizations for the project include: Biodiversity Conservation Alliance, Western Watersheds Project, Prairie Hills Audubon Society, Sierra Club, and possible the Norbeck Society.
- Rick asked what potential routes exist to get from Pactola Reservoir to the Lange Substation. Ron stated that the Big Bend line corridor is not a possibility. The county line east from the Blackhawk area to Lange may be a possibility. Expansion of the Lange Substation requires that the line enter the station from the north.

MEETING NOTES

- Rick requested shape file locations for all BHP lines in the study area. Ron will provide the information once he receives a written request.
- Katie noted that Jewell Cave is now National Park Service and Wind Cave is a National Park, not State Park as shown on the study area map. POWER will update this.
- Lynn stated that scoping meetings with the public will be held once line alternatives have been identified. Does the Forest Service want to participate in these meetings? Rick and Dave responded that the BHNF would like to participate in these meetings and requested that BHNF be informed when the time comes.
- Lynn requested that the NEPA lead and an Interdisciplinary (ID) Team be identified for the project within the next six to eight weeks. Rick responded that the Forest Leadership Team (FLT) will need to discuss the project. He suggested that Ron Dahlinger give a brief presentation to the FLT after the first of the year. Rick will get the project on the FLT agenda.
- BHP will be submitting an application for Convenience and Necessity with the Wyoming Public Service Commission (PSC) and an application for an Energy Facility Siting Permit with the South Dakota Public Utilities Commission (PUC). The NEPA process will be completed prior to or will be well along before the commission application submittals are made.
- The BHP project will be under a special use permit with the Forest Service.
- POWER will prepare the meeting notes.
- POWER will maintain the Administrative Record for the project. Lynn to provide BHNF a copy of previous Administrative Record that POWER has done.

MEETING NOTES

ACTION ITEMS:

ITEM	ACTION	RESPONSIBILITY	DUE DATE
BHNF Cost Estimates	BHNF to provide estimate of costs to BHP	Hudson/Slepnikoff	Open
BHNF Tribal Consultation	BHNF will conduct tribal consultation on the project	Hudson/Slepnikoff	Open
Determination of ROD Signatories	BHNF to determine who will sign the ROD	Hudson	Open
Project Schedule	POWER to provide a project schedule to BHNF	Askew/Walbert	11/23/2009
BHNF GIS Contact for Data	BHNF to provide a GIS contact for data acquisition	Hudson	11/02/2009
POWER Engineers Contract	BHP to provide POWER contract to Dave Slepnikoff	Dahlinger	11/09/2009
PEI Reference Information	POWER to provide reference and qualification information to BHNF	Walbert	Open
Shape Files of T-Lines within Project Study Area	Hudson to request in writing to BHP. BHP to provide.	Hudson/Dahlinger	Open
Subcontractors and Permits for Survey Work	POWER is to provide BHNF any proposed subcontractors for approval before use. POWER is to have its resource specialists obtain permits before resource studies are undertaken	Walbert/Askew	Open
Cleared Timber Disposal	BHP to handle cleared timber for disposal	Dahlinger	Open
Update Study Area Map	Update land status for Jewell Cave and Wind Cave	Askew	Open
Forest Service Lead and ID Team	Forest Service to identify the NEPA lead and ID team for the project	Hudson/Slepnikoff and TBNG	1/15/2009
FLT Presentation	BHP to provide project presentation at FLT meeting in January 2010.	Dahlinger/Hudson	1/2010
Meeting Notes	POWER to prepare meeting notes.	Askew	11/13/2009
Administrative Record	POWER to provide BHNF copy of previous Administrative Record	Askew	Open

MEETING NOTES

Meeting Attendees

Name	Company	Phone	e-mail
Rick Hudson	BHNF Supervisor Office	(605) 673-9239	rlhudson@fs.fed.us
David Slepnikoff	Mystic Ranger District	(605) 716-2007	dslepnikoff@fs.fed.us
Katie Van Alstyne	Mystic Ranger District	(605) 343-1567	kvanalstyne@fs.fed.us
Shirlene Haas	Mystic Ranger District	(605) 716-1892	shaas@fs.fed.us
Steve Pischke	Mystic Ranger District	(605) 716-1957	
Rody Brown	Mystic Ranger District	(605) 716-1861	rwbrown@fs.fed.us
Ron Dahlinger	Black Hills Power	(605) 721-2220	Ron.Dahlinger@BlackHillsCorp.com
Mark Carda*	Black Hills Power	(605) 721-2274	Mark.Carda@BlackHillsCorp.com
Steven Dunn	Black Hills Power	(605) 721-2356	Steven.Dunn@BlackHillsCorp.com
Lynn Askew	POWER Engineers	(208) 788-0438	laskew@powereng.com
Jim Rudolph	POWER Engineers	(208) 288-6323	Jim.rudolph@powereng.com
Scott O'Meara	POWER Engineers	(605) 716-7839	Scott.Omeara@powereng.com
Mike Walbert	POWER Engineers	(208) 788-0357	mwalbert@powereng.com

*Mark Carda is the Black Hills Power Project Manager but was unable to attend the meeting; contact information provided for reference.



Ron Dahlinger
Director, Engineering
ron.dahlinger@blackhillscorp.com

P 605-721-2220
F 605-721-2323

June 15, 2010

Marcia Elkins
Director, Growth Management
City of Rapid City
300 Sixth Street
Rapid City, SD 57701

RE: New Transmission Line Project information for City Council and Planning Commission

Dear Marcia:

Black Hills Power is starting the routing process for a new 230kv line that will be constructed from Teckla, Wyoming to Rapid City, SD. Construction is anticipated to start in 2013 in Wyoming and to be completed to Rapid City by late 2014 or early 2015. We are going to host an informational open house in Rapid City on Tuesday, June 29th to answer questions and document landowner comments that will provide us information to be used in finding the best overall route for this line.

This is the first step in our process to route this line and Black Hills Power wants to provide this information to the Rapid City Planning Commission and the City council to make them aware of this important project.

The open house will be advertised in the Rapid City Journal on June 20th and 27th inviting the public. A copy of the advertisement and an informational sheet for this project is enclosed.

Would you please distribute this letter and the enclosed information to the Planning Commission and City Council members?

Thank you, Marcia.

Sincerely,

A handwritten signature in black ink that reads 'Ron Dahlinger'.

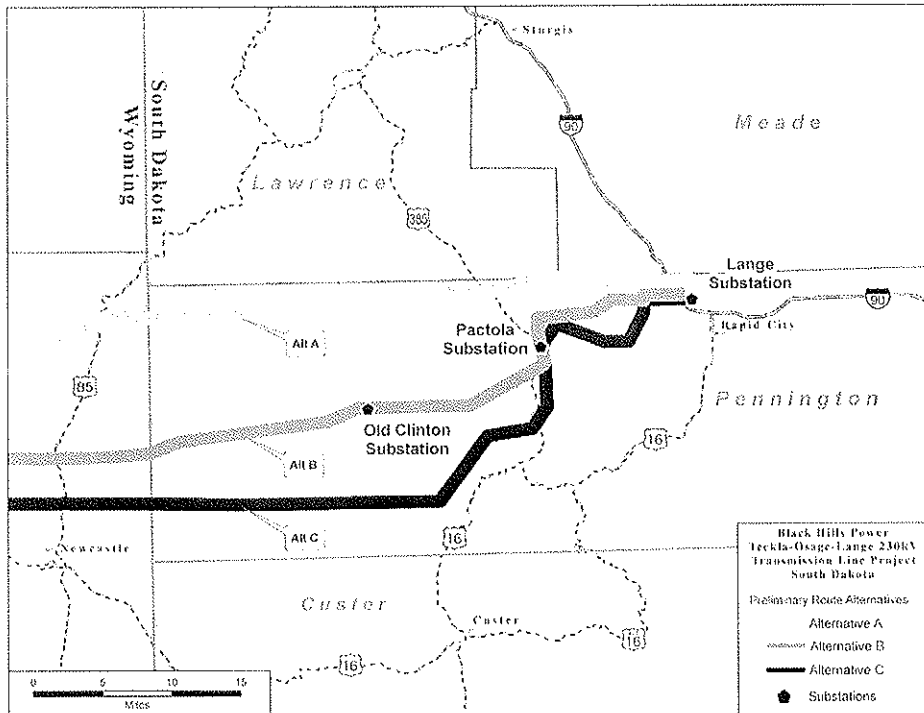
Ron Dahlinger

Attachments: Newspaper advertisement
Project informational sheet

Informational Open House

Best Western Ramkota Hotel
2111 N Lacrosse St. Rapid City

Tuesday, June 29
6:00 p.m. – 8:30 p.m.



Black Hills Power has provided the Black Hills safe, reliable energy for more than 126 years. Making sure you have the power you need is a responsibility we take seriously.

BHP is planning to engineer and construct a 230kV transmission line from the Teckla substation, located approximately 50 miles south of Gillette, Wyoming to Osage, Wyoming and then to Rapid City, South Dakota. Construction will begin in 2013, and will provide the electric lines needed to transmit electricity to your home or business.

The public is invited to review routing plans, and ask questions of Black Hills Power engineers about the project.

Maps of the proposed routes are available to view at www.blackhillspower.com/transmission/projects.

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Teckla – Osage – Rapid City 230kV Transmission Project

PROJECT PURPOSE AND NEED

The proposed Teckla – Osage – Rapid City 230kv Transmission Line will:

- Strengthen the integrated Black Hills and Wyoming transmission network
- Improve transmission system reliability by creating additional operating flexibility
- Help meet future demand growth for electricity and economic development in the region

PROPOSED PROJECT

The proposed Teckla – Osage – Rapid City 230kv line will run from the existing Teckla Substation (50 miles south of Gillette, Wyoming) to the existing Osage Substation at Osage, Wyoming and then to the Lange Substation in Rapid City, South Dakota.

Depending on the final route, the proposed project would:

- Be about 135 miles long
- Be constructed mainly of wood or steel H-frame structures and possibly some tubular steel single pole structures in the Rapid City area; average height of structures is estimated to be 65-75 feet
- Require a right-of-way width of 125 feet

PERMITTING

The project will require approval from the South Dakota Public Utilities Commission, the Wyoming Public Service Commission and the US Forest Service.

TO LEARN MORE

Black Hills Power will host an open house to introduce the proposed project to landowners and other interested members of the public. Staff from Black Hills Power will be available to answer the public's questions and receive public comments about the proposed project. Maps of the proposed routes are available on the BHP web site: <http://www.blackhillspower.com/transmission/projects>

Tuesday, June 29, 2010
6:00 – 8:30 p.m.
Ramkota Hotel Best Western
2111 N Lacrosse St.
Rapid City, SD

PROJECT CONTACT

Mark Carda
PO Box 1400
Rapid City, SD 57709
Mark.carda@blackhillscorp.com
Phone: (605) 721-2274

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Black Hills Power



Ron Dahlinger
Director, Engineering
ron.dahlinger@blackhillscorp.com

P 605-721-2220
F 605-721-2323

June 15, 2010

Meade County Commissioners
Attention Robert Mallow, Chairman
20623 131st St
Sturgis, SD 57785

RE: New Transmission Line Project information for Meade County Commission

Dear Robert:

Black Hills Power is starting the routing process for a new 230kv line that will be constructed from Teckla, Wyoming to Rapid City, SD. Construction is anticipated to start in 2013 in Wyoming and to be completed to Rapid City by late 2014 or early 2015. We are going to host an informational open house in Rapid City on Tuesday, June 29th to answer questions and document landowner comments that will provide us information to be used in finding the best overall route for this line.

This is the first step in our process to route this line and Black Hills Power wants to provide this information to the Meade County Commissioners to make them aware of this important project. One of the proposed alternate routes is near the southern border of Meade County.

The open house will be advertised in the Rapid City Journal on June 20th and 27th inviting the public. A copy of the advertisement and an informational sheet for this project is enclosed.

Would you please distribute this letter and the enclosed information to the other Commissioners?

Thank you, Robert.

Sincerely,

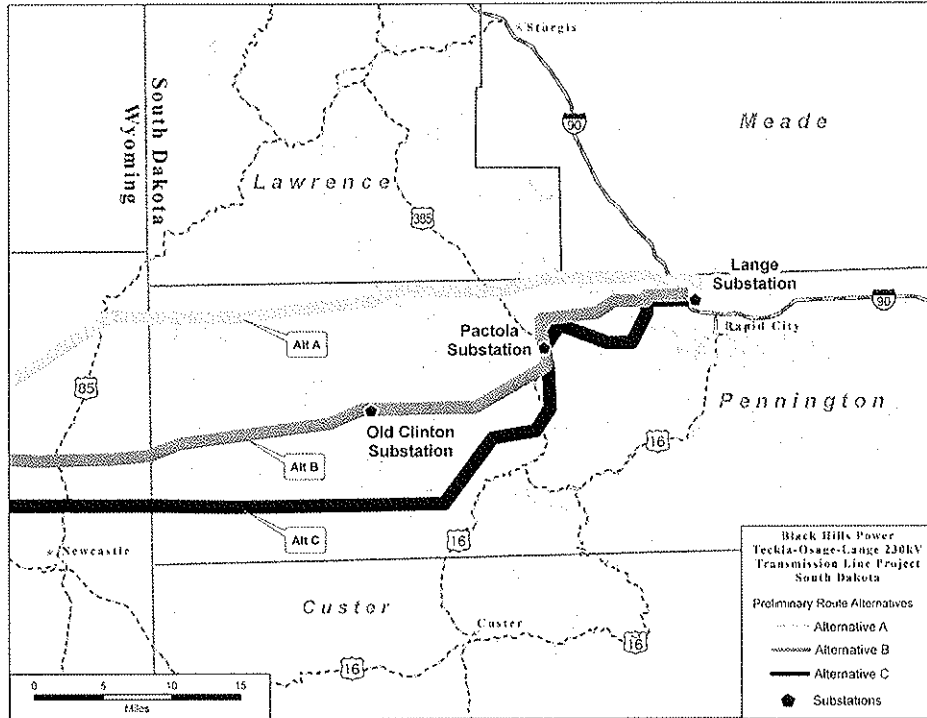
A handwritten signature in black ink that reads "Ron Dahlinger". The signature is written in a cursive, flowing style.

Ron Dahlinger
Attachments: Newspaper advertisement
Project informational sheet

Informational Open House

Best Western Ramkota Hotel
2111 N Lacrosse St. Rapid City

Tuesday, June 29
6:00 p.m. – 8:30 p.m.



Black Hills Power has provided the Black Hills safe, reliable energy for more than 126 years. Making sure you have the power you need is a responsibility we take seriously.

BHP is planning to engineer and construct a 230kV transmission line from the Teckla substation, located approximately 50 miles south of Gillette, Wyoming to Osage, Wyoming and then to Rapid City, South Dakota. Construction will begin in 2013, and will provide the electric lines needed to transmit electricity to your home or business.

The public is invited to review routing plans, and ask questions of Black Hills Power engineers about the project.

Maps of the proposed routes are available to view at www.blackhillspower.com/transmission/projects.

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Teckla – Osage – Rapid City 230kV Transmission Project

PROJECT PURPOSE AND NEED

The proposed Teckla – Osage – Rapid City 230kv Transmission Line will:

- Strengthen the integrated Black Hills and Wyoming transmission network
- Improve transmission system reliability by creating additional operating flexibility
- Help meet future demand growth for electricity and economic development in the region

PROPOSED PROJECT

The proposed Teckla – Osage – Rapid City 230kv line will run from the existing Teckla Substation (50 miles south of Gillette, Wyoming) to the existing Osage Substation at Osage, Wyoming and then to the Lange Substation in Rapid City, South Dakota.

Depending on the final route, the proposed project would:

- Be about 135 miles long
- Be constructed mainly of wood or steel H-frame structures and possibly some tubular steel single pole structures in the Rapid City area; average height of structures is estimated to be 65-75 feet
- Require a right-of-way width of 125 feet

PERMITTING

The project will require approval from the South Dakota Public Utilities Commission, the Wyoming Public Service Commission and the US Forest Service.

TO LEARN MORE

Black Hills Power will host an open house to introduce the proposed project to landowners and other interested members of the public. Staff from Black Hills Power will be available to answer the public's questions and receive public comments about the proposed project. Maps of the proposed routes are available on the BHP web site: <http://www.blackhillspower.com/transmission/projects>

Tuesday, June 29, 2010
6:00 – 8:30 p.m.
Ramkota Hotel Best Western
2111 N Lacrosse St.
Rapid City, SD

PROJECT CONTACT

Mark Carda
PO Box 1400
Rapid City, SD 57709
Mark.carda@blackhillscorp.com
Phone: (605) 721-2274

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Ron Dahlinger
Director, Engineering
ron.dahlinger@blackhillscorp.com

P 605-721-2220
F 605-721-2323

June 15, 2010

Pennington County Commissioners
Attention: Ms. Holly Hennies
315 St. Joseph Street, Suite 156
Rapid City, SD 57701

RE: New Transmission Line Project information for Pennington County Commission

Dear Ms. Hennies:

Black Hills Power is starting the routing process for a new 230kv line that will be constructed from Teckla, Wyoming to Rapid City, SD. Construction is anticipated to start in 2013 in Wyoming and to be completed to Rapid City by late 2014 or early 2015. We are going to host an informational open house in Rapid City on Tuesday, June 29th to answer questions and document landowner comments that will provide us information to be used in finding the best overall route for this line.

This is the first step in our process to route this line and Black Hills Power wants to provide this information to the Pennington County Commission to make them aware of this important project.

The open house will be advertised in the Rapid City Journal on June 20th and 27th inviting the public. A copy of the advertisement and an informational sheet for this project is enclosed.

Would you please distribute this letter and the enclosed information to the Commissioners?

Thank you, Holly.

Sincerely,

A handwritten signature in cursive script that reads 'Ron Dahlinger'.

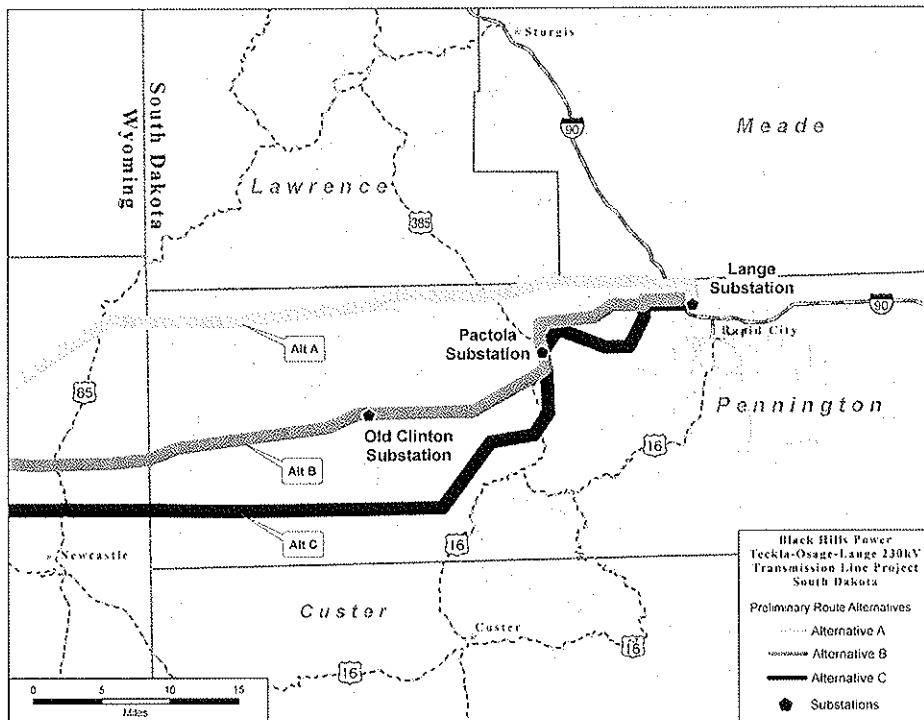
Ron Dahlinger

Attachments: Newspaper advertisement
Project informational sheet

Informational Open House

Best Western Ramkota Hotel
2111 N Lacrosse St. Rapid City

Tuesday, June 29
6:00 p.m. – 8:30 p.m.



Black Hills Power has provided the Black Hills safe, reliable energy for more than 126 years. Making sure you have the power you need is a responsibility we take seriously.

BHP is planning to engineer and construct a 230kV transmission line from the Teckla substation, located approximately 50 miles south of Gillette, Wyoming to Osage, Wyoming and then to Rapid City, South Dakota. Construction will begin in 2013, and will provide the electric lines needed to transmit electricity to your home or business.

The public is invited to review routing plans, and ask questions of Black Hills Power engineers about the project.

Maps of the proposed routes are available to view at www.blackhillspower.com/transmission/projects.

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Teckla – Osage – Rapid City 230kV Transmission Project

PROJECT PURPOSE AND NEED

The proposed Teckla – Osage – Rapid City 230kv Transmission Line will:

- Strengthen the integrated Black Hills and Wyoming transmission network
- Improve transmission system reliability by creating additional operating flexibility
- Help meet future demand growth for electricity and economic development in the region

PROPOSED PROJECT

The proposed Teckla – Osage – Rapid City 230kv line will run from the existing Teckla Substation (50 miles south of Gillette, Wyoming) to the existing Osage Substation at Osage, Wyoming and then to the Lange Substation in Rapid City, South Dakota.

Depending on the final route, the proposed project would:

- Be about 135 miles long
- Be constructed mainly of wood or steel H-frame structures and possibly some tubular steel single pole structures in the Rapid City area; average height of structures is estimated to be 65-75 feet
- Require a right-of-way width of 125 feet

PERMITTING

The project will require approval from the South Dakota Public Utilities Commission, the Wyoming Public Service Commission and the US Forest Service.

TO LEARN MORE

Black Hills Power will host an open house to introduce the proposed project to landowners and other interested members of the public. Staff from Black Hills Power will be available to answer the public's questions and receive public comments about the proposed project. Maps of the proposed routes are available on the BHP web site: <http://www.blackhillspower.com/transmission/projects>

Tuesday, June 29, 2010
6:00 – 8:30 p.m.
Ramkota Hotel Best Western
2111 N Lacrosse St.
Rapid City, SD

PROJECT CONTACT

Mark Carda
PO Box 1400
Rapid City, SD 57709
Mark.carda@blackhillscorp.com
Phone: (605) 721-2274

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Black Hills Power

BLACK HILLS POWER, INC.

P.O. BOX 1400

409 DEADWOOD AVENUE

RAPID CITY, SOUTH DAKOTA 57709

<http://www.blackhillscorp.com>

Ron Dahlinger
Director, Engineering

TELEPHONE
(605) 721-2220
MAIL: ron.dahlinger@blackhillscorp.com
FAX: (605) 721-2323

June 15, 2010

South Dakota Public Utilities Commission
Attention: Mr. Brian Rounds
Utility Analyst
Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

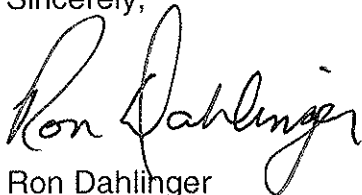
Dear Mr. Rounds:

Black Hills Power is planning to engineer and construct a 230kv transmission line from the Teckla substation, approximately 50 miles south of Gillette, Wyoming, to Osage, Wyoming and then to Rapid City, South Dakota. The total length of this line will be approximately 135 miles. We plan to have the project ready for construction to start in 2013 in Wyoming and complete the line to Osage by 2014. The line from Osage to Rapid City is planned for starting construction in 2013 and completing construction by 2015. We have developed a line routing plan with alternates to evaluate. The first step in this evaluation will be for Black Hills Power to host an open house in Wyoming and one in South Dakota for area landowners to provide input for the routing process.

The open house in South Dakota is scheduled for June 29th at 6:00 PM at the Ramkota in Rapid City as shown on the enclosed informational bulletin. We are going to advertise this open house in area newspapers.

You are welcome to attend this meeting. If you do plan to have someone attend, please let us know who will be coming.

Sincerely,



Ron Dahlinger

Attachments: Informational bulletin
Project Map

Teckla – Osage – Rapid City 230kV Transmission Project

PROJECT PURPOSE AND NEED

The proposed Teckla – Osage – Rapid City 230kv Transmission Line will:

- Strengthen the integrated Black Hills and Wyoming transmission network
- Improve transmission system reliability by creating additional operating flexibility
- Help meet future demand growth for electricity and economic development in the region

PROPOSED PROJECT

The proposed Teckla – Osage – Rapid City 230kv line will run from the existing Teckla Substation (50 miles south of Gillette, Wyoming) to the existing Osage Substation at Osage, Wyoming and then to the Lange Substation in Rapid City, South Dakota.

Depending on the final route, the proposed project would:

- Be about 135 miles long
- Be constructed mainly of wood or steel H-frame structures and possibly some tubular steel single pole structures in the Rapid City area; average height of structures is estimated to be 65-75 feet
- Require a right-of-way width of 125 feet

PERMITTING

The project will require approval from the South Dakota Public Utilities Commission, the Wyoming Public Service Commission and the US Forest Service.

TO LEARN MORE

Black Hills Power will host an open house to introduce the proposed project to landowners and other interested members of the public. Staff from Black Hills Power will be available to answer the public's questions and receive public comments about the proposed project. Maps of the proposed routes are available on the BHP web site: <http://www.blackhillspower.com/transmission/projects>

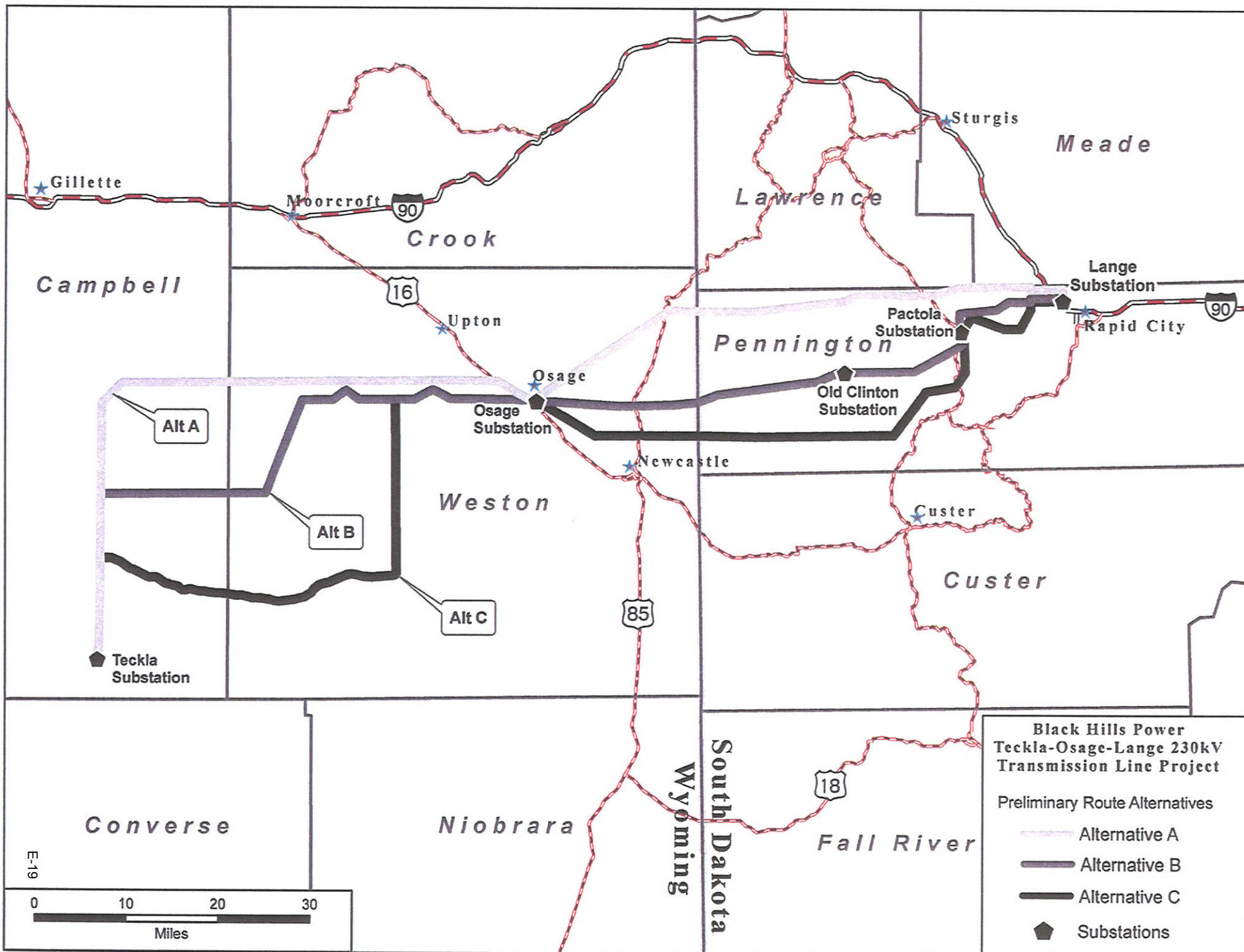
Tuesday, June 29, 2010
6:00 – 8:30 p.m.
Ramkota Hotel Best Western
2111 N Lacrosse St.
Rapid City, SD

PROJECT CONTACT

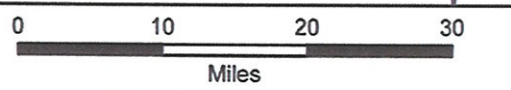
Mark Carda
PO Box 1400
Rapid City, SD 57709
Mark.carda@blackhillscorp.com
Phone: (605) 721-2274

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Black Hills Power



E-19



November 4, 2010

BLACK HILLS POWER

Teckla-Osage-Rapid City 230kV Transmission Line *Agency Coordination Report*

PROJECT NUMBER:
117390

PROJECT CONTACT:
Lynn Askew
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Agency Coordination Report

PREPARED FOR: BLACK HILLS POWER

PREPARED BY: LYNN ASKEW

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1.0 AGENCY CONTACTS

POWER Engineers, Inc (POWER) and Black Hills Power (BHP) conducted meetings with state and federal agencies that have interest and/or relevant environmental data on the project study area for the Teckla-Osage-Rapid City 230kV Transmission Line project. The agencies contacted included: United States Fish and Wildlife Services (USFWS), Wyoming Game and Fish (WYGF), Black Hills National Forest (BHNF), the Bureau of Land Management (BLM), Medicine Bow – Routt National Forest (MBRNF), Thunder Basin National Grasslands (TBNG), Wyoming Public Service Commission (WYPSC) and South Dakota Public Utilities Commission (SDPUC). All meeting minutes from Table 1 are attached.

TABLE 1 LIST OF MEETINGS WITH AGENCY CONTACTS			
DATE	AGENCY	CONTACT	PURPOSE
10/20/10	USFWS & WYGF	Meeting	Field visit to Raven Creek Road vicinity to review proposed route within sage grouse core area
9/23/10	USFWS, WYGF & WY Governor's Office	Meeting	Discuss WY Sage Grouse core areas and transmission line routing issues
6/15/10	SDPUC	Letter	Project introduction and open house notification
6/15/10	WYPSC	Letter	Project introduction and open house notification
2/26/10	BLM & WYGF	Meeting	Project introduction and preliminary route evaluation
10/28/09	MBRNF & TBNG	Meeting	Project introduction and preliminary route evaluation
10/27/09	BHNF	Meeting	Project introduction and preliminary route evaluation
7/20/09	BHNF	Meeting	Preliminary project introduction. *No meeting minutes were recorded.



MEETING MINUTES

SUBJECT:	Site Visit Meeting			
MEETING DATE:	October 20, 2010	LOCATION:	Raven Creek Road	
PROJECT NAME:	Black Hills Power - Teckla-Osage-Rapid City 230kV Transmission Line	PROJECT #:	117390	
PREPARED BY:	Ben Bainbridge			
TO:	POWER	Black Hills Power	USFWS	WYGF
	Lynn Askew	Mark Carda	Clark McCreedy	Matt Fry
	Ben Bainbridge	Ron Dahlinger		

AGENDA ITEMS:

The meeting began with a tailgate briefing on the core area surrounding Raven Creek Road. POWER produced a map showing the constraints analysis of the Proposed Project within Wyoming, a map showing existing distribution, roads, township-range-sections, residences, existing leks, and aerial imagery, and the same map with land ownership color-coded. Lynn expressed the desire to enter the core area from the west at its narrowest point, follow existing disturbance in the form of a three phase distribution line for approximately one mile, continue east on the section line when the distribution line veers southward. The proposed route would remain on that section line until the proposed route exits the eastern side of the core area. This would include approximately 1.5 miles of new disturbance across potential habitat that is not previously disturbed by power lines. The area does have trails and agricultural fields along portions of crossing proposed by the new line. Approximately 1.5 miles after the existing distribution line veers south the proposed route would run adjacent to a hay field and be within ¼ mile of Raven Creek Road and other single and three phase distribution lines. Raven Creek Road then veers south and runs along the same section line as the proposed route. Approximately the last one mile would be routed adjacent to Raven Creek Road.

This proposed route would move the project almost two miles to the south of the Popham Lek, and be more visibly obstructed by the surrounding landscape than a route directly adjacent to Raven Creek Road. Additionally, the proposed route would move the project away from the home of Ricky and Colleen Popham on Raven Creek Road. Lynn stated that keeping the route away from the home was an important part of the proposed route, and that while the power to condemn could be used if that were the only option; it is something the project would like to avoid. Matt agreed that condemning property was always a last resort and negative feedback would also reach the Wyoming Game and Fish Department if this approach were necessary.

The group then addressed the leks in the surrounding area. Data previously provided by WYGF showed that the closest lek is the Popham Lek, located just off Raven Creek Road approximately 1.25 miles north of the intersection of Raven Creek Road and the private road feeding the various mining operations to the west, and 1.9 miles north of the proposed route. All other leks were located at least 4.9 miles south of the proposed route and would not be impacted by the proposed project. The lek counts of the Popham Lek are as follows:

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- 2007 – 50 males
- 2008 – 43 males
- 2009 – 29 males

No data is available before 2007.

Matt stated that the surveys performed on the Popham Lek in 2010 were only performed once due to weather and time restrictions, and therefore did not meet the survey protocol for a more definitive count. This one count found 17 males displaying on the Popham Lek in 2010; however, this may have just been a singular morning with poor attendance.

After the tail gate meeting the attendees left the parking area and drove to assess the site. All attendees rode in the same vehicle so as to promote communication during the site visit.

Using real-time GPS navigation, POWER was able to identify exactly when the group entered the core area from the west along Raven Creek Road. The group continued west into the core area to where the road crests a hill providing a view of the Raven Creek drainage. Existing three phase and single phase distribution lines within were noted, as was agricultural fields to the south of the road. Also visible from the road were numerous oil wells, including roads and pumping tanks, and the Popham home and barns.

Lynn pointed out a fence that runs along the section line the proposed route would follow as described above. This gave a more definitive location as to where the proposed route would occur.

The group then drove north on Raven Creek Road, past the Popham Lek, to show the higher suitability habitat to the north of the lek.

Once turned around, the group stopped directly adjacent to the Popham Lek and walked to the lek location. Both Matt and Clark agreed that the limited visibility of the proposed route from the lek was a positive factor.

While on the lek other vertical structure on the landscape visible from the lek was noted. This included two windmills (one north and one south of the lek), existing single phase distribution, a small grain elevator near the Popham house, and a stand of cottonwood trees to the south of the lek.

Matt and Clark asked if routing along the section line and not along Raven Creek Road would require increased disturbance in the form of ripping the ground or installing access roads. Lynn and Mark replied that little vegetation would be removed and a new access road would likely not be required. Construction equipment would simply drive across the landscape to the pole locations. While vegetation would be crushed by construction equipment, these areas would quickly rebound to a natural state. Mark also stated that the ROW would not require the removal or mowing of the existing vegetation for ROW maintenance. If a pole structure would be located on a hillside there may be the need to blade off a small pad for the pole.

Upon return to the vehicle Lynn produced diagrams of the two proposed structure types for use within the core areas. These structures were monopole with brace-post insulators, or monopoles with I-string insulators hung from davit arms off the pole. It was pointed out that the post with the davit arms would probably provide for longer spans, thus fewer structures on the landscape. Matt and Clark asked how many fewer. It

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is unknown at this time, but POWER's design engineers are working on that figure. We will include a preliminary structure spotting for both types of structures in the Core Area Development Plan currently being written.

Lynn also outlined the potential perch discouragers which could be used on the davit arm structure. These included nixalite and a steel cover that narrowed to a dull point (resembling a blade) which would not allow raptors to perch. A cone placed on top of the monopole would eliminate raptors from perching on the monopole.

Neither Matt nor Clark expressed a desire for using one structure over the other or one form of perch discourager over another. Matt later expressed a preference for the "blade" type of perch discourager because it would likely last longer when exposed to the elements than the nixalite perch discourager. This would cause fewer disturbances by maintenance crews repairing and maintaining perch discouragers, thus creating less impact on sage-grouse.

Lynn asked if Clark or Matt had reviewed the annotated outline of the Development and Mitigation Plan, neither had, due to time restrictions. Lynn requested they review the outline and provide comments as soon as possible because POWER would like to begin constructing the document as soon as possible. Matt and Clark both agreed to review the outline and provide comments.

Matt asked if the outline included any preconstruction telemetry monitoring of sage-grouse in the area to determine where birds using the Popham Lek may disperse to after the lekking season. Lynn and Ben replied that this is not in the outline.

Lynn and Ben also noted that POWER plans to create a data-set showing existing occupied and unoccupied leks in Wyoming in relation to Ventyx transmission line data for 115 kV and larger transmission lines. The purpose of this would be to demonstrate existing lek response in relation to transmission lines. Matt stated that some of this work had been done in the past (possibly in Colorado) but it is limited in its usefulness because it does not take other environmental factors into account. Ben replied that POWER realizes this, and that all the data would show is that a lek existed, a transmission line was constructed, and the lek persisted. Matt agreed that this could potentially be useful information in the Development and Mitigation Plan with a caveat that this would only take one environmental factor into account when numerous environmental factors attribute to lek attendance.

The group left the lek site and continued its drive along the Private Road off Raven Creek Road which accesses numerous oil wells. Topography and general habitat was noted and it was agreed upon that a majority of the proposed route would not be visible from Popham Lek.

Matt asked if POWER had calculated a Project Impact Analysis Area (PIAA) yet for the proposed project. Ben replied that a PIAA had been calculated and inquired as to what with the transmission line would be classified as disturbance for the PIAA 5% disturbance analysis. Matt stated that the disturbance from the transmission line would most likely be limited to actual pole locations, given that new roads would not be constructed.

It should be noted that the PIAA calculated by POWER was done using an older proposed route. A new PIAA using the new proposed route will be calculated.

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Ben then asked how the PIAA 5% disturbance analysis would affect the proposed project if more than 5% of the PIAA is already disturbed. Matt answered that such a finding would typically preclude a project from happening in that area, but since this project is the first of its kind under the new core area executive order, there could be room for mitigation and adjustment to the PIAA analysis.

Ben also asked if Matt or Clark saw any benefit of performing transect brood surveys in the spring of 2011. Matt answered that he did not see any direct benefit of brood surveys and that, because the proposed project is within the core area, brood surveys might create more negative feedback than useful information.

Ben asked if it would be possible to coordinate pre- and post-construction lek surveys with the regional biologist or local working groups. Matt stated that the regional biologist surveys leks as much as time and weather allows for, but as in the case of 2010, is not always able to perform full protocol lek surveys on all leks. Matt stated that it might be worth contacting the regional biologist to explore this possibility, but most likely it would be better for BHP/POWER to provide the surveyors to perform surveys to ensure full protocol is achieved.

Matt also stated that he has had further communication with Aaron Clark of the Governor's office, and Aaron had no problems with the project planning moving forward.

Lynn asked if the proposed project went ahead with what had been discussed during the site visit, would it be something the WYGF and USFWS could support? Both Matt and Clark replied that yes, it could receive the support of the USFWS and WYGF if all measures addressed during the site visit were performed (including raptor perch deterrents and routing away from lek and with existing disturbance), and a suitable Development and Mitigation Plan were prepared. If a Development and Mitigation Plan were to be approved by the USFWS and WYGF then each would produce a letter of approval for inclusion as an appendix in the plan.

At the conclusion of the site visit Clark stated that any deviation from existing row / infrastructure across the core area would require additional discussion with the agencies to ensure compliance with the core area strategy. Agencies will continue to be involved as POWER drafts the Draft Development and Mitigation Plan.

ACTION ITEMS:

ITEM	RESPONSIBILITY
Draft Mitigation and Development Plan	POWER
Comments on Mitigation and Development Plan outline	WYGF & USFWS



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SUBJECT: Wyoming Sage Grouse Core Areas

2-MEETING DATE: September 23, 2010

LOCATION: USFWS Office – Cheyenne, WY

PROJECT NAME: Black Hills Power Teckla-Osage-Rapid City
230kV Transmission Line Project

PROJECT #: 117390

PREPARED BY: Ben Bainbridge (POWER)

TO:	POWER	BHP	WYGF	USFWS
	Lynn Askew	Mark Carda	Matt Fry	Pat Diebert
	Mike Walbert		Mary Flanderka	Clark McCreedy
	Ben Bainbridge			

WY Governor's Office

Aaron Clark

AGENDA ITEMS:

Lynn began the meeting with introductions and a brief overview of the meeting agenda, followed by a basic project description. Black Hills Power (BHP) is proposing to construct a 230 kV transmission line from the Teckla substation south of Gillette, WY, through the Osage substation in Osage, WY, and terminating in the Lange substation in Rapid City, SD. POWER produced a draft map detailing the overall project area and current potential routes under study. Lynn displayed the map and explained it to the group.

Aaron asked if the proposed project was a reliability based project. Lynn and Mark explained that it was a reliability based project. If one of the existing transmission lines serving the Black Hills/Rapid City region is out of service and there is the loss of a second transmission line BHP cannot reliably service their customers and there is the chance of load shedding being required.

Lynn explained POWER's role as owner's engineer and environmental representative. POWER will be producing a Proponent's Environmental Report (at the EIS level). An EIS will be completed with the Thunder Basin National Grassland (TBNG) and Black Hills National Forest (BHNF) as co-leads on the EIS. A third party contractor, ENValue, has been selected and approved by BHP and the Forest Service to prepare the EIS. Contacts with the Thunder Basin National Grassland (Amy Ormseth) and Black Hills National Forest (Dave Slepnikoff) have been established. Lynn detailed how POWER completed an initial routing study for the study area where POWER's resource specialists analyzed management plans from TBNG and BHNF, various sensitive species information, visual impacts, land ownership, and regional governments, and interpreted those aspects into various degrees of sensitivity, including an exclusion zone in the southern portion of the study area. Please note that these exclusion zones were created by POWER's resource specialists for the purposes of the initial routing study, not necessarily defined as exclusion by the TBNG or BHNF. The routing study is being finalized and will include public input from meetings in the Newcastle, WY and Rapid City, SD areas and agency interpretations of the new Wyoming Executive Order for sage grouse core areas.

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POWER displayed the maps detailing the first draft of proposed routes from the initial routing study. These maps showed the effort undertaken to miss the 2008 core areas and 2009 leks (from 2009 lek survey data). The original routing effort passed in between two large core areas and made a detour to avoid passing near another lek located outside the core area. Matt mentioned that there will be construction timing constraints from March 15 through June 30.

Next a large constraints map for the state of WY showing the proposed routes, 2010 Core Areas, and coal mining leases was displayed showing the connection of the two large core areas with a four mile wide corridor. Lynn then detailed the constraints for routing along Highway 450 through the coal mining areas of the Study Area. Up to eight miles of the proposed route along Highway 450 would need to be moved after construction within the life of the proposed project. Lynn stated that if the route along Highway 450 is chosen there would NOT be a way to avoid moving the line at some point in the future. This is a heavy financial burden to BHP's rate payers and BHP is looking to avoid this situation.

Aaron asked if following the railroad spur through the mine would be feasible. Lynn answered that it would be feasible but would still require moving the line when the Black Thunder mine removes the railroad spur to mine that area. Based on discussions with Black Thunder, life of mine plans call for mining out this area.

Lynn detailed the proposed project's desire to pass through the core area along Raven Creek Rd., an existing disturbance bisecting the core area with electrical distribution lines running within the disturbance corridor. This location provides substantial existing disturbance and crosses the core area in its narrowest part. Lynn inquired, given the new Executive Order, is this a possibility? An aerial photograph of the core area along Raven Creek Rd. was displayed. When considered together, Raven Creek Rd. and another private road feeding various coal bed methane and oil leases spans the narrowest portion of the core area (approximately four miles). Both roads are established gravel roads with a road prism. Electrical distribution lines parallel the road, or pass close to, Raven Creek Rd and the private road throughout the core area.

The proposed project would use a monopole configuration with perch inhibitors on the top of each pole to limit potential raptor perches. The closest lek to Raven Creek Rd is the Popham Lek, at approximately 0.8 miles to the north. Matt will supply the latest lek data to POWER for their use to determine the number of birds using the lek. Topography may limit the line of sight from the lek to the proposed route for a portion of the core area. Mark stated that a design which eliminated the need for guy-wires on angle structures could be implemented to lessen the likelihood of sage grouse collision with a guy wire.

Aaron explained that following Raven Creek Rd. would not follow the stipulations set forth in the 2010 Executive Order 2010-4. Under the Executive Order, new transmission lines should be routed within one half (1/2) mile of an existing transmission line of at least 115 kV. However, a development/mitigation plan which would demonstrate no impact on sage-grouse may be created through consultation with WYGF and USFWS. This core area development and mitigation plan with approval from WYGF and USFWS may then be approved by the Public Service Commission to order the Certificate of Public Convenience and Necessity (CPCN). This procedure is explained in Attachment B "Permitting Process and Stipulations for Development in Sage-Grouse Core Areas" under the Specific Stipulations heading, page B7.

Lynn then showed photos taken from Raven Creek Rd at various locations within the core area. Pat asked if the proposed route along Raven Creek Rd would follow the road or distribution lines in the vicinity of the road but not necessarily paralleling the road. Lynn answered that the proposed route would most likely

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follow Raven Creek Rd, but we are open to locating the line in the best place possible for no impacts. If the line is located away from Raven Creek Rd and the private road, construction access would possibly be a concern if habitat were disturbed.

Matt stated that no sage-grouse winter range is near the proposed project proposed route along Raven Creek Rd.

Mary proposed the possibility of mitigating fragmentation impacts from the proposed line by removing other distribution lines in the area which provide electricity to expired or soon to expire coal bed methane wells.

Clark McCreedy joined the meeting as a NEPA specialist for the USFWS.

Lynn drew a potential pole design on the white-board showing how the proposed project would use monopoles and raptor perch discouragers to limit potential perches. Post insulators are not conducive to perching raptors due to the surface of the material used not providing good footing for raptors, and they do not provide a suitable surface for raptors to land on, in addition there is a slight vibration when energized. Pat stated that she is concerned about perching raptors negative effects on sage-grouse.

Aaron requested a design of the anti-perching methods which may be used for the proposed project.

Lynn stated the proposed project's desire is to only survey for sage-grouse along the preferred alternative, not all three route alternatives. Aaron responded that surveys of all routes may be required for a full data set to compare between proposed route alternatives.

Mark stated that construction of the proposed project is scheduled to begin in 2013, with no anticipated need for another circuit.

Ben will consult with Matt and Mary to develop a preconstruction monitoring plan to include in the development/mitigation plan. It is clear that this type of development/mitigation plan has never been attempted under the Executive Order, and that this project will be the first of its kind.

Mary once again proposed that it may be a possibility to mitigate and reduce habitat fragmentation of sage-grouse habitat by the proposed project by removing older, non-functional distribution lines to spent coal bed methane wells throughout the landscape; if there are any of these spent wells in the area.

Lynn concluded the meeting by thanking all for coming. He stated that the point of the meeting was to ascertain if the proposed project was feasible in light of Executive Order 2010-4. Matt, Pat, and Aaron all agreed that yes, it is feasible under Executive order 2010-4.

Aaron also stated that raptor proofing the transmission line on the proposed route may also be necessary when the proposed route passes along the southern boundary of core area to the west of the narrow four mile portion of core area.

Pat stated that the project could potentially fund graduate student research regarding lek attendance pre-construction and post-construction on lek in the vicinity of the proposed route.

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ACTION ITEMS:

ITEM	RESPONSIBILITY
Create visualization simulation of proposed route from Popham Lek	POWER
Provide POWER with latest lek information and number of birds which attend Popham Lek	Matt Fry (WYGF)
Provide documentation as to why southern exclusion area was rated as such by POWER resource specialists	POWER
Determine width of Raven Creek Road ROW and provide to group	POWER
Creation of a development/ mitigation plan to provide to WYGF and USFWS which includes preconstruction monitoring plan and potential pole designs to limit raptor perches	POWER
Obtain distribution line locations within the vicinity of the core area crossing and map them accurately	BHP/ POWER
Set up visit to the proposed route along Raven Creek Road on Wednesday October 20 th	POWER

BLACK HILLS POWER, INC.

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Director, Engineering

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(605) 721-2220
MAIL: ron.dahlinger@blackhillscorp.com
FAX: (605) 721-2323

June 15, 2010

South Dakota Public Utilities Commission
Attention: Mr. Brian Rounds
Utility Analyst
Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

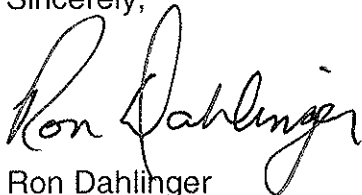
Dear Mr. Rounds:

Black Hills Power is planning to engineer and construct a 230kv transmission line from the Teckla substation, approximately 50 miles south of Gillette, Wyoming, to Osage, Wyoming and then to Rapid City, South Dakota. The total length of this line will be approximately 135 miles. We plan to have the project ready for construction to start in 2013 in Wyoming and complete the line to Osage by 2014. The line from Osage to Rapid City is planned for starting construction in 2013 and completing construction by 2015. We have developed a line routing plan with alternates to evaluate. The first step in this evaluation will be for Black Hills Power to host an open house in Wyoming and one in South Dakota for area landowners to provide input for the routing process.

The open house in South Dakota is scheduled for June 29th at 6:00 PM at the Ramkota in Rapid City as shown on the enclosed informational bulletin. We are going to advertise this open house in area newspapers.

You are welcome to attend this meeting. If you do plan to have someone attend, please let us know who will be coming.

Sincerely,



Ron Dahlinger

Attachments: Informational bulletin

Project Map

Teckla – Osage – Rapid City 230kV Transmission Project

PROJECT PURPOSE AND NEED

The proposed Teckla – Osage – Rapid City 230kv Transmission Line will:

- Strengthen the integrated Black Hills and Wyoming transmission network
- Improve transmission system reliability by creating additional operating flexibility
- Help meet future demand growth for electricity and economic development in the region

PROPOSED PROJECT

The proposed Teckla – Osage – Rapid City 230kv line will run from the existing Teckla Substation (50 miles south of Gillette, Wyoming) to the existing Osage Substation at Osage, Wyoming and then to the Lange Substation in Rapid City, South Dakota.

Depending on the final route, the proposed project would:

- Be about 135 miles long
- Be constructed mainly of wood or steel H-frame structures and possibly some tubular steel single pole structures in the Rapid City area; average height of structures is estimated to be 65-75 feet
- Require a right-of-way width of 125 feet

PERMITTING

The project will require approval from the South Dakota Public Utilities Commission, the Wyoming Public Service Commission and the US Forest Service.

TO LEARN MORE

Black Hills Power will host an open house to introduce the proposed project to landowners and other interested members of the public. Staff from Black Hills Power will be available to answer the public's questions and receive public comments about the proposed project. Maps of the proposed routes are available on the BHP web site: <http://www.blackhillspower.com/transmission/projects>

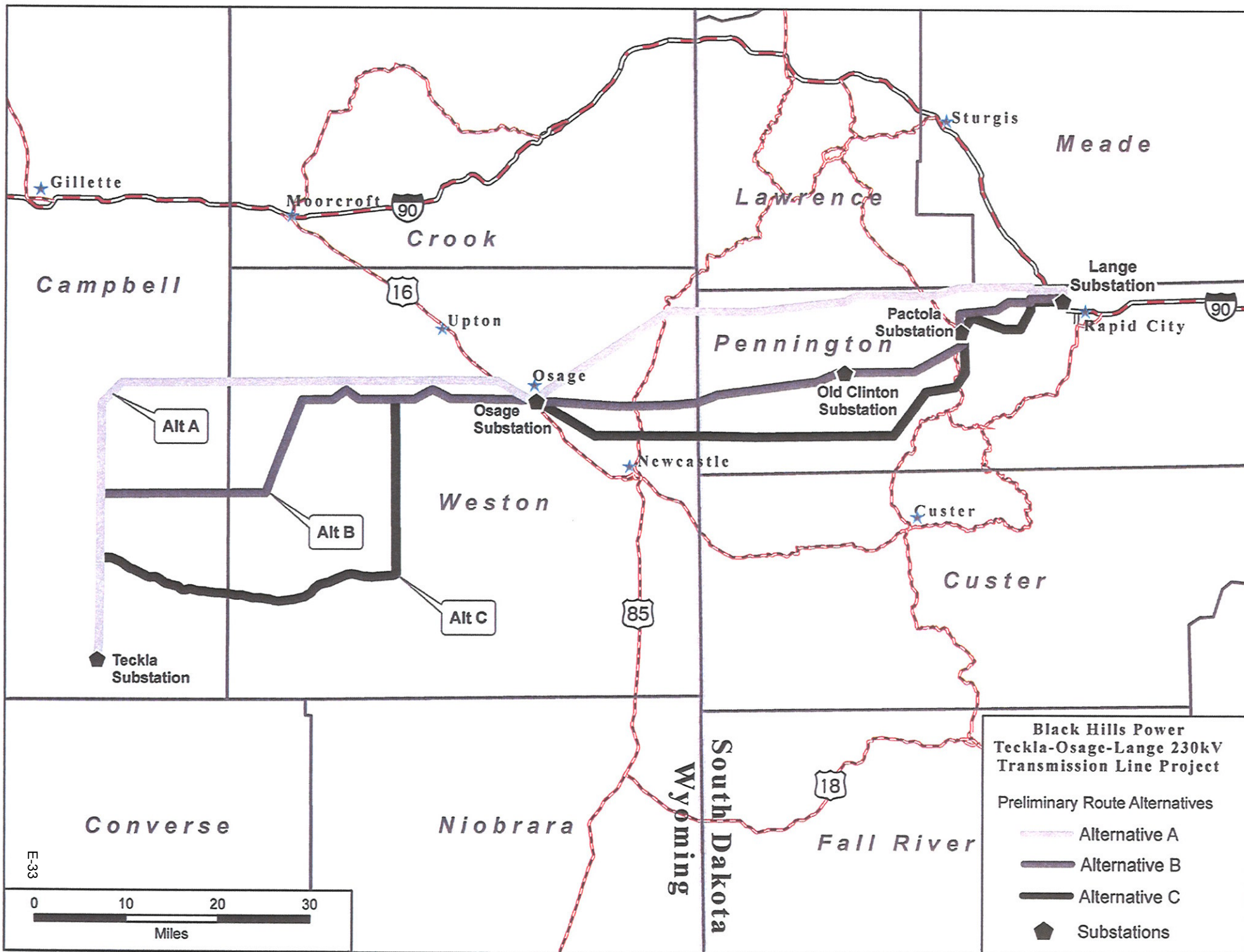
Tuesday, June 29, 2010
6:00 – 8:30 p.m.
Ramkota Hotel Best Western
2111 N Lacrosse St.
Rapid City, SD

PROJECT CONTACT

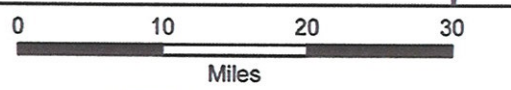
Mark Carda
PO Box 1400
Rapid City, SD 57709
Mark.carda@blackhillscorp.com
Phone: (605) 721-2274

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June 15, 2010

Wyoming Public Service Commission
Attention: Mr. Chris Petrie
Secretary & Chief Counsel
2525 Warren Avenue
Cheyenne, Wyoming 82002

Dear Mr. Petrie:

Black Hills Power is planning to engineer and construct a 230kv transmission line from the Teckla substation, approximately 50 miles south of Gillette, Wyoming, to Osage, Wyoming and then to Rapid City, South Dakota. The total length of this line will be approximately 130 miles. We plan to have the project ready for construction to start in 2013 and complete the line to Osage by 2014 and to Rapid City by 2015. We have developed a line routing plan with alternates to evaluate. The first step in this evaluation will be for Black Hills Power to host an open house in Wyoming and one in South Dakota for area landowners to provide input for the routing process.

The open house in Wyoming is scheduled for June 28th at 6:00 PM at the Weston Senior Center in Newcastle. We are going to advertise this open house in area newspapers and send the enclosed bulletin and map to potential affected landowners as well.

You are welcome to attend this meeting. If you do plan to have someone attend, please let me know who will be coming.

Sincerely,



Ron Dahlinger

Cc: Marci Norby
Attachments: Informational Bulletin and Project Map

Teckla – Osage – Rapid City 230kV Transmission Project

PROJECT PURPOSE AND NEED

The proposed Teckla – Osage – Rapid City 230kv Transmission Line will:

- Strengthen the integrated Black Hills and Wyoming transmission network
- Improve transmission system reliability by creating additional operating flexibility
- Help meet future demand growth for electricity and economic development in the region

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Depending on the final route, the proposed project would:

- Be about 135 miles long
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- Require a right-of-way width of 125 feet

PERMITTING

The project will require approval from the South Dakota Public Utilities Commission, the Wyoming Public Service Commission and the US Forest Service.

TO LEARN MORE

Black Hills Power will host an open house to introduce the proposed project to landowners and other interested members of the public. Staff from Black Hills Power will be available to answer the public's questions and receive public comments about the proposed project. Maps of the proposed routes are available on our web site at: <http://www.blackhillspower.com/transmission/projects>

Monday, June 28, 2010
6:00 – 8:30 p.m.
Weston Senior Center
627 Pine Street
Newcastle, WY

PROJECT CONTACT

Mark Carda
PO Box 1400
Rapid City, SD 57709
Mark.carda@blackhillscorp.com
Phone: (605) 721-2274

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MEETING MINUTES

SUBJECT: Project Introduction/Preliminary Route Evaluation- BLM and Wyoming Game and Fish

MEETING DATE: February 26, 2010

LOCATION: BLM Office- Newcastle, WY

PROJECT NAME: Teckla-Osage-Lange 230kV T-line

PROJECT #: 117390

PREPARED BY: Kevin Lincoln

TO: **POWER Engineers** **Black Hills Power**

Lynn Askew

Mark Carda

Mike Walbert

Linda Erdman

ATTENDEES:

Mike Worden- BLM Acting Field Office Manager
Bill Carson- BLM Realty Specialist
Nathaniel West- BLM Wildlife Biologist
Heather Obrien- WY Game & Fish Wildlife Biologist
Mark Carda- BHP Project Manager
Kevin Lincoln- POWER Environmental Specialist

AGENDA ITEMS:

1. Introductions

Introductions were made and all shook hands.

2. Project introduction

Kevin thanked everyone for coming and briefly discussed the various jurisdictions involved, of which BLM is a small portion, but made it clear that we wanted to include them in the process early on. Kevin then invited Mark to give some project background info. Mark gave an overview of the project including connections to existing substations and the need for the project. Mark described the type of structures proposed, ROW width, existing ROW, etc.

3. Preliminary Routing

Kevin described the preliminary routing conducted to date including the various opportunities and constraints that were analyzed including sage grouse core areas and leks, land jurisdiction, mining operations, private residences and existing utility corridors. The BLM asked if we considered the proposed DM&E railroad route. At this time, the large opportunity and constraint map was brought out and the proposed railroad was pointed out and indicated that it did not go in the right direction for us to get where we needed to go.

Both Nathaniel and Heather took interest in the sage grouse core areas and their relation to our proposed routes. Nathaniel indicated that there were some large areas within our study area that were lacking sage grouse survey and he recommended survey. We discussed whether or not to survey all alternatives or just the "preferred" route. All seemed to be in agreement that only the

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“preferred” route would require survey. Kevin asked about required distances from sage grouse core areas and Nathaniel and Heather both indicated that we can be directly adjacent to and in some cases within a core area if the habitat is poor. The core area boundaries were drawn rather arbitrarily, and not all habitat within the core area boundaries is high quality. Nathaniel also stated that he didn’t think any other special status species would require survey in the project area but would like to see survey for sage grouse and raptors. He also hoped that our biologists would keep an eye out for plover habitat, prairie dog towns and burrowing owls. Heather did not like the northern route due to it crossing prime elk habitat in relatively un-disturbed terrain. She liked the southern route the best since it follows an existing corridor. Mark and Kevin pointed out that the southern route may prove to be difficult due to Black Thunder mining operation and the difficulty in getting a line through the congested area. She wants to make sure that Joe Sandrini gets a shape file of the proposed routes, since he is the WY G&F wildlife biologist in charge of a portion of the study area and he may have additional input. Also provide shape file to Mary Flanderka.

Mike and Bill had no real concerns other than sage grouse, but stated that cultural resources and Native American concerns are of high importance to them and all efforts should be made to avoid these areas or minimize impact to the greatest extent possible. We discussed briefly the visual resource issues near the state line. They referred us to Allison Barnes in the BLM Buffalo office who will be the main contact for visual resources.

Mike Worden will be replaced by Rick Miller effective immediately. Bill Carson is the primary BLM contact at this time.

Kevin asked what level of involvement both agencies anticipate in the process, and both acknowledged that their role would likely be small, but would like to be kept in the loop and cooperate.

ACTION ITEMS:

ITEM	ACTION	RESPONSIBILITY	DUE DATE
Shape files	Provide to both agencies	Kevin	TBD



MEETING NOTES

SUBJECT: Project Introduction Meeting – Medicine Bow-Routt National Forest/Thunder Basin National Grasslands

MEETING DATE: October 28, 2009

LOCATION: Douglas Ranger District Office,
Douglas, WY

PROJECT NAME: Teckla-Osage-Lange 230kV Transmission Line **PROJECT #:** 117390

PREPARED BY: Lynn Askew

TO: See Attached List

ATTENDEES:

See attached Meeting Attendees list at end of these Meeting Notes.

COMMENTS ON PREVIOUS MINUTES:

No previous meeting notes

AGENDA ITEMS:

1. Introductions

All went around the room and introduced themselves and their role in the project.

- Ian Ritchie, Cultural Resources
- Charlie Bradshaw, Range and Botany
- Misty Hays, Asst. District Ranger
- Amy Ormseth, Minerals and Lands
- Cristi Painter, Wildlife
- Robin Brooks, GIS (not present at meeting)
- Robert Sprentall, District Ranger
- Mark Carda, BHP Project Manager
- Jim Rudolph, POWER Engineers Cultural Resource Lead
- Lynn Askew, POWER Engineers, Environmental Project Manager
- Mike Walbert, POWER Engineers, Project Manager

2. Project Description

- This is a Black Hills Power (BHP) 230 kV transmission line project to improve reliability in the Rapid City area. Lynn Askew described the project to the Forest Service staff using a study area map. The project begins at Teckla Substation in Wyoming, interconnects with the Osage Substation in Wyoming and terminates at the Lange Substation at the northwest end of Rapid City. A fact sheet describing the project was handed out for review. The project includes two phases, Teckla to Osage and Osage to Lange. The timing of

MEETING NOTES

construction is separate for the phases but they constitute a full and complete project and thus will be routed and analyzed together in one project.

The proposed line will cross portions of the Black Hills National Forest (BHNF) and the Thunder Basin National Grassland (TBNG) and possibly BLM and State of Wyoming lands.

3. Protocols

Communications

- Amy Ormseth will be the point of contact for the project.
- Mark Carda is the point of contact for BHP.
- Lynn Askew is the point of contact for POWER Engineers

Lynn explained that Rick Hudson of the BHNF offered to be project lead for the project. Robert Sprentall stated that he thinks the lead should be determined after the route alternatives have been identified to see which entity has the most land jurisdiction in the alternatives.

Application

- Lynn stated that an SF-299 has been filed with the TBNG. He pointed out the application states that 100 feet of right of way is being sought while the fact sheet states 125 feet. Lynn stated that 125 feet is being sought on nongovernmental land while a reduced right of way is being sought on governmental lands. This is due to the fact that no building can take place on governmental lands while building next to the line could occur on private lands. BHP will also need tree trimming rights on the 100 foot right of way to remove danger trees and keep the right of way clear of possible electrical clearance issues.
- A routing study will be completed to identify route alternatives. The Forest Service will be kept informed about the progress and results of the routing study. This will take from 4-6 months.
- Lynn asked if there were any other discussion items for the application. No other application issues were discussed.

Cost Recovery

- BHP has signed a cost recovery and Memorandum of Agreement with the BHNF. The agreement includes language allowing for a third party preparer, POWER Engineers, Inc.
- BHNF will provide an estimate to BHP for the BHNF costs.
- The Thunder Basin National Grassland (TBNG) can and will use the agreement executed with BHNF. TBNG will likely get its own individual charge number so that costs between the two National Forest Entities can be tracked. BHNF will also use a separate charge number.
- TBNG will provide two cost estimates, one for the data acquisition and routing portion of the project and a second estimate for the NEPA portion once route alternative have been identified. Initially the NEPA estimate will be a place holder and will be adjusted once more detail on the project is known, including project leadership.

MEETING NOTES

4. Study Area

- Lynn asked if the study area appeared to be reasonable to TBNG. The staff consensus was that it should be expanded to the north on a line from Upton west to the current study area western boundary. The larger area is needed to avoid sage grouse core areas and coal mining operations. This may also allow more flexibility for avoidance of TBNG sensitive areas. Misty stated that we might also want to consider extending the study area to the south.
- Misty asked if this transmission line project was associated with any wind farms. Mark explained that this project is for reliability in the Rapid City area and not associated with any wind development. If a wind developer wants to interconnect to the line they would need to follow the standard generation interconnection process.

Key Issues

- Lynn asked what key issues the Forest staff saw with the project. Forest staff responded as follows:
 - Routing along State Highway 450 is preferred but the corridor may be getting crowded with other uses.
 - Look at paralleling transmission line corridor north from Teckla to avoid coal operations.
 - Sensitive view shed issues for the Traditional Cultural Property (TCP) of Inyan Kara Mountain.
 - Avoid sage grouse core areas
 - Sharp tail grouse areas may have construction timing issues
 - Raptors
 - Mountain plover
 - All migratory birds covered under the Migratory Bird Treaty Act
 - Bats
 - Swift fox
 - Maybe listed fish and amphibians if impacts to habitat could occur
 - Black footed ferret areas
 - Grazing allotments- there are two grazing associations, Thunder Basin Grazing Association in Douglas and Inyan Kara Grazing Association in Newcastle
 - Noxious weeds
 - Dakota Minnesota and Eastern Railroad project (DM&E) is proposing a new track in the area and there will need to be coordination.
 - Canadian Pacific Railroad liens also are proposed and will need coordination.
 - Cultural resource TCPs and issues in the Buffalo Divide and Cellars areas. Tribal consultation is important.
 - Paleontological surveys for the proposed route will be needed.
 - Access roads use existing roads as much as possible.

MEETING NOTES

- NEPA
 - BHNF offered to be the lead for NEPA. BHNF and TBNG staff will work out who will be lead for NEPA.
 - BHNF wants to see an Environmental Impact Statement (EIS) completed for the project. TBNG agree an EIS is best.
 - Rick Hudson of BHNF believes that the two Forest Supervisors, BHNF and Medicine Bow-Routt NF can sign the Record of Decision (ROD). He will check to make sure this doesn't need to go to the Regional Forester. Supervisors can sign up to a 30 year permit approval.
 - The current project schedule shows the line between Teckla and Osage to be energized by the end of 2012 while the segment between Osage and Lange is to be energized by the end of 2014.
 - POWER is to provide a project schedule to the Forest Service. Scheduled date for the ROD is now spring 2011.
 - All those who conduct field resource studies will need a permit from the TBNG. Lynn stated that POWER intends to use our own resource specialists as much as possible for now but will provide a listing of any subcontractors if they are needed. POWER's staff will obtain permits as needed. As of the date of the meeting FMG will be a subcontracted land surveyor, Furgo-Horizons will do aerial photogrammetry if needed.
 - TBNG has all the original acquisition documentation for all Bankhead-Jones Act lands for historical records inventory. Misty mentioned that for this project Bankhead Jones lands will be considered the same as TBNG lands.
- Lynn stated that POWER staff will be going to the Cheyenne DEQ office to obtain life of mine areas for all coal mining areas in the study area. Robert mentioned that the BLM is doing the Wright area coal leases out of their Casper office.
 - Lynn stated that once alternatives have been identified BHP intends to hold public scoping meetings to gain input on alternatives before they are finalized. He asked if TBNG staff would like to participate. Robert responded that they would like to participate and suggested that on the Wyoming side of the project BHP should consider meetings in Wright and Upton.
- Lynn requested that the NEPA lead and an Interdisciplinary (ID) Team be identified for the project within the next six to eight weeks.
- BHP will be submitting an application for Convenience and Necessity with the Wyoming Public Service Commission (PSC) and an application for an Energy Facility Siting Permit with the South Dakota Public Utilities Commission (PUC). The NEPA process will be completed prior to or will be well along before the commission application submittals are made.
- The BHP project will be under a special use permit with the Forest Service.
- POWER will prepare the meeting notes.
- TBNG team is to provide cost estimates to BHP.
- POWER will maintain the Administrative Record for the project.
- POWER will provide Amy a list of data required from the TBNG.

MEETING NOTES

ACTION ITEMS:

ITEM	ACTION	RESPONSIBILITY	DUE DATE
TBNG Cost Estimates	TBNG to provide estimates of costs to BHP for initial and NEPA phase of project	Sprentall	Open
TBNG Tribal Consultation	TBNG will conduct tribal consultation on the project as needed	TBD	Open
Determination of ROD Signatories	BHNF to determine who will sign the ROD	Hudson	Open
Project Schedule	POWER to provide a project schedule to TBNG and BHNF	Askew/Walbert	11/23/2009
Subcontractors and Permits for Survey Work	POWER is to provide TBNG any proposed subcontractors for approval before use. POWER is to have its resource specialists obtain permits before resource studies are undertaken	Walbert/Askew	Open
Forest Service Lead and ID Team	Forest Service to identify the NEPA lead and ID team for the project	Hudson/Slepnikoff and Sprentall	1/15/2009
Expansion of Study Area	POWER to expand Study Area map and provide to TBNG for comment	Askew	12/01/2009
Obtain Life of Mine Plans	POWER to obtain Life of Mine Plans from Wyoming DEQ in Cheyenne	Askew	11/10/2009
Meeting Notes	POWER to prepare meeting notes.	Askew	11/13/2009
Administrative Record	POWER to maintain the project Administrative Record	Askew	Open
Data Request	POWER to provide TBNG (Amy) list of required data	Askew	Open

MEETING NOTES

Meeting Attendees

Name	Company	Phone	e-mail
Robert Sprentall	MBRNF & TBNG	(307) 358-4690	rsprentall@fs.fed.us
Misty Hays	Douglas Ranger District	(307) 358-4690	mahays@fs.fed.us
Amy Ormseth	Douglas Ranger District	(307) 358-7115	aormseth@fs.fed.us
Cristi Painter	Douglas Ranger District	307-358-7132	cpainter@fs.fed.us
Charlie Bradshaw	Douglas Ranger District	307-358-7125	cbradshaw@fs.fed.us
Ian Ritchie	Douglas Ranger District	307-358-2129	iritche@fs.fed.us
Mark Carda	Black Hills Power	(605) 721-2274	Mark.Carda@BlackHillsCorp.com
Lynn Askew	POWER Engineers	(208) 788-0438	laskew@powereng.com
Jim Rudolph	POWER Engineers	(208) 288-6323	Jim.rudolph@powereng.com
Mike Walbert	POWER Engineers	(208) 788-0357	mwalbert@powereng.com



MEETING NOTES

SUBJECT: Project Introduction Meeting – Black Hills National Forest

MEETING DATE: October 27, 2009

LOCATION: Mystic Ranger District Office,
Rapid City, SD

PROJECT NAME: Teckla-Osage-Lange 230kV Transmission Line **PROJECT #:** 117390

PREPARED BY: Lynn Askew

TO: See Attached List at end

ATTENDEES:

See attached Meeting Attendees list at end of these Meeting Notes.

COMMENTS ON PREVIOUS MINUTES:

No previous meeting notes

AGENDA ITEMS:

1. Introductions

Everyone went around the room and introduced themselves.

2. Project Description

- This is a Black Hills Power (BHP) 230 kV transmission line project to improve reliability in the Rapid City area. Lynn Askew described the project to the Forest Service staff using a study area map. The project begins at Teckla Substation in Wyoming, interconnects with the Osage Substation in Wyoming and terminates at the Lange Substation at the northwest end of Rapid City. A fact sheet describing the project was handed out for review. The project includes two phases, Teckla to Osage and Osage to Lange. The timing of construction is separate for the phases but they constitute a full and complete project and thus will be routed and analyzed together in one project.

3. Protocols

Communications

- Dave Slepnikoff will be the overall project manager for the Black Hills National Forest (BHNF). Katie Van Alstyne will be the project coordinator and NEPA lead. All correspondence should be through Katie with Dave and Rick both being copied.
- Mark Carda will be the lead contact for BHP. Lynn Askew will be the lead for POWER Engineers.

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Application

- Katie asked about the right of way width on National Forest Lands. The application states that 100 feet of right of way is being sought while the fact sheet states 125 feet. Lynn responded that 125 feet is being sought on nongovernmental land while a reduced right of way is being sought on governmental lands. This is due to the fact that no building can take place on governmental lands while building next to the line could occur on private lands. BHP will also need tree trimming rights on the 100 foot right of way to remove danger trees and keep the right of way clear of possible electrical clearance issues.
- A routing study will be completed to identify route alternatives. The Forest Service will be kept informed about the progress and results of the routing study. This will take from 4-6 months.
- No other application issues were discussed.

Cost Recovery

- Black Hills Power (BHP) has signed a cost recovery and Memorandum of Agreement with the Black Hills National Forest (BHNF). The agreement includes language allowing for a third party preparer, POWER Engineers, Inc.
- BHNF will provide an estimate to BHP for the BHNF costs.
- The Thunder Basin National Grassland (TBNG) can and will use the agreement executed with BHNF. TBNG will likely get its own individual charge number so that costs between the two National Forest Entities can be tracked. BHNF will also use a separate charge number.
- Other Forest staff that will be involved are: Shirlene Haas, Wildlife Biology; Andy Korth, Botany; Christy Harper, Cultural Resources; Les Gonyer, Hydrology; Steve Keegan, Landscape Architect and Visual Specialist.

4. Study Area

Study Area Map

- Lynn asked if the study area appeared to be reasonable to BHNF. The consensus was that it was a reasonable area on the BHNF. TGNG will need to weigh in on the Wyoming portion of the project.

Key Issues

- Lynn asked what key issues the Forest staff saw with the project. Forest staff responded as follows:
 - Travel management and roads. BHNF is expecting a Record of Decision for its revised Travel Plan in January of 2010. Use of existing roads as much as possible is critical. Opening already closed roads are better than cutting new roads.
 - Goshawk habitat and occurrence.
 - Use the BHP vacated 69 kV right of way as much as possible including access. BHNF favors this corridor because of already existing impacts.
 - Osprey habitat and occurrence near Pactola Reservoir.
 - Hat Mountain is a critical Traditional Cultural Property (TCP); BHNF will conduct tribal consultation on the project and there may be issues that are currently unknown.

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- BHNF expects at least 3 alternatives, the proposed action, no action and an alternate.
- BHNF expects that alternatives in addition to the old 69 kV right of way alternative will be discussed in the NEPA document.
- There is a proposed trail in the area of the old 69 kV right of way.
- NEPA
 - BHNF offered to be the lead for NEPA. Lynn is to advise the TBNG of this during a meeting with them on Oct. 28, 2009. BHNF and TBNG staff will work out who will be lead for NEPA.
 - BHNF wants to see an Environmental Impact Statement (EIS) completed for the project. Staff believes that there may be significant environmental impacts and that trying to prove non-significance could be costly and risky to the project schedule.
 - Rick believes that the two Forest Supervisors, BHNF and Medicine Bow-Routt NF can sign the Record of Decision. He will check to make sure this doesn't need to go to the Regional Forester. Supervisors can sign up to a 30 year permit approval.
 - The current project schedule shows the line between Teckla and Osage to be energized by the end of 2012 while the segment between Osage and Lange is to be energized by the end of 2014.
 - POWER is to provide a project schedule to the Forest Service. Scheduled date for the ROD is now spring 2011.
 - GIS positions on the BHNF are currently vacant. Rick will provide us a GIS contact for data acquisition.
 - BHNF wants files returned to them in the same format as they are originally provided by BHNF to POWER. Any mapping or data files should be provided in shape file format.
 - Rick asked that POWER identify and get approval for any subcontractors we use. All those who conduct field resource studies will need a permit from the BHNF. Lynn responded that we intend to use our own resource specialists as much as possible for now but will provide a listing of any subcontractors if they are needed. POWER's staff will obtain permits as needed. As of the date of the meeting FMG will be a subcontracted land surveyor, Furgo-Horizons will do aerial photogrammetry if needed.
 - We will need a timber cruiser as a subcontractor. BHP uses Dick Kessler from Rapid City for this. BHNF expects that the BHP will handle all cleared timber for disposal and no forest personnel will be involved in the disposal of timber or slash. NEPA documentation will include a timber action.
 - Rick asked for reference and qualification information from POWER Engineers for the file. POWER was selected in a competitive bid process by BHP. Mike will provide this information.
 - Rick requested a copy of the contract between BHP and POWER Engineers. Ron to provide the contract.
 - Groups and interested organizations for the project include: Biodiversity Conservation Alliance, Western Watersheds Project, Prairie Hills Audubon Society, Sierra Club, and possible the Norbeck Society.
- Rick asked what potential routes exist to get from Pactola Reservoir to the Lange Substation. Ron stated that the Big Bend line corridor is not a possibility. The county line east from the Blackhawk area to Lange may be a possibility. Expansion of the Lange Substation requires that the line enter the station from the north.

MEETING NOTES

- Rick requested shape file locations for all BHP lines in the study area. Ron will provide the information once he receives a written request.
- Katie noted that Jewell Cave is now National Park Service and Wind Cave is a National Park, not State Park as shown on the study area map. POWER will update this.
- Lynn stated that scoping meetings with the public will be held once line alternatives have been identified. Does the Forest Service want to participate in these meetings? Rick and Dave responded that the BHNF would like to participate in these meetings and requested that BHNF be informed when the time comes.
- Lynn requested that the NEPA lead and an Interdisciplinary (ID) Team be identified for the project within the next six to eight weeks. Rick responded that the Forest Leadership Team (FLT) will need to discuss the project. He suggested that Ron Dahlinger give a brief presentation to the FLT after the first of the year. Rick will get the project on the FLT agenda.
- BHP will be submitting an application for Convenience and Necessity with the Wyoming Public Service Commission (PSC) and an application for an Energy Facility Siting Permit with the South Dakota Public Utilities Commission (PUC). The NEPA process will be completed prior to or will be well along before the commission application submittals are made.
- The BHP project will be under a special use permit with the Forest Service.
- POWER will prepare the meeting notes.
- POWER will maintain the Administrative Record for the project. Lynn to provide BHNF a copy of previous Administrative Record that POWER has done.

MEETING NOTES

ACTION ITEMS:

ITEM	ACTION	RESPONSIBILITY	DUE DATE
BHNF Cost Estimates	BHNF to provide estimate of costs to BHP	Hudson/Slepnikoff	Open
BHNF Tribal Consultation	BHNF will conduct tribal consultation on the project	Hudson/Slepnikoff	Open
Determination of ROD Signatories	BHNF to determine who will sign the ROD	Hudson	Open
Project Schedule	POWER to provide a project schedule to BHNF	Askew/Walbert	11/23/2009
BHNF GIS Contact for Data	BHNF to provide a GIS contact for data acquisition	Hudson	11/02/2009
POWER Engineers Contract	BHP to provide POWER contract to Dave Slepnikoff	Dahlinger	11/09/2009
PEI Reference Information	POWER to provide reference and qualification information to BHNF	Walbert	Open
Shape Files of T-Lines within Project Study Area	Hudson to request in writing to BHP. BHP to provide.	Hudson/Dahlinger	Open
Subcontractors and Permits for Survey Work	POWER is to provide BHNF any proposed subcontractors for approval before use. POWER is to have its resource specialists obtain permits before resource studies are undertaken	Walbert/Askew	Open
Cleared Timber Disposal	BHP to handle cleared timber for disposal	Dahlinger	Open
Update Study Area Map	Update land status for Jewell Cave and Wind Cave	Askew	Open
Forest Service Lead and ID Team	Forest Service to identify the NEPA lead and ID team for the project	Hudson/Slepnikoff and TBNG	1/15/2009
FLT Presentation	BHP to provide project presentation at FLT meeting in January 2010.	Dahlinger/Hudson	1/2010
Meeting Notes	POWER to prepare meeting notes.	Askew	11/13/2009
Administrative Record	POWER to provide BHNF copy of previous Administrative Record	Askew	Open

MEETING NOTES

Meeting Attendees

Name	Company	Phone	e-mail
Rick Hudson	BHNF Supervisor Office	(605) 673-9239	rlhudson@fs.fed.us
David Slepnikoff	Mystic Ranger District	(605) 716-2007	dslepnikoff@fs.fed.us
Katie Van Alstyne	Mystic Ranger District	(605) 343-1567	kvanalstyne@fs.fed.us
Shirlene Haas	Mystic Ranger District	(605) 716-1892	shaas@fs.fed.us
Steve Pischke	Mystic Ranger District	(605) 716-1957	
Rody Brown	Mystic Ranger District	(605) 716-1861	rwbrown@fs.fed.us
Ron Dahlinger	Black Hills Power	(605) 721-2220	Ron.Dahlinger@BlackHillsCorp.com
Mark Carda*	Black Hills Power	(605) 721-2274	Mark.Carda@BlackHillsCorp.com
Steven Dunn	Black Hills Power	(605) 721-2356	Steven.Dunn@BlackHillsCorp.com
Lynn Askew	POWER Engineers	(208) 788-0438	laskew@powereng.com
Jim Rudolph	POWER Engineers	(208) 288-6323	Jim.rudolph@powereng.com
Scott O'Meara	POWER Engineers	(605) 716-7839	Scott.Omeara@powereng.com
Mike Walbert	POWER Engineers	(208) 788-0357	mwalbert@powereng.com

*Mark Carda is the Black Hills Power Project Manager but was unable to attend the meeting; contact information provided for reference.

Meeting Minutes

Teckla-Osage-Rapid City Transmission Line IDT Meeting

Date/Time: November 2, 2011; 9:00AM MDT

Location: Rapid City, South Dakota; Black Hills National Forest Mystic Ranger District, Conference Room

Attendees: Dave Slepnikoff, (USFS Black Hills National Forest, Mystic Ranger District – Project Manager); Bob Thompson, (USFS Black Hills National Forest, Supervisors Office – District Ranger), Jessica Eggers (USFS Black Hills National Forest, Mystic Ranger District – Assistant NEPA Coordinator), Shirleen Haas (USFS Black Hills National Forest, Mystic Ranger District – Wildlife Biologist), Kelly Owens, (USFS Black Hills National Forest, Mystic Ranger District – Botanist), Les Gonyer, (USFS Black Hills National Forest, Mystic Ranger District – Hydrologist), Michael Hilton, (USFS Black Hills National Forest, Supervisors Office – Archaeology), Matthew Padilla, (USFS Black Hills National Forest, Hell Canyon Ranger District – Archaeology), Dawn Laybolt, (USFS Black Hills National Forest, Mystic Ranger District – Archaeology), Meagan Buehler, (USFS Black Hills National Forest, Hells Canyon Ranger District – Lands Specialist), Katie Van Alstyne, (USFS Black Hills National Forest, Mystic Ranger District – NEPA Coordinator); Mark Carda, (Black Hills Power - Manager) Steven Dunn (Black Hills Power); Lynn Askew (Power Engineers – Sr. Project Manager), Charles Hutchinson Power Engineers – Socioeconomics/NEPA), Dave Dean, (Power Engineers – Biology), Kevin Lincoln (Power Engineers – Project Coordinator) ; Randy Schroeder, (ENValue – Project Manager); Pat Golden, (ENValue - Assistant Project Manager/Wildlife), Jeanette Lostracco, (ENValue - Socioeconomics/NEPA), Trish Mitchell, (ENValue – Cultural)

Introductions

Dave gave an overview of the purpose of the meeting. Self-introductions were made. Dave also mentioned that USFS has received about 100 comment letters and approximately 60 of them were substantive.

Purpose of the Meeting

The purpose of the meeting today is to provide Interdisciplinary Team (IDT) members with a project overview and identify key issues within the project area

and identify specific surveys needed. Randy asked that IDT members help expand upon the Draft Technical Report outline to identify key issues and sub-issues, preferred formats of specialists' reports, methodologies, and depth of content needed. Power Engineers will prepare the Draft specialist reports, ENValue will review these and modify as needed as the Forest Service's 3rd party contractor. IDT members will receive the Draft reports after ENValue's review and analysis.

Project Overview

1. Mark Carda gave an overview of the proposed transmission line project.
2. Lynn Askew described the two phases for project construction. Phase one includes the Teckla substation to the Osage substation segment in Wyoming and Phase two includes the Osage substation to the Lange substation located on the north side of Rapid City, South Dakota. A major constraint in siting the transmission line route in Wyoming is the Sage Grouse core areas. Wyoming has an executive order identifying the Sage Grouse core areas. It is impossible to avoid all of these core areas in Wyoming. Of the three routes studied by Power Engineers, the proposed route crosses the least amount of core area (about four miles). The proposed route has received verbal support from the WYGF and USFWS due to the minimal impact to the Sage Grouse. A segment of the route between Teckla and Osage substations was moved to avoid Sage Grouse core areas; the property owners along that segment have not been notified. The route follows an old transmission line ROW from the Pactola Reservoir in South Dakota to Osage in Wyoming. The transmission line on the existing ROW was removed about 5 years ago. Right-of-way needed for the transmission line is 100 feet width on public lands and 125 feet for private lands. Construction for Phase one is scheduled to begin in the fall of 2013, Phase two would begin in 2014 and finish in 2015.
3. It was noted that the Northern Hills District has an extended IDT member for this project because one of the three alternatives initially proposed crossed that District; currently the proposed route does not cross through the District.
4. Dave stated that the Forest Service may not need to look at alternate routes if the scoping comments don't require another alternative be analyzed. The proposed route is a one mile wide corridor, and so far the public scoping comments received have not suggested viable alternatives outside of that corridor.

5. The Forest Service sees no conflict with the Beetle Kill EIS and this transmission line project EIS.
6. Dave suggested that minor modifications could be made to the transmission line route now so that the proposed action will reflect the modifications (and not be a separate alternative).
7. One group of homeowners in South Dakota wants the line moved away from their homes and property. These minor modifications would still be within the one mile corridor.

EIS Schedule Summary

1. Randy reviewed the EIS schedule using the “NEPA Process and Schedule” board from the public scoping meetings.
 - The Preliminary Draft EIS (PDEIS) will be circulated internally mid-summer 2012; the Draft EIS will be published in the fall of 2012.
 - Specialist reports need to be provided to ENValue prior to the PDEIS.
 - ENValue will start drafting Chapters 1 and 2 this year (2011).
 - Detailed specialist report outlines will be done by the end of 2011. Power, ENValue, and FS specialists should work together on these.

Confirm ID Team Leaders/Points of Contact/IDT Communication

1. Power Engineers and ENValue specialists should work directly with BHNF specialists (no need to involve Dave on communications).
2. All specialists (Power, ENValue, USFS) should be on technical calls or other communications together so that everyone is on the same page.

Discuss Preliminary Issues

1. Motorized Trails:

- Meagan Buehler of the Hell Canyon Ranger District commented on the need for the EIS to analyze the existing motorized trail within the abandoned transmission line ROW. ATV/OHV users are utilizing this trail currently. The BHP ROW may have reverted back to the USFS – this needs to be determined.
- Dave noted that scoping comments are still expected from them South Dakota Department of Game, Fish and Parks regarding snowmobile routes and the Mickelson Trail.

2. Wildlife Issues:

- Shirleen Haas, Wildlife Biologist, identified the following issues:
 - a. MIS
 - b. Forest sensitive species
 - c. Bats - no surveys necessary; look for roosting habitat during other surveys
 - d. Migratory birds
 - e. Snails (on western side of district) - no surveys required, just avoid suitable habitat which is the base of limestone cliffs
 - f. Osprey - some nests are present. The main issue is not attracting them to nest on new poles, etc. Use perch guards where necessary
 - g. Northern Goshawk – surveys will be required
 - h. Bald Eagle – known nest at Deerfield Reservoir; winter roost at Pactola Reservoir. No surveys required. Need to follow up with USFWS (Natalie Gates) about the requirement for an Eagle Protection Plan – Shirleen sees no need for one.
 - i. Bighorn sheep – lambing areas, generally east of Pactola
- Surveys that Shirleen would like to see performed include:
 - a. Northern Goshawk – Use GIS to identify suitable habitat, use the Kennedy protocol.
 - b. Raptors – survey concurrently and incidentally with goshawk surveys.
- BHNH has GIS layers for botany/wildlife and will provide those to Power and ENValue. No avian or wildlife migration corridors are known in the project area.

3. Botany Issues:

- Kelly Owens, Botanist identified the following issues:
 - a. Fens
 - b. Black Hills Montane grassland communities
 - c. State of South Dakota tracked species
 - d. Species of Local Concern
 - e. Region 2 special status species
 - f. Research Natural Areas
- Surveys that Kelly would like to see performed include:
 - a. Botanical but only if areas have not been surveyed in the past 5-7 years. Generally use habitat types to identify sensitive areas. Most

sensitive species are associated with wetlands or limestone meadows.

- b. Survey for weeds incidentally with other surveys. The BHNF has a lot of weed data.
- c. Surveys would be not necessarily be done for the entire one mile wide corridor width. Plant surveys can be done only one time (summer 2012), no need to do them again at pre-construction stage.
- d. The Specialist Report would include MIS species, migratory birds, big game (deer, elk, bighorn sheep) need to use state data.
- e. Matt Scott is the Botanist on the Hell's Canyon RD. Patti Lynch has the goshawk GIS layers (known territories). Brad Phillips is the bat guru on the Forest and is on the Hell's Canyon RD.

8. Timber Issues:

- Mark Carda stated that trees would need to be stacked outside of the ROW in most cases. Any tree located just outside of the right-of-way that is a hazard will be cut too. In areas of high visual concern, cutting would be blended so that cut areas are not as visible. Valley areas can often be spanned so that no cutting is needed.
- BHNF has no fuel load standards – lop and scatter or chip, whole tree skidding and piling are all acceptable.

9. Hydrology Issues:

- Wetlands executive order protects all fens (Kelly has a layer for fens but not in GIS)
- Wetlands – NWI layer is no good and there is not a forest-wide inventory – need to survey wetlands along the route and avoid them
- Streams – GIS layer is pretty good; just confirm that and map them
- Minimize cutting and thinning in bottoms/low areas
- Minimize sedimentation from roads and pads
- Les Gonyer, Hydrologist stated there would be no effect to floodplains from the project and roads are the #1 issue for the watershed

10. Soils Issues:

- There are not many issues for soils, although roads can impact soils too. NRCS soils data should be available to use for the analysis.

- There is a need to identify erosive soils and potential compaction areas.

11. Roads Issues:

- Dave stated that BHP must identify at least 60% engineering design (all project components) of the construction process including roads. This information needs to be available for the EIS analysis.
- BHP will identify most access for the analysis
- Power will have a draft Construction, Operation, and Management (COM) Plan before the document is published.

12. Timber Issues:

- Gale Gire, Timber noted that once the route is set, a determination of how much timber is available for sale can be made. A “logging plan” is needed to determine the extent of timber removal.
- BHP needs to designate decking areas – if they are located outside of the ROW they will need to be included in the analysis. Most will be located outside of the ROW, especially east of Hill City.
- BHP will purchase the trees and have them removed so the USFS will not have to deal with a timber sale. Need to have a logging plan for the analysis.
- There may be a need to survey (cruise) the timber for the analysis if they don’t want a piecemeal approach. This should not occur until a Preferred Route is chosen.

13. Archaeology Issues:

- Mike Hilton, Archaeologist said there is a need to be able to define the area of potential effect (APE).
- Lynn Askew, Power Engineers stated that the one mile width is a study corridor, so that the actual transmission line route can move within it. As a condition of the Record of Decision (ROD), a survey would be done of cultural resources prior to construction and after the ROD is signed. Power has collected cultural resource data from the SHPO and will do this again as well as collect data from the Forest Service.
- Mike Hilton stated that surveys over 20 years old need to be reanalyzed and some under 20 years old also are not adequate (done poorly the first time) and also may need to be reanalyzed.

- All historic sites need to be evaluated – USFS doesn't want to protect things that don't qualify.
- Traditional Cultural Properties (TCPs)/Sacred Sites – One tribe wants to look at the route on the ground by themselves (no USFS employees, possibly no consultants).
- The Forest Service has two meetings per year with the tribes. The tribes have concerns and want to be kept in touch with regarding this project. At least one tribe wants to look at the route on the ground.
- Near the Wyoming border in the Hell Canyon area there is a high concentration of historic sites. There are several sacred sites also.
- The Draft Programmatic Agreement (PA) will be circulated in-house within the next two weeks.

14. Travel Management Plan:

- Power Engineers will determine whether any “closed” roads within the Travel Management Plan would need to be used for the project. This doesn't mean the road would be opened for the public. BHP would “close” the road again after construction of the transmission line. Use of a closed road will not require a plan amendment per the Forest Service.

15. Socioeconomics Issues:

- Jessica Eggers said the Forest Service does not require the socioeconomic model “Quicksilver” to be used any longer; it may be used but is not required. The BHNF does not use it any longer. Instead, the BHNF uses qualitative analysis which includes the Environmental Justice analysis.
- Jessica will send an example of the socioeconomic section from the Beetle Kill EIS to Power Engineers with a copy to Randy.

16. Environmental Justice Issues:

- BHNF does a generic analysis using population, jobs, etc. There are no known low income/minority populations in the transmission line proposed route.

17. Recreation Issues:

- Mickelson and Centennial trails are in the area..
- BHP does not have a problem with ATV/snowmobile use under the powerline once it is built.
- Recreational residences – some in the area
- Campgrounds
- No hunting or outfitter concerns

18. Climate Change:

- Dave stated that climate change will be addressed in a similar fashion to what is being done for the Thunder Basin portion of the EIS.

19. Range Issues:

- Dave stated there are no concerns.
- Potential benefit from tree removal.
- Will need to implement construction mitigation such as BMPs, gates, fences, etc.

20. Air Quality Issues:

- Only issues are associated with construction – same as TBNG

21. Visual Issues:

- Landscape architect is not in the office today; however, there will be issues to be addressed.

22. Cumulative Impacts:

- Need agreement on spatial/temporal boundaries by each specialist.
- BHNF will provide a project list.
- Cumulative impact analysis areas will vary by resource.

23. GIS Coordination:

- Randy Schroeder stated the project GIS data will be available on the Sharepoint site; access will be given to Forest Service specialists.

- Meagan Buehler will be the Hell's Canyon RD GIS coordinator and would like access to the Sharepoint site and GIS data.



TELEPHONE RECORD

DATE:	June 11, 2012	TIME OF CALL:	10:00 AM
TO:	Brad Phillips (Black Hills National Forest - Devil's Canyon District Biologist)	PHONE NUMBER:	605-673-4853
FROM:	Ben Bainbridge	c:	Mark Pollock, Kevin Lincoln
TYPED BY:	Ben Bainbridge	PROJECT NUMBER:	117390
CLIENT:	Black Hills Power		
PROJECT NAME:	Teckla-Osage-Rapid City		
SUBJECT:	Cave habitat on Black Hills National Forest		

MESSAGE

I spoke with Brad Phillips regarding potential cave habitat on the Black Hills National Forest – Devil's Canyon District. Brad requested that he join POWER's field crews when performing northern goshawk surveys to assist in identifying any potential sensitive cave habitat within the 0.5 mile survey buffer, and that POWER's field crews look for and spatially record any sensitive cave habitat identified while performing the northern goshawk surveys. Brad had spoken with a local caving association that identified the potential for caves in the 0.5 mile survey buffer within the Devil's Canyon District; however, no individual caves were identified. Brad will provide a rough map identifying where these sensitive caves may occur in relation to the old 69 kV right-of-way.

From: Robert Stewart [mailto:robert_f_stewart@ios.doi.gov]
Sent: Tuesday, January 28, 2014 9:50 AM
To: FS-comments-rocky-mountain-black-hills-mystic
Subject: BHP 230kV Transmission Line Project - DOI Comments

PLEASE ACKNOWLEDGE RECEIPT BY REPLY TO THIS MESSAGE

The Department of the Interior's comments on the subject document are attached.

If you require paper-copy or word-processor version, please so advise.

Robert F. Stewart
Regional Environmental Officer
Office of Environmental Policy and Compliance
U.S. Department of the Interior
P.O. Box 25007 (D-108)
Denver, CO 80225-0007
Voice: (303) 445-2500
Fax: (303) 445-6320
Cell: (303) 478-3373
Email: robert_f_stewart@ios.doi.gov



United States Department of the Interior



OFFICE OF THE SECRETARY
Office of Environmental Policy and Compliance
Denver Federal Center, Building 67, Room 118
Post Office Box 25007 (D-108)
Denver, Colorado 80225-0007

January 28, 2013

9043.1
ER 13/813

Ms. Ruth Esperance, District Ranger, Mystic Ranger District
BHP 230kV Transmission Line Project
8221 South Highway 16
Rapid City, SD 57702

RE: Draft Environmental Impact Statement (DEIS) US Forest Service (USFS) Teckla- Osage-
Rapid City Transmission 230 kV Project, Thunder Basin National Grassland, Black Hills
National Forest, South Dakota; Teckla, Wyoming;

Dear Ms. Esperance:

The Department of the Interior has reviewed the subject document and offers the following comments provided by the U.S. Fish and Wildlife Service and Bureau of Reclamation for your consideration.

Threatened and Endangered Species

We are providing comment related to conservation of two species: the northern long-eared bat (*Myotis septentrionalis*), a species proposed for listing under the Endangered Species Act (ESA, 16 U.S.C. 1531 *et seq.*), and the greater sage-grouse (*Centrocercus urophasianus*), a candidate for listing under the ESA.

Northern long-eared bat

The DEIS indicates that “The effects of the proposed Project were evaluated for all Endangered, Threatened, Proposed, and Region 2 Sensitive species, and their habitat.” However, the DEIS fails to note that the northern long-eared bat has been proposed for listing under the ESA (DEIS p. 3-27). This species is addressed within the DEIS as a species of local conservation concern (DEIS p. 3-82).

Albeit not addressed directly with respect to the northern long-eared bat, the DEIS indicates that the proposed action will result in loss of habitat, or potential habitat, for the northern long-eared bat:

New disturbance for the Proposed Action would include some areas of new ROW, expansion of the existing unused ROW, new spur roads, potential improvements to existing roads, structure locations, and construction and decking areas. For the Proposed Action, new disturbance would occur primarily in locations dominated by ponderosa pine (547 acres; 86%). In South Dakota, there would be a total of approximately 559 acres of tree clearing on NFS lands.

DEIS p. 3-342

The majority (70%) of new disturbance on NFS lands would occur in mature forests categorized as Structural Stage of 4 (4A, 4B, and 4C).

DEIS p. 3-343

The analysis does not adequately address conservation of the northern long-eared bat in the context of the progression of white-nosed syndrome in the continental United States. Therefore, we recommend that the DEIS analysis for the northern-long-eared bat incorporate a more robust treatment of the threats to the northern long-eared bat, as detailed within the recent 12-month finding (78 FR 61046), and potential effects of implementation of the proposed action. In addition, we recommend the development and implementation of conservation measures to avoid or minimize effects to the northern long-eared bat. We recommend that the Forest Service consult the recently published Northern Long-eared Bat Conference and Planning Guidance at <http://www.fws.gov/northeast/virginiafield/pdf/NLEBinterimGuidance6Jan2014.pdf>.

Greater sage-grouse

Appendix B of the DEIS, entitled *Design Criteria, Mitigation Measures, and Monitoring*, relates specific conservation measures intended to minimize effects of implementation to Greater sage-grouse (Appendix B, p. 21). The DEIS (p. 3-117) also references a specific mitigation plan addressing the greater sage-grouse (Greater Sage-Grouse Mitigation and Development Plan). In October, 2010, staff of the Wyoming Ecological Services Field Office received a draft of this plan. They do not, however, have record of a finalized mitigation plan or any record of correspondence related to a final plan. We recommend incorporating the referenced mitigation plan into Appendix B of the Final EIS.

If you have any questions regarding these comments, please contact Clark McCreedy at the Wyoming Ecological Services Field office (clark_mccreedy@fws.gov) or phone (307) 772-2374, extension 227.

Bureau of Reclamation Comments

The Proposed Action would construct the transmission line in close proximity to the Pactola Reservoir (DEIS Figures 2-1 and F-58) located in the Black Hills of South Dakota. Pactola Reservoir is a Reclamation project located within the Black Hills National Forest (BHNF).

The Pactola Reservoir area is managed for public recreational purposes with developed day use sites, campgrounds, swim areas, boat launches, observation points, a visitor center, hiking trails, and more amenities located nearby (DEIS Figure 3-16). Although impacts to recreation

resources in the DEIS are not identified as one of the key issues, Alternative 3 with Modification 3e and 3f were developed in response to address considerations for the Pactola Reservoir area by relocating portions of the transmission line farther away from the reservoir (DEIS p. 2-12).

The proposed project would be located within a visually sensitive area identified in the BHNFLand and Resource Management Plan (DEIS p. 3-293). Pactola Reservoir is a prominent viewing area in the BHNFL, which would be impacted by the Proposed Action (DEIS p. 3-290). Key issue 3 (DEIS p. 1-18) identifies the concern for potential impacts to visual resources. Alternative 3 with Modification 3e or 3f were developed to respond to scenic integrity and visual resources. Reclamation agrees that impacts to visual resources in the Pactola Area would be lessened with implementation of Modification 3e or 3f.

Reclamation would like to encourage the incorporation of project design features and mitigation measures for scenery as provided in Appendix B of the DEIS. Should the right-of-way under Alternative 2 be identified as the preferred alternative in the Final Environmental Impact Statement, Reclamation recommends using mitigation measures to the full extent available to reduce the impacts to scenic and visual qualities, and recreation resources associated with Pactola Reservoir.

Based on the information in the DEIS and in consideration of potential impacts to multiple resources in the Pactola Reservoir area, Reclamation advocates implementation of Alternative 3 with Modification 3f because it responds best to the issues in the Pactola Reservoir area.

Please contact Vernon LaFontaine at 406-247-7720 or vlafontaine@usbr.gov for further information or questions on the comments submitted.

Sincerely,



Robert F. Stewart
Regional Environmental Officer



DEPARTMENT OF GAME, FISH, AND PARKS
Foss Building
523 East Capitol
Pierre, South Dakota 57501-3182

Ruth Esperance, District Ranger
Mystic Ranger District, BHNH
8221 South Highway 16
Rapid City, SD 57702

February 8, 2014

Subject line: Teckla-Osage-Rapid City Transmission Line
Deadline: February 10, 2014
email: comments-rocky-mountain-black-hills-mystic@fs.fed.us

Attached are comments from South Dakota Department of Game, Fish, and Parks (SDGFP). Resource experts in the Division of Parks and Recreation and Division of Wildlife (DOW) best support Alternative 3 (proposed action with route modifications). Many SDGFP comments in response to the Notice of Intent (October 2011) were addressed in the DEIS. Appendix B is very thorough for mitigation and considerations for impacts to natural resources.

However, discussed herein are issues we believe were not considered for the highest degree of safety and concern to three bird species, one bat species, and impacts to our state trails systems.

This project is an important energy development for the people South Dakota. The Draft EIS (DEIS) indicates that there will be considerable disturbance and human activity during construction and final inspection stages, which are expected to last several years. Therefore, we cannot over emphasize the necessity of Black Hills Power (BHP) to work closely with BHNH and SDGFP resource experts in a revision for the Final EIS (FEIS), Design Criteria and Mitigation, and field visits through-out the life of the Teckla-Osage Transmission Line project. We look forward to closely working with you and BHP on this project.

Sincerely,

Jeffrey R. Vonk,
Department Secretary

JV:da

cc: Scott Larson, Field Supervisor, USDI FWS, SD Field Office
GFP Director Tony Leif, Director Doug Hofer, Tom Kirschenmann, John Lott, Paul Coughlin, Shelly Deisch, Mike Kintigh, Shannon Percy, John Kanta, Silka Kempema, Eileen Dowd Stukel

Attachment

Comments on the Draft Environmental Impact Statement (DEIS)
SD Department of Game, Fish, and Parks,
Division of Parks and Recreation and Division of Wildlife (DOW).
Submitted February, 2014

Terrestrial Wildlife

1. Black-backed Woodpecker (BBWO)

The DEIS is required to address how this project may or may not impact Black-backed Woodpeckers (BBWO) and their viability on the Forest. Black-backed Woodpeckers are a species of concern to BBNF and a species of greatest conservation need (SGCN) to the State of South Dakota. DOW has helped support a significant portion of the local research. There is a Petition to the USFWS to consider this species for federal listing (Hanson et.al 2012). In that light, the narrative of the life history, habitat needs and estimated density of BBWO in the Black Hills were not accurately portrayed. For example, the transmission line will transverse through mountain pine beetle infested trees, which the DEIS recognized as one habitat selected by BBWO. To strengthen the FEIS, additional local and applicable research should be included in the effects analysis. DOW offers the following recommended edits to the existing DEIS narrative. Contact Dr. Mark Rumble, Research Scientist, USFS, Rocky Mt. Research Station, Rapid City, SD. (605-716-2174) for additional information and local expertise.

DEIS page 3-30, 3-31. Section 3.2.1.1.2.1.1.1 Species Ecology

First paragraph page 3-30, replace with: “.....Recently burned pine forests (Dixon and Saab 2000; USFS 2000) and forests infested with mountain pine beetles (Bonnot 2006, Rota 2013, Rota et.al 2014) are preferred by this species in the Black Hills.....”

Second paragraph page 3-30, replace with: “Black-backed Woodpecker populations are often irruptive as they follow outbreaks of woodboring beetles after these types of disturbances (Bonnot et. al 2008). Large movements have been noted..... Abundance peaks within the first few years after a fire or mountain pine beetle infestation (Rota et.al 2014) but decreases as snags decay and beetle food sources dwindle.”

First incomplete paragraph page 3-31: Strike “Though burned forests are suspected to function as a source habitat, there is a lack of information on movements and mortality to support this.” This is not true. Some burned forests function as source habitats, but some fires showed negative population growth probably because the season of the burn and the extent of high and moderately burned forest (Rota 2013).

Where appropriate add: “Research in the Black Hills indicates that overall nesting success and recruitment into the population can be low mostly in areas infested with mountain pine beetles and some areas where prescribed fire resulted in less extensive moderate and severely burned forest, likely due to predation (Rota 2013).”

DEIS page 3-32, Section 3.2.1.1.2.1.1.2 Analysis Area

Second paragraph: Strike the population estimate for BBWO. This number was calculated without the benefits of a peer-reviewed population model. The number reported in the DEIS does not take into account variability in survey methods, home ranges, available and suitable habitat and statistical reliance. Research in California (Siegel et. al 2010) shows that about 70% of birds are observed in call playback surveys and only 23% in passive surveys.

It is scientifically unsupported to estimate 7 birds/km² when a density of 0.1 - 0.45 birds/km² is probable in the Black Hills forest at large (Mohren 2002, Bonnot 2008, Vierling 2004, and RMBO reports). Densities greater than 1 bird/km² were found during a few years post burn in wildfires.

2. American Peregrine Falcon

The common name is Peregrine Falcon, not American Peregrine Falcon (American Ornithologists' Union) and should be changed in the FEIS. It is a SD State endangered species and a SGCN.

DEIS page 3-61, Section 3.2.1.1.3.5 Cliff/Cave Dependent Species

The DEIS describes peregrine falcon as a species limited by cliffs. This is not accurate as of recent. Include the following information: DOW conducted a 3-year peregrine falcon reintroduction project from 2011 – 2013. Approximately 60 individuals were released in downtown Rapid City (SDGFP 2013, SDGFP website). Future nesting is anticipated in Rapid City and/or the surrounding Black Hills where the transmission line is proposed. Black Hills Power (BHP) is a partner in this peregrine reintroduction project. Both buildings (including Black Hills Corporation) used as release sites are within 3 aerial miles of the Lange Substation where the Teckla-Osage transmission line is proposed to end in Rapid City. We believe that the FEIS should supplement this information and better assess potential impacts to an urban population of peregrine falcons in the greater Rapid City area.

Appendix B

The FEIS should include design criteria and mitigation for an urban peregrine population. Please will contact Eileen Dowd Stukel (605-773-4229) to coordinate. Suggested language could include, but is not limited to “BHP project personnel need to consult with SDGFP - DOW prior to and during construction to communicate whether there are nesting attempts by peregrine falcons. Each situation will be evaluated for extra precautions to avoid disturbing this SD state endangered species and jeopardizing nesting success to this recovering species.”

DEIS page 3-89 Section 3.2.1.2.2 USFS SS, BLM Sensitive Species, USFS SOLC

The DEIS made reference to the State of Wyoming's SGCN. Is there a reason South Dakota's SGCNs were not discussed or considered? It should be noted that all four species we recommend for additional analysis in the FEIS are SD SGCN.

DEIS page 3-155 Section 3.2.2.2.1.1.3.4 Cliff/Cave Dependent Species - Direct Effects

Third paragraph: “Disturbance of American Peregrine Falcon nests could cause the same results as those for bats.” Need to reword as it reads as if peregrines have roosts, or that bats have nests.

Third paragraph: The FEIS needs to support this statement: “However, once construction is complete, individuals would be able to reoccupy the area of construction. All of these Region 2 cliff/cave dependent sensitive species in the analysis area would be able to continue normal behaviors once construction is completed.” We disagree with such a broad statement. It is very likely that disturbance during a vulnerable time would result in the loss of reproductive output for a nesting bird or abandonment of an important roost site, in the case of bats. This is not normal, especially for rare, threatened or endangered species.

Last paragraph page 3-156 and throughout: The FEIS must provide scientific literature to support this statement: “Based on excellent flight maneuverability of the Townsend’s big-eared bat, Fringed myotis and American Peregrine Falcon, the probability of mortality cause by collision with transmission lines or associated guy-wires are low.”

First incomplete paragraph p. 3-158. This is another place where the potential for urban nesting peregrines should be added to the FEIS.

Appendix B, Table W-1, page B-16

The DEIS lists USFWS 2012 as the source of many of the buffer zones for raptors. However, the Literature Cited section includes numerous USFWS 2012 citations. FEIS needs to make distinctions between 2012a, 2012b, etc. in the body of the FEIS and correlate to the Literature Citation section.

Appendix B, page B-16, second bullet, second line

Add the word “acres” after “at least 180...”

3. Osprey

Osprey are a SD State Threatened species and a SGCN. In our 10/14/11 NOI letter, we requested that osprey be specifically considered in the effects analysis of this project. The DEIS appropriately referenced The Avian Power Line Interaction Committee (APLIC 2006) guidelines for construction designs to mitigate for unintended bird strikes and losses. However, no analysis was conducted for impacts (beneficial and detrimental) to osprey, the primary raptor known to nest on powerline structures in the Black Hills. The FEIS needs to include this species.

Appendix B and Table W1, page B-16

FEIS needs to include timing restrictions for osprey (USFWS Wyoming Website, Romin and Muck, 2002) which we modified from 3/25 – 8/31. These migratory raptors typically return to the Black Hills between 3/25 – 4/10 with males arriving first and pairs/offspring occupying the nest site through September (SDGFP 2011-2013, SDGFP Personnel Observations).

FEIS needs to include a disturbance buffer of 0.25 miles. Adult osprey are somewhat more tolerant of human-caused disturbances compared to other raptors (Romin and Muck 2002, SDGFP Personnel Observations). Utah (Romin and Muck 2002) and Wyoming (USFWS Wyoming Website) recommend buffers of 0.25 and 0.50 miles, respectively, throughout the nesting season.

Osprey present a unique situation in the Black Hills with a self-established population, primarily nesting on powerline structures within a ponderosa pine forest. BHP and other utility companies have moved nests off power structures with the cooperation of BHNF and SDGFP, and have placed said nests on nesting platforms within or immediately adjacent to the utility ROW. For purposes of this project, attempting to keep a 0.25 -0.50 mile buffer from 3/25 – 8/31 may not be reasonable or realistic in all cases. We prefer to work directly with BHP and its contractors to determine which osprey nests need site-specific mitigative measures. Our experience with osprey has shown that humans and equipment working directly below or close to a nest for several days are the greatest threats to nest abandonment, especially during nest initiation and egg laying/incubating. This roughly correlates to 3/25 – 6/1.

The FEIS Appendix B should include mitigation measures such as: “Osprey are the primary nesting raptor on powerline structures in the Black Hills. BHP will immediately contact BHNF and SDGFP biologists when any nest (active or not) is found and/or when any raptor is seen attempting to build a nest on or near the project area. Wildlife biologists will determine the raptor species, type and duration of disturbances allowed.” And “Osprey nest on artificial nesting platforms adjacent to or within the ROW. Every effort will be made to employ buffer and timing restrictions. BHP will contact BHNF and SDGFP biologists to coordinate project activity near all osprey nesting platforms.”

4. Northern Long-Eared Bat, or Northern Myotis (Myotis septentrionalis)

This species is currently proposed for listing as an endangered species and is a South Dakota SGCN. We recommend that the FEIS rework the narratives and Table 3-10 (page 3-65). Appendix B can then be amended to reflect additional mitigation for this species in light of the new and eminent classification. This comment letter is not best suited for that purpose and we recommend BHP contact BHNF, SDGFP and USFWS biologists.

SD Trails:

1. Mickelson Trail

Appendix B

Design criteria and mitigation need to include considerations for “Trail Trek”, one of our biggest public events on the Mickelson Trail. This annual celebration is always on the third weekend of September. Construction and work on the powerline should not impede this event. As work on the powerline near the Mickelson Trail progresses towards September of each year, please contact Shannon Percy (605-584-3896) with the SDGFP Division of Parks and Recreation to coordinate.

2. Snowmobile Trails

Attached is a map (Figure 1.) that BHNH provided to our Trails office which indicates where the powerline will cross at least five snowmobile trails: 1, 2, 9, 12A and 13. BHP construction crews may need to utilize the snowmobile trail system and adjoining roads. Snowfall in the map area is limited and what little amount falls and accumulates, is critical to maintaining the trails.

Appendix B

Additional mitigation needs to be included. We suggest “Field planning should consider that snowmobile trails cannot be plowed from December 1st through March 31st. Contact Shannon Percy with SDGFP Division of Parks and Recreation to coordinate project activity near and around snowmobile trails 1, 2, 9, 12A and 13.”

Literature Cited

APLIC. 2006. Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006. Edison Institute. <http://www.aplic.org>

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Hanson, C., K. Coulter, J. Augustine and D. Short. 2012. Before the Secretary of the Interior – Petition to List the Black-Backed Woodpecker (*Picoides arcticus*) as Threatened or Endangered Under the Federal Endangered Species Act. John Muir Project of Earth Island Inst. Cedar Ridge, CA. and others. 115 pp.

Mohren, S.R. 2002. Habitat evaluation and density estimates for the black-backed woodpecker (*Picoides arcticus*) and northern three-toed woodpecker (*Picoides tridactylus*) the Black Hills National Forest. MS Thesis, University of WY, Laramie.

Romin L. and J. Muck. 2002. Utah Field Office Guidelines for Raptor Protection from Human and Land Use Disturbances. US Fish and Wildlife Service. Salt Lake City, Utah. <http://www.fws.gov/utahfieldoffice/migbirds.html>

Rota, C.T. 2013. Not all forests are disturbed equally: Population dynamics and resource selection of Black-backed Woodpeckers in the Black Hills, SD. PhD Dissertation. Univ. of Missouri-Columbia. 146 pp.

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SDGFP 2011-2013. Occupancy and nest observations of osprey in the Black Hills of SD, Avian Research and Consulting Reports).

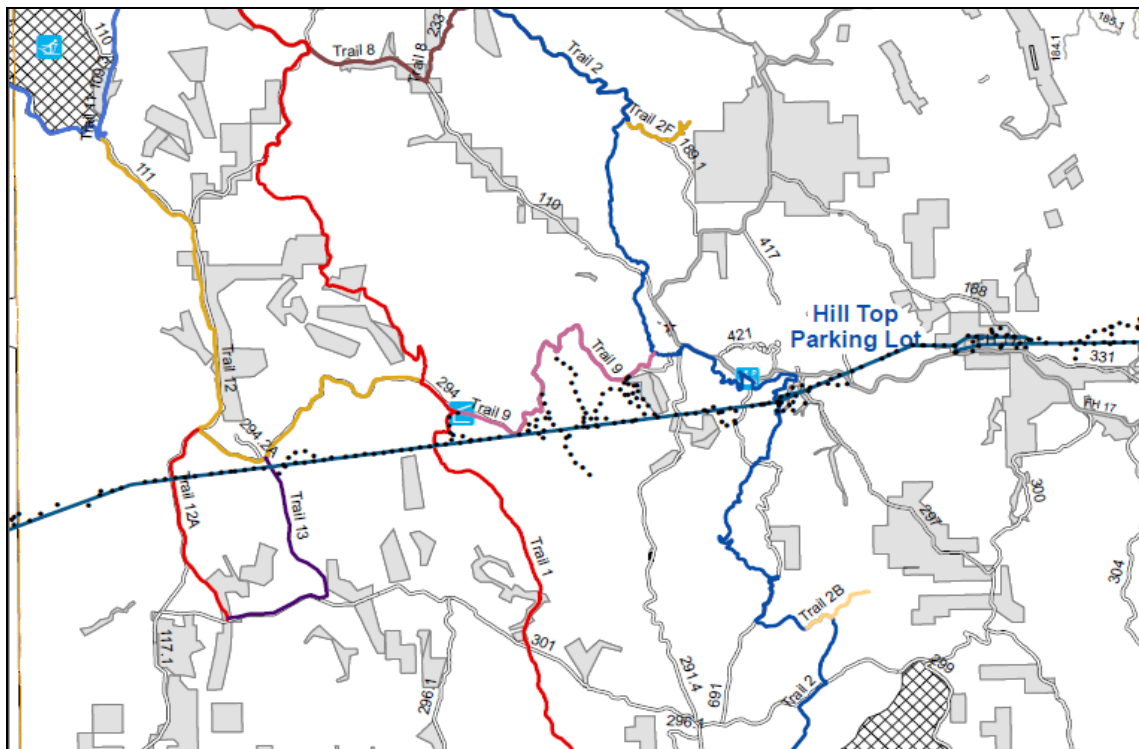
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SDGFP Website. Peregrine Falcon Recovery in Rapid City, SD.
<http://gfp.sd.gov/wildlife/management/diversity/peregrine-falcon-recovery.aspx>

USFWS Wyoming Ecological Services Website. Raptor Buffers.
http://www.fws.gov/wyominges/pages/species/Species_SpeciesConcern/Raptors.html

Vierling, K. 2004. Report on woodpecker breeding in the Jasper Fire. Submitted to the USFS, February 19, 2004. SD School of Mines and Technology, Rapid City. 11pp.

Figure 1. Map of snowmobile trails (1, 2, 9, 12A and 13) west of Deerfield Reservoir that cannot be plowed December 1 – March 31.



From: Miullo, Nat [<mailto:Miullo.Nat@epa.gov>]
Sent: Monday, February 10, 2014 5:12 PM
To: Esperance, Ruth -FS; Fischer, Edward -FS
Cc: FS-comments-rocky-mountain-black-hills-mystic
Subject: Teckla-Osage-Rapid City Transmission Line DEIS rating by U.S. EPA

Attached is EPA's NEPA rating letter for the Teckla-Osage-Rapid City Transmission Line Draft Environmental Impact Statement.

A hard copy has been mailed to the Mystic Ranger District.

If you have any questions, comments or concerns, please contact me at the above e-mail, or call at one of the numbers below.

Thank you for the opportunity to comment.

Nathaniel Miullo
NEPA Lead Reviewer
R8 National Disaster Recovery Specialist
<http://www.fema.gov/national-disaster-recovery-framework>
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**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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FEB 10 2014

Ref: EPR-N

Ruth Esperance, District Ranger
Mystic Ranger District
8221 South Highway 16
Rapid City, SD 57702

Re: Teckla-Osage-Rapid City Transmission Project
Draft Environmental Impact Statement
CEQ # 20130377

Dear Ms. Esperance:

In accordance with our responsibilities under Section 102(2) (C) of the National Environmental Policy Act (NEPA), and Section 309 of the Clean Air Act, the U.S. Environmental Protection Agency Region 8 (EPA) has reviewed the Teckla-Osage-Rapid City Transmission Project Draft Environmental Impact Statement (EIS) as prepared by the United States Forest Service (USFS). It is the EPA's responsibility to provide an independent review and evaluation of the potential environmental impacts of this project, which includes a rating of the environmental impacts of the proposed action and the adequacy of the Draft EIS.

Project Description

Black Hills Power has requested a right-of-way (ROW) authorization to construct and operate a 230-kV transmission line from the Teckla and Osage Substations in northeastern Wyoming to the Lange Substation in the Rapid City area in South Dakota. The project, under Alternative 2 (Proposed Action), would be approximately 144 miles long. The transmission line would cross portions of the Black Hills National Forest and private lands in South Dakota and portions of the Thunder Basin National Grasslands, private lands, Bureau of Land Management (BLM) lands and state lands in Wyoming. The line would be constructed on wood or steel H-frame structures for most of its length with possibly some steel monopole structures in the Rapid City area. The support structures would be 65 to 75 feet tall, and the project would require a ROW of 100 feet on federal lands and 125 feet on private lands.

The EPA's Comments and Recommendations

The EPA appreciates the detail included for identifying, minimizing and repairing any impacts from noxious weed infestation in the Draft EIS. We also appreciate efforts to address our

comments for providing information on how impacts will be minimized, particularly in regard to hydrology, water quality, and wetlands. Our remaining comments and recommendations follow.

Wetlands Protection

The Draft EIS identifies that the Proposed Action ROW would cross less than one acre of wetlands in the State of South Dakota portion and just over a cumulative nine acres in Wyoming (of which the direct and indirect effects and impacts would be negligible). While the expected impacts to wetlands from the proposed action are identified as being negligible, the EPA recommends that the Final EIS specifically identify that during project implementation, the lead Federal Agencies will meet requirements under 33 CFR 320.3. This requirement specifically relates to the U.S. Army Corps of Engineers Nationwide Permit #12 for utility lines. It authorizes the construction, maintenance, or repair of utility lines, including outfall and intake structures, and the associated excavation, backfill, or bedding for the utility lines, in all waters of the United States where certain activities that have minimal individual and cumulative adverse effects on the aquatic environment will take place. Depending on the size of the wetlands potentially affected (as small as ½ an acre or greater) the Lead Federal Agency may be required to provide pre construction notice to the U.S. Army Corps of Engineers, or, depending on the circumstances, actually receive a permit prior to construction activity.

Air Emissions Mitigation and Fuel Conservation

While the Draft EIS identifies several positive steps that will be taken during construction to minimize road construction and traffic-related air emissions (primarily dust), we did not find procedures for minimizing engine idling or for use of clean diesel heavy equipment. These procedures are often used in the construction industry for minimizing mobile source air pollution, reducing fuel consumption and saving money. The EPA recommends that the Final EIS identify procedures for reducing vehicle emissions associated with the project.

Green House Gases

Sulfur hexafluoride (SF 6) is often used in electrical transmission equipment, including transformers and circuit breakers. The global warming potential of SF 6 is 23,900, making it the most potent greenhouse gas that the Intergovernmental Panel on Climate Change has evaluated (source: <http://epa.gov/climatechange/ghgemissions/gases/fgases.html>). According to EPA, the number of units in a power system that leak is 15% and of that 15%, 10% can be repaired. While this is a small subset of an entire system's equipment that may be releasing green house gases, due to the potency of SF 6, EPA recommends that the Final EIS identify what steps project proponents may take to either substitute SF 6 emitting equipment or mitigate the green house gas emissions from leaking electrical transmission equipment.

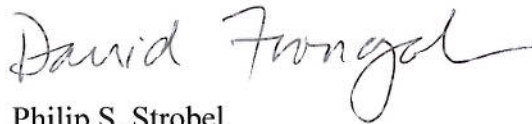
The EPA's Rating

Based on our review, the EPA is rating the Agency Preferred Alternative as "Environmental Concerns – Adequate" (EC1). The "EC" rating means the EPA's review has identified potential impacts that should be avoided to fully protect the environment. The "1" rating means that while

no further analysis or data collection is necessary, the EPA has suggests the addition of clarifying language or information. A full description of the EPA's rating system can be found at <http://www.epa.gov/compliance/nepa/comments/ratings.html>.

Thank you for your thoughtful consideration of the EPA's scoping comments and the opportunity to provide comments on the Draft EIS. If you have any questions or would like to discuss our comments or rating, please contact me at 303-312-6704, or the Lead Reviewer for this project, Nat Miullo at 303-312-6233.

Sincerely,



for

Philip S. Strobel
Acting Director, NEPA Compliance and Review Program
Office of Ecosystem Protection and Remediation