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SOUTH DAKOTA UTILITIES COMMISSION PUBLIC INPUT HEARING

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Taken at
RAMKOTA CONFERENCE CENTER
2111 N. LaCrosse Street
Rapid City, South Dakota
August 25, 2014

P R O C E E D I N G S

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3 COMMISSIONER HANSON: I'll call the hearing of
4 Docket EL14-061 to order.

5 Good evening, Ladies and gentlemen. Welcome.
6 My name is Gary Hanson. I'm the chairman of the
7 South Dakota Public Utilities Commission.

8 With me this evening are Vice Chairman Chris
9 Nelson and Commissioner Kristie Fiegen.

10 We'd like to welcome all of you here this
11 evening. There is some water in the back. That's
12 all the refreshments that as an government entity
13 we're going to provide this evening.

14 We would appreciate it if you would place your
15 cell phones on --

16 Thanks for the reminder whoever had the cell
17 phone on.

18 I'd like to have you place your cell phones on
19 vibrate. We'd appreciate it if you'd sign in. If
20 you forgot to sign in and you plan on saying
21 anything this evening, even if you don't, we'd like
22 to have your name so that we're certain that we have
23 the opportunity to get information to you if
24 necessary.

25 I have the responsibility of running the

1 meeting and reading about three pages of information
2 for you before we start with the presentation from
3 Black Hills Power. So if you'll bear with me on the
4 information.

5 Our purpose this evening is to hold a public
6 hearing on Docket EL14-061 titled: In the Matter of
7 the Application of Black Hills Power, Incorporated
8 for a Permit to Construct a 230 kV Transmission Line
9 from Northeastern Wyoming to the Rapid City Area in
10 South Dakota.

11 The application submitted by Black Hills Power
12 is a request for approval of a permit to construct a
13 230 kilovolt transmission line of approximately
14 45.4 miles in South Dakota and make modifications to
15 the Lange Substation.

16 I reminded myself just now as I was speaking
17 that we have a court reporter. If you're going to
18 read something, don't start out like an auctioneer.
19 Make sure that she has an opportunity to type all of
20 the information.

21 The proposal is for the line to cross the South
22 Dakota/Wyoming border in Pennington County, South
23 Dakota, and extend east and north through Pennington
24 County to the Lange Substation in Pennington County,
25 north and east of I-90 north of Rapid City.

1 Modifications to the project may occur
2 depending on the final route permitted, land rights
3 and final engineering design.

4 The purpose of the hearing this evening is for
5 Black Hills Power to provide information to the
6 public and to the PUC about the proposed project and
7 to hear public comments about the project.

8 Interested persons have the right to present
9 their views and comments regarding the application,
10 and we encourage you to do so.

11 No decisions are being made tonight or in the
12 immediate future. A copy of the application is on
13 file with the Pennington County auditor. You may
14 also access the application and all other
15 nonconfidential documents in the official file on
16 the commission's website at www.puc.sd.gov. Go
17 there and look under commission actions, commission
18 dockets, 2014 electric dockets. And this docket is
19 titled EL14-061. Or by calling or writing or
20 stopping in at the commission.

21 The only parties to this proceeding at this
22 time are Black Hills Power and the Commission.
23 Under South Dakota law, each municipality, county
24 and governmental agency in the area where the
25 facility is proposed to be constructed or any

1 interested person or organization may be granted
2 party status in this proceeding by making written
3 application to the Commission on or before
4 August 29th, 2014.

5 We have applications available here this
6 evening if you'd like to apply for party status.
7 However, I wish to emphasize to everyone that you do
8 not need to have party status in order to make your
9 voice heard by the Commission. The reason we are
10 here this evening is to hear your comments and your
11 concerns about the project.

12 We will also be accepting comments in writing
13 from anyone, either by mail, personal delivery or
14 e-mail, right up until the time the decision is
15 made.

16 You only need to apply for party status if you
17 want to participate formally in the case by giving
18 testimony, presenting factual evidence, conducting
19 discovery, cross examining witnesses, making legal
20 arguments or to preserve your right to appeal our
21 decision to the circuit courts.

22 Each of the commissioners and all of the staff
23 assigned to this docket thoroughly read all comments
24 submitted by the public, and they are also filed in
25 the docket file.

1 For its permit to be approved, South Dakota law
2 states that Black Hills Power must show that the
3 proposed transmission facility will comply with all
4 applicable laws and rules, that it will not pose a
5 threat of serious injury to the environment or to
6 the social or economic condition of inhabitants or
7 expected inhabitants in the citing area, that it
8 will not substantially impair the health, safety or
9 welfare of the inhabitants and will not unduly
10 interfere with the orderly development of the region
11 with due consideration having been given to the
12 views of governing bodies of affected local units of
13 government. Based on these requirements by South
14 Dakota law, the Commission will decide whether the
15 permit for the project should be granted, denied or
16 granted upon terms, conditions or modifications of
17 the construction, operation or maintenance of the
18 facilities as the Commission finds appropriate.

19 We have a court reporter from Rapid City, as I
20 mentioned earlier, Cindy Pfingston. She is here
21 this evening, so please use the microphone and
22 introduce yourself, and please slowly spell your
23 name. Some of the handwriting is not perfect so
24 it's a little bit difficult to accurately spell it
25 on the record, so we'd like to have you spell your

1 name when you speak so that we got the information
2 correct.

3 I'd also like to point out that we have a
4 number of staff people here this evening, Brian
5 Rounds, Darren Kearney, Karen Cremer of the
6 Commission staff, and Greg Rislov and John Smith.
7 And we want you to feel free to seek out either
8 Brian, Darren or Karen if you have questions or need
9 help with anything, either here this evening or as
10 we go through the docket process.

11 Brian is on the end here. Darren is in the
12 blue shirt over there, and Karen is in the doorway.

13 We will begin the hearing this evening by
14 having Black Hills Power make a presentation to
15 explain their proposed project.

16 Following that presentation, we'll take
17 comments from any interested persons or
18 organizations. And we want to strongly encourage
19 members of the public to present your views.

20 Before we get started, I'd also ask all of you
21 to make sure to put your information on the sign-in
22 sheets where you came in so that we have a record of
23 the meeting.

24 Mike Fredrich will be the spokesman here this
25 evening for Black Hills Power.

1 And, Mike, would you please introduce the
2 people that you have here this evening and then
3 begin your presentation?

4 And thank you all very, very much for being
5 here this evening. As public utilities
6 commissioners, we really respect and enjoy this part
7 of the process because it gives us a much better
8 feel for what's taking place.

9 Please go ahead.

10 MR. MIKE FREDRICH: Thank you, Chairman.

11 My name is Mike Fredrich. I'm the Director of
12 Engineering Services for Black Hills Power, Black
13 Hills Corp. And I would like to introduce Eric
14 Egge. Eric is our Director of Transmission
15 Services. He takes care of our transmission
16 planning activity.

17 Next to Eric is Mark Carda. Mark is our
18 manager of T&D Engineering and is the project
19 manager for this project.

20 And at the end is Kevin Lincoln. Kevin is with
21 Power Engineers, and he is our environmental lead
22 for the project, familiar with the environment
23 impact study work that is done.

24 And I'd like to thank everybody for coming to
25 the meeting tonight.

1 This is going to be a very high level, very
2 brief overview of the project. These are some of
3 the things that I will be covering tonight as we go
4 through this presentation.

5 Just to give everybody an overview of Black
6 Hills Power, Black Hills Power has been providing
7 service to this area for the past 130 plus years.
8 We serve over 68,000 electric customers in this
9 region and we provide service to 31 different
10 communities, mainly from Highway 79 here in Rapid
11 City, that is our eastern boundary service
12 territory, and it goes over towards western South
13 Dakota, mainly the Black Hills Region.

14 We serve some small loads in Uptown and New
15 Castle, and we've got some smaller customers up in
16 the southeast portion of Montana.

17 What I have up on the screen now is a simple
18 representation of our 230 kV system. That's a
19 230,000 volt system. As it's labeled up there, it's
20 called our Common Use System. And to give you a
21 little background in the case of some geography with
22 respect to this, here's the WyoDak area, WyoDak
23 substation. This is located over in Gillette,
24 Wyoming.

25 And then as you come across the Lookout

1 Substation is Spearfish, South Dakota. Lange and
2 South Rapid are here in Rapid City. The WestHill
3 Substation is down in Hot Springs. Osage is over in
4 Osage, Wyoming, approximately 12 to 13 miles west of
5 Newcastle. And then we go down to Stegall, Nebraska
6 which is down in Scottsbluff. Yellow Creek is up in
7 the Lead/Deadwood area. So that kind of gives you a
8 geographic representation of our 230 kV transmission
9 system.

10 So why is that important? This system is the
11 system that we use to deliver our bulk resources to
12 these load centers. We have a lot of generations
13 over in the WyoDak area. We also have some
14 generation that's in the Rapid City area. Again,
15 the purpose of this system is to provide and move
16 all power from Point A to Point B.

17 Why do we call it the Common Use System? The
18 Common Use System has been in existence since the
19 mid 1980s. 1986 is when this system was formed.
20 And it consists of three transmission owners, Black
21 Hills Power, Basin Electric Power Cooperative and
22 Powder River Energy. So these three utilities got
23 together. You've got an investor-owned utility.
24 They got together with two REA utilities. Why did
25 we do that? At the time we were doing -- we serve

1 not only BHP customers off of this system, but we
2 also serve Black Hills Electric Cooperative, Butte
3 Electric Cooperative and Powder River Energy over in
4 Wyoming. All three of those local REAs serve load
5 off of this CUS system.

6 Why did we do that? Because the utilities got
7 together and recognized the fact that it was very
8 important for us not to duplicate facilities in this
9 region. So we got together, created this Common Use
10 System so that we could serve the loads of all these
11 utilities with one backbone system.

12 As you look at this diagram, you'll see the
13 dash line kind of runs from Teckla over to Osage.
14 Teckla is approximately 50 miles south of Gillette.
15 It's another substation site, a point of
16 interconnection for us. And this proposed project
17 will run from Teckla into Osage and ultimately to
18 the Lange Substation and the north part of Rapid
19 City.

20 So as I previously mentioned, those
21 transmission owners or those three major
22 transmission owners got together. We get together
23 on an annual basis, monthly basis and daily basis
24 and we study the transmission system, and we study
25 it to determine how we are going to continue to

1 support the loads in this region. And we do it on a
2 coordinated effort. And it's from those
3 transmission studies that we have determined the
4 need for this particular project.

5 This project is going to strengthen and improve
6 the reliability of that 230 kV system to continue to
7 support the loads that I mentioned earlier. It's
8 going to continue to support the future load growth
9 of the Common Use System, again Black Hills Power
10 load customers and the REA customers that I
11 mentioned. And it's also going to provide
12 additional transmission capacity to allow power to
13 move across the system.

14 Eric, I'm going to have you go to the next
15 slide.

16 So to give you a high picture overview of this
17 entire project, we are starting from the Teckla
18 Substation. It's a point of interconnection. It's
19 a beginning point or an end point, however you want
20 to look at it. The 230 line will run north and over
21 east towards the Osage Substation. Again, a point
22 of interconnection for all of our 230 kV lines have
23 tied into there.

24 And then from there it'll run in an easterly,
25 northeasterly direction, ultimately running by

1 Pactola and then ultimately to the Lange
2 Substation.

3 For those of you familiar with the layout of
4 Rapid City, the Lange Substation is just a little
5 north of the Harley Davidson dealership in town here
6 off of Deadwood Avenue.

7 So as it relates to the application we have in
8 front of the South Dakota Commission today, the
9 portion of the line route that's in South Dakota is
10 approximately 45.4 miles in length. Out of that
11 45.4 miles, approximately 36.3 miles of it are on
12 forest service land, public lands. And there's
13 approximately 9 miles of it on private, commercial
14 or industrial property.

15 Out of that 45 miles of line, there is
16 approximately 29 miles of that line that is going to
17 use an old existing 69 kv right-of-way. And out of
18 that 29 miles, 27-1/2 miles of it is associated with
19 forest service land and 2-1/2 miles of it are
20 associated with private land.

21 As you can see from the math, the line route
22 generally runs -- it enters South Dakota from the
23 Wyoming side approximately 13 miles west of
24 Deerfield Lake, and then it basically proceeds east
25 or northeasterly towards Pactola and then running in

1 an eastern fashion and then veering off towards the
2 north ultimately, again, getting to the Lange
3 Substation.

4 To give you a little idea of what we've gone
5 through with respect to the routing process, the
6 route selection process for this entire line segment
7 has been a first for Black Hills Power actually, as
8 we were required and are required to complete a full
9 environmental impact study. That study is being
10 performed because we have -- we're having impacts on
11 the National Forest in South Dakota, so we have a
12 federal agency involved in that process in South
13 Dakota. And we also have Thunder Basin National
14 Grasslands and BLM property in Wyoming. So that's
15 been a driving factor for us to complete this
16 environmental impact statement. This study has been
17 an ongoing process. It was actually started back in
18 2010.

19 As we look at some of the routing objectives as
20 it relates to that study, as we looked at
21 identifying potential routes that have minimal
22 impact to people in the environment, utilizing as
23 much existing right-of-way as we can and minimizing
24 the total length of the entire project.

25 As part of that process, there have been a

1 number of public outreach meetings held. And what's
2 listed here is basically the ones that have been
3 associated with South Dakota. As I mentioned
4 earlier, this line does run from Wyoming -- or does
5 go across Wyoming and South Dakota, and we've had a
6 number of public outreach meetings also on the
7 Wyoming side as well. But we kicked this process
8 off in late 2009, meeting with the Black Hills
9 National Forest and then in early February meeting
10 with the BLM federal agencies.

11 In June of 2010 we sent out informational
12 packets to the county commissioners. And we also
13 held our first open house at the Dahl Fine Arts
14 Center, I believe it was, where we sent out a number
15 of notices to a number of individuals along the
16 proposed line route.

17 We've also had additional public open house
18 meetings. And the forest service and the national
19 forest has also had open public meetings as it
20 relates to the EIS study process itself.

21 Some of these meetings -- you know, there's
22 been over 3,000 letters sent out to various
23 landowners to participate in those conversations and
24 in that process.

25 To give you a little information as it relates

1 to the line design, the picture at the top is a
2 typical H-frame type structure. That is a pretty
3 common structure that we have on our transmission
4 system.

5 We have over six hundred and -- Black Hills
6 Power has over six hundred and some miles of 230 kV
7 transmission system on our system. The majority of
8 that is constructed with this H-frame type
9 construction.

10 The picture at the bottom is a single pole
11 steel structure, and there will be some areas on the
12 northern portion of this route that we will probably
13 be using the steel poles.

14 Typically on the right-of-way width we're
15 looking at a hundred feet on public property and up
16 to a 125 feet on private property for the width of
17 the right-of-way.

18 The span lengths, typical span lengths, and
19 that's the distance between those structures, is 800
20 to 900 feet, and that can vary depending on the
21 terrain, you know, we're trying to traverse over
22 will dictate the length of those spans.

23 Again, the height of the structures can vary
24 anywhere from 60 to -- 65 feet to 95 feet between
25 those two types of structures.

1 This slide just gives you basic milestone
2 targets of where we've been and where we're headed.
3 Again, like I said, we started back in 2009 as it
4 related to identifying the need for this project,
5 kicking off some of the public comment periods in
6 2010, as I mentioned, and then ultimately the
7 environmental impact study has been taking up the
8 majority of the project time the last two to three
9 years.

10 Where we're currently at right now is in the
11 process of working through the environmental impact
12 study with the federal agencies. They're working
13 through the finalization of that study.

14 As part of that effort, we have contacted the
15 majority of the landowners along the route. And
16 that was needed to do because there was some survey
17 work that needed to be done as part of the
18 environmental impact study.

19 As I mentioned earlier, there's been numerous
20 public meetings held during this time frame as well.

21 We're in the middle of 2014. We're hoping to
22 continue moving forward and completing the final EIS
23 with the federal agencies, beginning some earnest
24 discussions with the impacted landowners along the
25 route, looking at final route locations and talking

1 about easements and acquisition, acquiring of
2 easements, hopefully getting approval for the
3 project through the commissions, through the CPC end
4 process both here in South Dakota and Wyoming, such
5 that we can begin construction sometime in 2015,
6 early 2015 so that we can meet an in-service date of
7 1-1 of 2016.

8 That is a very high level short overview of the
9 project. As I mentioned earlier, Mark Carda is the
10 project manager associated with this project. You
11 can contact him with respect to any specific
12 details.

13 As this process continues on as relates to any
14 communications or media type activity, Mutch Usera
15 is our external affairs manager. He can be
16 contacted.

17 And we do have information posted out on the
18 BHP website. That website address is right there.

19 And as the Chairman also noted, there's also
20 information out on the South Dakota PUC website as
21 well.

22 We do have -- I do have additional detailed
23 maps that we can bring up this evening with respect
24 to any questions that might come up, so we do have
25 access to those.

1 And I want to thank everybody for coming. And
2 I'll turn it back over to the Chairman.

3 COMMISSIONER HANSON: Thank you very much for
4 the presentation.

5 We'll actually turn this over to the audience.

6 I should have mentioned in the beginning that
7 there are copies of the presentation that was made.
8 I see most of you have copies of the presentation.

9 Are there still copies available back there?
10 Good.

11 So if you need a copy, raise your hand and
12 we'll have someone give one to you. There's a
13 number of folks that would like to have a copy of
14 that.

15 So I'll turn it over to you folks. We would
16 like you to, please, if anyone has a comment or a
17 question, this is the opportunity, great opportunity
18 for you to do so. We'd like you to step up to the
19 microphone. And please don't be shy. Just state
20 your name. And I don't know too many folks from
21 West River that are shy. So state your name and
22 please spell it for Cindy and ask your question of
23 Black Hills Power or whoever.

24 MR. JAMES HODGES: James Hodges, H-O-D-G-E-S.
25 Thank you for coming and giving us the

1 opportunity to make our interest and concerns known.

2 And thank you to the Public Utility Commission
3 for chairing the meeting.

4 I sent something to the Commission by e-mail,
5 which I assume you received, and I sent a copy to
6 Mark last week. I'm sorry I didn't get it in time
7 for your deadlines. My comments relate to that.

8 Specifically as a resident and homeowner in the
9 Hidden Valley area, the proposed alignment and
10 proposed revised alignment locations for the
11 power line do not appear to be in keeping with your
12 criteria of finding the least environmental
13 impacting elements for the project.

14 Specifically the most recent alignment which
15 appears to partially reflect comments that I have
16 submitted previously, still appears to run right
17 through a residential neighborhood, even bisecting
18 two or three properties.

19 And another comment that I have: I'd like to
20 find out why that's the most appropriate alignment
21 as opposed to something that might go around
22 existing residential subdivisions.

23 And also the second area of concern is the
24 alignments and their impact on dense forest areas.
25 Again, that's contained in the information that I

1 sent to you.

2 First of all, let me ask you: Is it known what
3 portion of the right-of-way is going to be cleared?
4 Is it boundary to boundary for the right-of-way, a
5 hundred to 125 feet of clear cut, or are we talking
6 about something less than that when going through
7 forested areas?

8 MR. MIKE FREDRICH: As we go through the
9 forested areas, we will cut complete -- so we have a
10 right-of-way of a hundred foot. It would be
11 cleared. Or if it's 125 feet it would be cleared.

12 We have requirements from a liability
13 perspective from NERC and FERC. I was told to be
14 careful with acronyms. The national standards that
15 come out and we have a requirement to meet that, we
16 do not cause, have any vegetation within that
17 right-of-way. So therefore the right-of-way is
18 totally cleared, except for areas where we might be
19 crossing a deep canyon, so to speak, and down in the
20 valley of that, so the distance between the
21 conductors and the trees at the bottom of the
22 valley. But otherwise we are clearing that.

23 MR. JAMES HODGES: To put that into
24 perspective, I believe county roadway right-of-ways
25 are about 66 feet from edge to edge. Forest

1 pavement is only 30 feet or less. So we're talking
2 about a swath of forest land being cut that is
3 significant. I think probably most of my neighbors,
4 their property line is less than 100 to 125 feet.
5 So it's a quite significant deforestation activity
6 that would be occurring.

7 Can you explain why the alignment has opted to
8 go through residential lots as opposed to around
9 them?

10 MR. MIKE FREDRICH: As part of that --

11 COMMISSIONER NELSON: Mike, if I could
12 interject, are you aware of the specific area that
13 he's referring to?

14 MR. MIKE FREDRICH: Yes.

15 COMMISSIONER NELSON: And if so --

16 MR. MIKE FREDRICH: Would you like us to bring
17 it up on the map?

18 COMMISSIONER NELSON: Well, that or tell me
19 which page it is on the application. But if you can
20 bring it up on the screen so everybody can see, that
21 would be great.

22 MR. JAMES HODGES: The parcel that I'm
23 specifically making reference to, there's a blue
24 line called "route modification" on the north side
25 of the subdivision, and that blue line going over to

1 the west -- well, the blue was -- how did that work?
2 The red line was the original. The blue line was
3 proposed to avoid some mining activity. And then
4 the orange line I think is the latest and greatest.

5 MR. MIKE FREDRICH: That is correct. Our
6 original proposed route was, as noted, the proposed
7 action. And that was -- was part of the EIS study
8 and part of that notice.

9 Then we did look at alternatives with respect
10 to running the line here along the blue, as you've
11 noted, and then up to this area.

12 And then the most recent modification is the
13 orange line, which cuts here and then runs up along
14 this route here. And this map, top part of this map
15 doesn't show that. If I recall correctly, this is
16 the Hidden Valley area?

17 MR. JAMES HODGES: Yes.

18 MR. MIKE FREDRICH: Thanks, Eric.

19 MR. JAMES HODGES: What I had submitted in the
20 former and then reiterated in this week's suggested
21 alignment locates the transmission line from its
22 point of departure from the red line and the orange
23 line, essentially due north from that point where
24 the orange line digresses from the red line, going
25 up along major lot property lines to its

1 (unintelligible) tying in the orange line somewhere
2 on the west end of the forest service property,
3 which is the big L (unintelligible) parcel.

4 What you have shown in the yellow line as it
5 approaches a significant subdivision is that it
6 crosses the subdivision road and bisects three
7 residential development lots. That just seems
8 unusual. And I'd like to understand what the great
9 value is in doing it that way as opposed to some
10 other route.

11 MR. MIKE FREDRICH: Again, we're still working
12 on finalizing the details at this location. But,
13 again, we realize that there's probably going to be
14 some impact with respect to the route that we select
15 here in trying to get, again, from a Point A to a
16 Point B perspective.

17 This was a proposed action route. We did
18 receive comments with respect to that during the EIS
19 study work, and that's how we got over here to these
20 options.

21 And one of the other things we've got to work
22 with is also working with the forest service as we
23 come off of their forest service property.

24 MR. JAMES HODGES: Would you be able to offer
25 comment on why the line most recently proposed is

1 not tenable?

2 MR. MIKE FREDRICH: If I recall correctly the
3 most recent information you submitted to Mark and
4 others was to come along this route here?

5 MR. JAMES HODGES: Yes.

6 MR. MIKE FREDRICH: And then I believe either
7 coming up and coming across or possibly angling
8 over. Recognizing that we are impacting some
9 private property here.

10 If we come over to this route, one is, again,
11 working with the forest service of where we come off
12 of the property.

13 But, two, we're pushing the line over to six
14 different parcels, seven parcels of property and
15 landowners.

16 MR. JAMES HODGES: I understand that, but I
17 don't think that placement of the line closer to
18 residences, closer to residential lots, residential
19 sites is appropriate when you can go on property
20 lines where the separation to establish residences
21 is greater.

22 MR. MIKE FREDRICH: One other additional
23 concern that is associated with this is also looking
24 at what impacts these alternatives might have on our
25 timing with respect to the permitting process, too,

1 so that is another concern.

2 But we do recognize -- like I mentioned
3 earlier, we are in the process of reaching out to
4 the impacted parties to determine what a possible
5 viable solution in this area might be.

6 MR. JAMES HODGES: Okay, thank you.

7 MR. MIKE FREDRICH: You're welcome. Thank you.

8 MS. VICTORIA LEONARD: My name is Victoria
9 Leonard, L-E-O-N-A-R-D.

10 And I just recently purchased property to build
11 a home. And what my question is: We have the
12 proposed road in purple, and then we have another
13 road in blue and another road in yellow. And what
14 is the route? And what kind of input? Are we
15 voting? I mean, who decides?

16 COMMISSIONER HANSON: No, you're not voting.
17 This is an opportunity for you to give comments, ask
18 questions. Black Hills Power has filed a case. We
19 call it a docket, with the Public Utilities
20 Commission.

21 The commissioners are elected by the citizens
22 to represent the citizens' best interests and make
23 certain that the companies can continue to function.
24 And so we have to abide by state law in making our
25 decision. We act as judges. The three of us make

1 the decision.

2 MS. VICTORIA LEONARD: So you guys make the
3 decision. We can make comments, but the bottom line
4 is you guys determine where it's at?

5 COMMISSIONER HANSON: That's correct.

6 MS. VICTORIA LEONARD: Okay.

7 COMMISSIONER FIEGEN: But, Mr. Chairman, if I
8 could just add something.

9 The Commission cannot make the route. We can
10 grant it, a route. We can deny a route. But we
11 can't go to Black Hills Power and say, We want this
12 line moved and this one to the left and this one to
13 the right. That is not part of what the state
14 legislature gives us, just so you have that
15 information. I know Gary read that kind of in the
16 beginning, but it goes so fast it's hard for us to
17 hear what the Public Utilities Commission's role is.

18 MS. VICTORIA LEONARD: So I guess I'm confused.
19 The purpose of this is just to tell us, Here's what
20 we're doing? I mean, how much input do we really
21 have into this?

22 COMMISSIONER HANSON: Commissioner Fiegen is
23 correct. And I did read that information that we
24 have to abide by South Dakota law from the
25 standpoint of what we can do as commissioners. We

1 can either approve it, as she said. We can deny it.
2 Or we can deny it with certain conditions -- approve
3 it, excuse me, with conditions.

4 The fact is that as we go through the process,
5 and we've gone through a lot of sighting processes
6 on pipelines and transmission lines, we expect
7 businesses to listen to what the input is from the
8 citizens and to go through the process of adjusting
9 the line so that it will be in the best interest of
10 everyone.

11 We understand that for reliability purposes,
12 companies have to have transmission lines. We
13 understand people have to have electricity. But at
14 the same time everyone hasn't had the opportunity to
15 present views to them. So they try to do -- we
16 expect them to try to do the best that they can to
17 design a line prior to these meetings that will meet
18 as many satisfactory citizens as they possibly can.
19 We understand they won't necessarily accomplish
20 that. I've never been in one of these hearings
21 where they made everybody happy. But I've always
22 seen companies adjust lines to an extent after we've
23 had meetings and presentations because they
24 understand things better as they go through that
25 process. So that's what we're doing here.

1 This is your opportunity to say what your
2 concerns are, what you believe the challenges are
3 that they may not have taken into consideration and
4 for you to learn, from their perspective, what their
5 challenges are.

6 So no, it's not a situation where this is the
7 way it's going to be done and we're just here to
8 hear what you have to complain about. This is a
9 situation where you have an opportunity to give your
10 input, and they need to sincerely listen to it.

11 MS. VICTORIA LEONARD: My concern is, one of
12 them is that the magnetic fields created by this, I
13 mean, it does cause leukemia in children, and it
14 causes clinical depression. They proved this in the
15 UK. And these are big towers. And, I mean, that's
16 a huge concern when you go through private land.
17 You know, people have children. I'd just take that
18 into consideration.

19 COMMISSIONER NELSON: If I could just make one
20 comment in addition to what Commissioner Hanson
21 said, the orange line that's depicted here is not in
22 the application that we received, and so already the
23 company is taking feedback and making some
24 modifications. And that process will continue as
25 they hear your input, as they hear from us, right up

1 to the time that we finalize the permit, if we
2 choose to grant it.

3 And once the permit is granted and they begin
4 working with detailed landowners, they may make
5 other adjustments and come back to us and say, Will
6 you approve this adjustment because it is better for
7 landowner X or landowner Y. And so this is a
8 process of working this through to see if we can
9 find the right answer.

10 COMMISSIONER HANSON: Are there further
11 comments or questions, please?

12 MR. DAVE RIEMENSCHNEIDER: Dave
13 Riemenschneider. You asked for the spelling?

14 COMMISSIONER HANSON: Please.

15 MR. DAVE RIEMENSCHNEIDER: R-I-E-M-E-N-S-C-H-N-
16 E-I-D-E-R.

17 Mike, do you mind if I use your pointer?

18 Since we're focusing on this area, I thought I
19 would jump in line and voice my opinion, as well as
20 I believe Mr. England will, too.

21 First of all -- anyways, I concur with
22 Mr. Hodges' first comments about this routing in
23 these residential areas and the effect it has with
24 the residents.

25 The original proposed route that comes through

1 here is going directly -- I mean, it's the same
2 concept this way as it is this way. It's -- they
3 deviated it based on previous meetings and
4 conversations and discussions to avoid where -- I'll
5 get right to the point. This property right here is
6 mine, okay? It's actually three lots as well. And
7 so I had made the comment to propose routing it
8 following section line, get it off -- you know,
9 instead of going through residential property like
10 Mr. Hodges said, go around it.

11 And with this being all national forest
12 property, I proposed let's utilize that since it's
13 national forest property. This is where they came
14 up with this route.

15 And originally they came over to this
16 intersection, and they came -- jumped the road, and
17 then they came across. And I see the effects that
18 it has here.

19 This current route right here goes through this
20 property, which Mr. Steele owns this portion of it.
21 Cindy Pushing owns this portion of it, and I own
22 this portion of it.

23 And I see -- and in the latest comments I made
24 the comment, you know, I'm not opposed, per se, to
25 this deviation in route, but you're still crossing

1 residential properties. And as well as the lady
2 that spoke in front of me and everybody's concern is
3 is what effect it has.

4 I mean, when James Hodges mentioned the path it
5 would be making and the impact it would have with
6 the forest, that -- my residence is right here. I'm
7 building here. There's another residence right
8 here. I can see -- we can both see each other's
9 house. So putting a big swath -- there's trees that
10 divide it, that kind of breaks it up. But to put a
11 swath like that going through that route, it would
12 just -- it would open it up.

13 I'm -- I own that. This is my section or this
14 is the edge of my property. I'm not necessarily
15 opposed to it going up through there because the
16 fact that, again, they're following right-of-way and
17 it's not in view of me; it's not in view of her;
18 it's not in view of all these other people.

19 There's a 160-acre section of land up here
20 that's able to be developed in the future. It's
21 close to Rapid City. And current city requirements
22 only allow the property to be broken up into no
23 smaller than 10-acre lots, and that is because
24 there's only one exit.

25 The master plan of the city is to some day

1 extend this road and tie into Bittersweet off in the
2 distance that ties back into Nemo Road. When that
3 happens, if it happens, I don't know.

4 I do not know whether or not the people of this
5 40-acre section have been informed of this because
6 it is not on their property or infringing on their
7 property, but I know that they just recently --
8 they're moving to another state. They built a house
9 right down in here, and they just like last week
10 sold that 40-acre section. Now, I don't know if,
11 what those people would voice, but I'm -- I strongly
12 suggest you consider following the section line as
13 Mr. Hodges has pointed out.

14 I don't know what you have going on on
15 negotiations in this area so I can't really speak
16 for that. I can't even speak for those people
17 who -- I know this lot right here is sold.

18 UNIDENTIFIED SPEAKER: That was the lady that
19 was up here.

20 MR. DAVE RIEMENSCHNEIDER: I didn't know that.
21 Thank you.

22 But I knew that that piece of property was sold
23 and that she wanted to put a house on it.

24 You know, all of this property, this will
25 eventually have a house; this will eventually have a

1 house; this section right here will have a house.
2 So that's why my main point since 2010 -- well,
3 actually, 2010 there was three routes, and they
4 narrowed it down to this proposed route. And from
5 that point on my main concern was to make -- nobody
6 is going to be happy in the end. I mean, somebody
7 is going to be mad. You're not going to make
8 everybody happy. But my suggestion is to follow the
9 path of least complaint, and that is to avoid
10 crossing private properties. And that is my point.

11 COMMISSIONER HANSON: Thank you.

12 Did you have any comment from the Company?

13 MR. MIKE FREDRICH: You know, Dave, I
14 appreciate your concerns, and I hear your concerns.
15 And, I don't know, I'd have to have additional
16 conversations.

17 Like I mentioned earlier, the other thing we
18 have is the forest service and where we come off of
19 their property. I know that is something that is
20 before us with respect to exiting and entering off
21 of the forest service land as part of the EIS study.

22 And as it relates to those two triangular
23 pieces of property, we are just beginning that
24 process with those landowners, and we haven't had a
25 lot of conversation along this line. I hear what

1 you're saying with respect to going up north and
2 coming over into the top.

3 COMMISSIONER HANSON: For one of us looking at
4 that, his suggestion coming across the land right
5 there looks like it does make the least amount of
6 disruption to the properties. Have you explored
7 that particular route?

8 MR. MIKE FREDRICH: I would have to defer to
9 Mark.

10 MR. MARK CARDA: We have looked at that as an
11 option as far as that. We're trying to not cover
12 the other six parcels of property near the other
13 homes, so the citing process is not pure by any
14 means. And so we're trying to listen to the input
15 of everybody, deal with the homeowners' association
16 and do some adjustments, but we're not there yet.
17 And that's part of the reason why you guys are here
18 so we can hear your concerns and look at that as a
19 potential route. Again, we're not finalized by
20 anything at this point.

21 COMMISSIONER HANSON: I'm just curious whether
22 you had looked at it or not and if there was some
23 environmental challenge.

24 Mike was just talking a little bit about the
25 challenges with the forest service, and I was just

1 curious if there was something insurmountable here.
2 But if there's not, then the Commission would
3 certainly be interested in seeing what challenges
4 there might be and if that's an opportunity for
5 them.

6 MR. MARK CARDA: We'll take a deeper look at
7 it, yes.

8 COMMISSIONER HANSON: Thank you.

9 MR. DAVE RIEMENSCHNEIDER: One more thing,
10 Commissioner.

11 MR. MIKE FREDRICH: To answer one of your other
12 questions, with respect to noticing of the adjacent
13 landowners, as part of this process as it relates to
14 the line routing, we noticed the landowners on the
15 half mile on either side of the proposed line, plus
16 an additional 500 feet. So those additional
17 landowners should be noticed as it relates to that.

18 MR. DAVE RIEMENSCHNEIDER: Yeah, I know these
19 people knew, that owned the 40 to the west, they
20 knew about it because I told them about it. Now, I
21 know that they just sold the property a week ago. I
22 just spoke with George Doberstein's wife actually,
23 and they just sold it, so just a heads up.

24 The point I'm trying to make is section line.
25 And I'm not opposed to the west edge of my section

1 line. I mean, the property slopes off. There's
2 still plenty of sites that are developable on it,
3 but at least it's down and it's out of view.

4 One last thing I'd like to make a point of is I
5 got a call a few weeks ago about coming up and doing
6 a visual assessment. And my concern about visual
7 assessments is yeah, they can tell you what's
8 current, okay, but everybody up there, they bought
9 the property for reasons to subdivide and sell. So
10 a visual assessment to me, unless you know -- you
11 know, you don't know what's going to be in the
12 future. And I voiced that concern on my last
13 response to the comments because, like I was saying
14 earlier, I mean, right now there's a barn that's
15 going up right on the red line. There's a future
16 house going up across the road, and then I've got a
17 lot on the other side. Unless you know that, how
18 can you properly visually assess something? And
19 that just falls back to private property.

20 And I can't keep you from section lines. I
21 mean, I don't -- I mean, I don't know if I can
22 honestly call it legal right-of-way. It's as close
23 as you're going to get.

24 So that's about it. Thank you.

25 Okay, you're up. And so is the microphone.

1 MR. DAVE ENGLAND: Dave England, England just
2 like the country.

3 We live in Ponderosa Ridge in 67 -- it's right
4 in the corner of where the blue line comes across
5 right up there where it makes a little jog.

6 UNIDENTIFIED SPEAKER: Use that pointer.

7 MR. DAVE ENGLAND: Well, yeah, okay.

8 There we go. Right here is where we live.
9 There's a lot here, here, here and a lot here.
10 There's -- that's five or six lots, and it's -- here
11 you can't tell me the forest service can't let you
12 go here to go up this. It's a half section line,
13 and then go over. But this half section line,
14 there's a long ways to any houses, 5- to 700 feet
15 through there, and it's a half section line. It's a
16 lot line for these, instead of going over here and
17 going right through this.

18 The lady that was up here earlier just bought
19 this and is going to build a big house on it. Now,
20 I don't think anybody talked to her.

21 The other gentleman that owns this one, nobody
22 has talked to him.

23 But there should be no reason that couldn't go
24 up here and over, and it would not cause, unless
25 there's somebody in here that lives over there.

1 UNIDENTIFIED SPEAKER: Yeah.

2 MR. DAVE ENGLAND: Okay. How close is it to
3 you?

4 UNIDENTIFIED SPEAKER: Well, it would be --

5 COMMISSIONER HANSON: Please, sir, it's your
6 opportunity to chat.

7 MR. DAVE ENGLAND: Anyway, the thing is if it
8 goes up here, I know that there's no houses within
9 500 feet of that. And then it would go over here.
10 Otherwise it's going to go right across here or it's
11 going to go all the way down these houses or across
12 all of this. And I think there's a lot easier --
13 less affected people on the other way.

14 You'd have to walk up through there.

15 Mr. Hodges has walked through there and checked that
16 all out. And I don't think the power -- he had
17 mentioned it to the power company awhile back at a
18 meeting that we asked them to have because there was
19 some of us that were never even notified that it was
20 going to go right in my side yard, right in my front
21 yard. I won't have a tree on neither side.

22 But the thing is you can't -- you can't put it
23 right through those lots because aren't you --
24 there's one, two, three, four -- five lots you're
25 going to get right there. And the other way you're

1 going to go by six. So you're going to go by five
2 instead of six, huh?

3 You gotta ask the forest service. I don't
4 think there would be any reason why you can't
5 come -- that isn't a big deal to move that far.

6 MR. MIKE FREDRICH: That is something that
7 we'll have to approach Mark with respect to that.

8 MR. DAVE ENGLAND: Thank you.

9 COMMISSIONER HANSON: Further comments or
10 questions?

11 MR. RON COWELL: My name is Ron Cowell,
12 C-O-W-E-L-L.

13 Thank you, Commissioners, for coming here to
14 address some of these issues. I have a lot of the
15 same and previous, and thank you guys for showing up
16 because I'm going to talk about a little bit
17 different area. And it's in, out Rimrock Highway,
18 Township 1 North, Range 6 East, Section 8 would
19 be -- I'd like to see the map that you guys have of
20 that. Is that Rimrock Highway?

21 Okay. The red is the proposed line. No one
22 has contacted us, any of us that I know that live up
23 there. I live butting up against the forest service
24 to where the line that I saw was somewhat different
25 than this one. Is that the current line that comes

1 across the top of Thrall Mountain? I think this is
2 the -- the line comes down and crosses Rimrock
3 Highway here currently. Is that the proposed action
4 still?

5 MR. MIKE FREDRICH: That is the location.
6 There's a current -- 69 kV line that crosses --

7 MR. RON COWELL: So it's going to follow the
8 same one? The one that I saw before -- and I guess
9 it's a moot point now. This is my lot right here.
10 It came down off Thrall and going across that. And
11 that's not right?

12 MR. MARK CARDA: Currently that is not one of
13 our options.

14 MR. RON COWELL: Okay. Because the map that we
15 had was very small. I Googled it out and pulled it
16 out and it kind of looked like it was.

17 If that's the case, I'm like everyone else
18 here, you know, it's the view shed,
19 not-in-my-backyard type of stuff and the reason we
20 live where we're at. And I guess I'm in support of
21 all the folks that are here where it's going to
22 cross. If that's the proposed one, it doesn't
23 affect me as much as I thought it would.

24 But when you do take down the 69 kV and go to
25 230, are you going to -- how does that work?

1 MR. MIKE FREDRICH: As it relates to this
2 location, we're -- we haven't finalized the design
3 yet.

4 As you mentioned, there is a current 69 kV line
5 that runs across there. That line was originally
6 constructed I believe in 1950, and then it was
7 rebuilt in 2003, I believe.

8 What we're potentially looking at doing at this
9 location is double circuiting. That 69 kV line
10 needs to stay there. So we're looking at double
11 circuiting across this -- across Highway 44
12 (unintelligible).

13 MR. RON COWELL: Sure. So the existing
14 right-of-way that's cut across forest service is
15 adequate?

16 MR. MIKE FREDRICH: There will need to be some
17 additional right-of-way acquired because that is a
18 69 kV right-of-way; it's not a full hundred foot.

19 MR. RON COWELL: Okay. I think there's
20 probably a few of my neighbors that are in here,
21 too.

22 As far as improving that, where that dives off
23 the saddle off of Thrall, it's airborne across the
24 highway and kind of lands over -- over the top with
25 some big boughs and stuff. You know, you guys are

1 familiar with that, I'm sure. But if it has to be
2 widened, that's basically where just the poles are.
3 Like you said earlier, where it goes overhead, steep
4 canyons and all of that, it's going to remain the
5 same?

6 MR. MIKE FREDRICH: Yes.

7 MR. RON COWELL: Okay.

8 MR. MIKE FREDRICH: And what -- one of the
9 things that we're looking at, and again we haven't
10 finalized the design, but -- let me get my
11 directions straight here. On the right, what I call
12 the right-hand side of the canyon I believe there's
13 a three-pole structure up there with 14
14 (unintelligible). What we would look to do is to
15 clean that up. We change it out and put in most
16 likely a single hole structure on both sides of the
17 canyon so that we clean up the three-pole structures
18 that are up there, eliminate the guide wires and
19 then run a double circuit across.

20 MR. RON COWELL: Okay. Because you have
21 replaced quite a few of the poles up there recently.

22 MR. MIKE FREDRICH: In 2003 we rebuilt that.

23 MR. RON COWELL: Okay. Thank you for your
24 time.

25 MR. MICHAEL SWEET: Back to the page where --

1 I'm Michael Sweet, S-W-E-E-T.

2 Jim Steele and I own the property that
3 Ms. Vickie Leonard owned and we were referring to
4 just earlier, if we can get back to that page,
5 please.

6 This little piece here of 80 acres is owned by
7 Jim Steele and myself. We gave an H lot to the City
8 so that this road could be put through here, which
9 created these two lots here. This one here was
10 purchased by Vickie Leonard who is here tonight.

11 When we met at the Forest Service Building last
12 January, I believe it was, I think I talked to Mark
13 then, and neither of these proposals I think were
14 shown, but there was one that went up alongside the
15 180-acre parcel that was not invasive here.

16 But the past couple of years Jim and I have
17 been trying to subdivide this 80 acres and are
18 presently thinning some trees so that homes could be
19 built there safely. But, again, we're looking at
20 about, including these two small lots, an additional
21 four lots perhaps, one a 20-acre, a 40-acre and a
22 10.

23 So going through this area here, although it
24 looks like a nice -- nobody land right now,
25 Mr. Riemenschneider over here and as he pointed out,

1 there's a proposal here for new lots. And the
2 investment we made several years ago, going through
3 here or across here would totally annihilate
4 anything that we could do there. And so I just want
5 to -- from my standpoint, I know I'm less interested
6 in that 80 acres than -- Mr. Steele does
7 (unintelligible). There's a lot more going on than
8 what appears to be there just by looking at the
9 lines right there. I would be in favor of something
10 going along this line and out and over.

11 Thank you very much.

12 MR. JAMES STEELE: I'm James Steele,
13 S-T-E-E-L-E.

14 And the 80 acres in here is shared by Mike
15 Sweet and myself. And we had sold the one little
16 parcel, 4.33 acres. And the other -- rest of it all
17 belongs to Mike and I at this time.

18 My concern is by running a line across there it
19 would really -- it would be a problem for both of
20 these lots, but it also affects everything beyond it
21 because of the fact that it just devaluates the
22 price of the properties that we remain owning.

23 And our plan originally was to do 27 lots in
24 here and on a contract here in Rapid City. And I
25 had started off with the City to do that. And then

1 I thought because of my age I just decided not to do
2 it. So we're trying to -- we're trying to cut it
3 down into some smaller acreages and sell them out to
4 individuals.

5 But this is definitely going across this lot,
6 which we had no idea at the time we sold the lot
7 what was, that it was going to be proposed there.
8 The red line was a surprise to us, how it run
9 across.

10 I also agree that if we would come and stay on
11 the border of the 80 acres or the 160 there, we
12 wouldn't have a problem with that at all. But to go
13 across this property would really affect us and the
14 value of our property, as well as Riemenschneider's,
15 and Pushing's up here. It would devalue the
16 property. If we go down this way I think everybody
17 would share in the fact that if there's any
18 devaluation of their properties.

19 But I think it would be very -- a lot more
20 sensible to run it in that manner and therefore I'm
21 totally in favor if they could go to the property
22 section line and stay on that.

23 Thank you for your time.

24 MR. JEFF ALLEN: I'm Jeff Allen. I live just
25 south of Deerfield Lake, A-L-L-E-N.

1 There's been three proposals. I'm just
2 wondering which one is the latest one, which one --
3 this was the first proposal. And this is the
4 Mountain Meadow Resort right here. And this is all
5 campers through here. And then my house is right
6 here.

7 And then we had spoke to them, and then they
8 had proposed another one through here.

9 But now is this blue one what comes up Williams
10 Drive, I believe it is, and goes along Deerfield
11 Lake, is that the latest one?

12 MR. MIKE FREDRICH: As it relates to this area,
13 you are correct in that the proposed red line was
14 the original, which, again, if I recall correctly,
15 was following the old 69 kV line route that was
16 there before.

17 And from the various discussions that have
18 taken place as part of the EIS study, we are now
19 looking at the blue line route.

20 MR. JEFF ALLEN: That makes sense because
21 Williams Drive, there's nothing -- no residential on
22 it at all, and then come up to Deerfield Lake Road
23 and come across.

24 Because this area right here, like I said, is
25 all Mountain Meadows stuff, and it's crossing all

1 kinds of campers and stuff, and it's going right
2 next to my house. So this only makes sense, this
3 blue line.

4 So that's all I have to say. Thank you.

5 MR. GEORGE CLINTON: I'm George Clinton,
6 C-L-I-N-T-O-N.

7 I live just east of Deerfield Lake. I'm next
8 to the old Clinton substation.

9 And last week I met with Garrett Ashton and
10 Philip Dunn, and I gave them a new proposal about
11 the new route, which most of my neighbors are in
12 favor of. Because the old original line -- the
13 original line goes right over most of the, my
14 neighbors to the south of me.

15 My house is approximately -- well, it's right
16 there. And I met with the neighbors, and some of
17 them -- most of them want the line to go another
18 200 yards to the north, which would be about
19 approximately right in here, and I'm not opposed to
20 it.

21 If that was the new route, it would be probably
22 2- to 300 yards north of their houses, which is
23 right in through here, and it would still probably
24 be 200, 300 yards south of my house. So I have no
25 problems with that route.

1 And Garrett said that if that was a new route
2 it would be a, pretty much a straight shot from
3 right here, which would be at the end, west end of
4 the property, straight through here, and then have
5 to come over here and cross the Bittersweet Road,
6 and then south and tie into the old existing line.
7 So I just wanted to make that clear that I have no
8 problems with moving it another 200 yards to the
9 north.

10 MR. MIKE FREDRICH: We are aware of the
11 conversations that took place last week. We haven't
12 shown that on the map. We appreciate your
13 consideration with respect to that.

14 There is -- if you go to Map 9, then that shows
15 the location as it comes back into the proposed line
16 on the east side of the road.

17 MR. GEORGE CLINTON: Right in here?

18 MR. MIKE FREDRICH: Yeah.

19 MR. GEORGE CLINTON: Yep. Yeah, I just wanted
20 to doublecheck to make sure. He mentioned you,
21 Mark, and stuff, about it, and I just wanted to
22 doublecheck to see if he'd talked to one of you
23 guys.

24 MR. MIKE FREDRICH: We are aware of that, and
25 we're looking into -- looking into that line route.

1 MR. GEORGE CLINTON: Okay. Alrighty. Thank
2 you guys.

3 MS. LAURA VARILEK: My name is Laura Varilek,
4 V-A-R-I-L-E-K. And I'm up in that previous area
5 that was being discussed up by Sunridge Road.

6 And what everyone else is proposing with the
7 line going up here does affect me, as well as these
8 other people here. And I know this guy isn't here
9 probably, but it would obviously affect him as well.

10 I would just like to state that just as nobody
11 else wants it in their backyard, I don't either.
12 So, um, I just didn't want it to go without being
13 said that I would not be in favor of this route
14 because it would be close to the area where I would
15 be building a home, so -- and I know these have
16 potential home builders as well. So I just wanted
17 that out there for the record.

18 COMMISSIONER NELSON: If I could ask, which lot
19 is yours?

20 MS. LAURA VARILEK: This, this, over to here.

21 COMMISSIONER NELSON: Thank you.

22 MR. JIM McKEON: My name is Jim McKeon,
23 M-C-K-E-O-N.

24 And I, too, am concerned in this particular
25 area. And I want to thank the Commissioners for

1 being here tonight because sometimes you feel like
2 the big people like the gravel people in the mines
3 and all of that get the word, for example.

4 This original route missed this particular
5 area, and then it was noticed that there was going
6 to be mining in that area, so that's -- when that
7 was initially talked about, it didn't concern any of
8 us down here because it was too far away, so we did
9 not get all the notifications that everybody was
10 talking about. Consequently, I think we've had
11 opportunity for a special meeting, thanks to Mark
12 and the folks they set up for us and allowed us to
13 get some input into it, but we didn't know about it
14 as early as other people did.

15 So that route then was moved down to a section
16 line. It went over this way, and obviously it
17 impacted that subdivision much more. So they did
18 graciously take our input and came over this
19 direction.

20 Now, the exact route that it's coming up to,
21 obviously there's other people that have a lot of
22 concerns, and they will need to be weighed as you
23 try to do it.

24 I always wanted to be -- I was always against
25 the newbies, but my house was right here so I didn't

1 want it in my backyard either, for the first time.

2 Historically, we moved it from up here to down
3 here, and now we're looking over here. Can I safely
4 assume that this route is no longer a viable
5 consideration? I mean, with all those houses back
6 in there?

7 MR. MIKE FREDRICH: I think where we're at
8 today is again we're looking at the orange route.

9 MR. JIM McKEON: Okay.

10 MR. MIKE FREDRICH: From the conversations
11 we've had with mining activity, mining owners as
12 well, that is what we're looking at today.

13 MR. JIM McKEON: Okay. Well, I'd like to thank
14 you for taking some of those inputs that the people
15 did, in fact, make and are making adjustments and
16 hopefully you'll be able to come up with something
17 from the other folks.

18 One other comment: You know, people cringe
19 when they heard the one lady --

20 And, I'm sorry, I don't remember your name.

21 -- when she talked about impacts of living
22 under the power line. I'm sure there's a lot of
23 anecdotal evidence that says, Hey, this is annoying.
24 But it is an impact in some areas.

25 I lived under a power line in San Antonio,

1 Texas for three years, and it interferes with your
2 appliances, your TVs, you know, that type of stuff.
3 If you hold a metal golf club and you practice
4 swinging, you get actual shock. So if it's doing
5 that to you physically that you know about it, I'm
6 sure there might be some other things that you don't
7 know about. And if you really want to check it out
8 and make sure that I'm not just making this stuff
9 up, just drive down South Canyon Road with the radio
10 on.

11 COMMISSIONER HANSON: Sir, would you treat that
12 like a gun like it might go off? Because you're
13 pointing it at us the entire time.

14 (Laughter)

15 MR. JIM McKEON: You want muzzle control. I
16 got it. But this is the white light. I had my
17 finger off of the trigger.

18 (Laughter)

19 COMMISSIONER HANSON: I appreciate it. I just
20 don't know how powerful that laser is. Thank you
21 very much.

22 MR. JIM McKEON: Anyway, you can drive down
23 South Canyon Road with your radio on and all of a
24 sudden you can't hear anything for a few blocks. So
25 there are impacts, and that's something that you

1 need to consider, too, as you're going through this.

2 Again, thank you very much for allowing the
3 little people to get on the record. I do appreciate
4 it.

5 COMMISSIONER HANSON: Thank you, sir.

6 MS. JANET EMMEL: I'm Janet Emmel, E-M-M-E-L.

7 And I guess I have just a few questions first.
8 Are all of these detailed maps online? Is the
9 detail, this kind of detail online?

10 MR. MIKE FREDRICH: Yes, they are.

11 MS. JANET EMMEL: Okay.

12 MR. MIKE FREDRICH: They've -- they have not
13 been -- they have been placed on line, on the BHP
14 website.

15 MS. JANET EMMEL: On the what? What site?

16 MR. MIKE FREDRICH: On the BHP website. They
17 are there.

18 UNIDENTIFIED SPEAKER: When did they go up?

19 MR. MIKE FREDRICH: This morning.

20 UNIDENTIFIED SPEAKER: I was going to say...

21 MS. JANET EMMEL: No, that's great. I'm glad.

22 COMMISSIONER HANSON: Ladies and gentlemen, we
23 can only have one person talking at a time. And
24 please give a little bit of pause in between. This
25 is a hearing that we're having here, and it's very

1 difficult for the court reporter here if we have
2 multiple conversations taking place.

3 MS. JANET EMMEL: So that was one question.

4 The second question: You said we can have
5 comments until August 29th, comments --

6 COMMISSIONER HANSON: We take comments right up
7 until we make our decision.

8 MS. JANET EMMEL: And when does the decision
9 get made?

10 COMMISSIONER HANSON: I'm going to have to
11 check on that. We haven't set a date for that --
12 for that meeting, but --

13 MR. JOHN J. SMITH: By law we're required to --
14 by law we have to have it out within six months
15 after filing for one of this voltage.

16 MS. JANET EMMEL: And they filed?

17 MR. JOHN J. SMITH: They filed -- I don't
18 remember exactly. Was it July 4th?

19 UNIDENTIFIED SPEAKER: June 30.

20 COMMISSIONER HANSON: Karen has stated that
21 it's June 30th when they filed?

22 UNIDENTIFIED SPEAKER: Yes.

23 COMMISSIONER HANSON: All right, thank you.

24 So six months after June 30th.

25 MS. JANET EMMEL: Okay.

1 Then I just would appreciate seeing the map of
2 the Pactola area because I haven't seen the detail
3 in the Pactola area. And if you could tell me what
4 I'm looking at.

5 MR. MIKE FREDRICH: This is the Pactola Lake
6 right here. This is a 69 route, a 69 kV line that
7 runs down through the 69 kV substation that sits
8 below the dam and then runs back out towards Rapid
9 City.

10 MS. JANET EMMEL: All right.

11 MR. MIKE FREDRICH: And what our proposed route
12 is, from a modification, is to run from this point
13 and then -- and then ultimately run back over here
14 and intersect into -- towards the east.

15 MS. JANET EMMEL: Okay. Where is the 385?
16 Where is the 385? The yellow line?

17 UNIDENTIFIED SPEAKER: Yeah.

18 MS. JANET EMMEL: So where is it going west
19 from the 385? That's where I'm looking at. Where
20 is Edelweiss Mountain Road on that map?

21 UNIDENTIFIED SPEAKER: Custer Village.

22 MS. JANET EMMEL: Custer Village.

23 MR. MIKE FREDRICH: It's right here. This is
24 the Black Forest area. And, again, this line is
25 running along the route that was the previous 69 kV

1 line.

2 MS. JANET EMMEL: All right. Thank you.

3 MR. JOHN J. SMITH: Ma'am, I just want to tell
4 you that the 29th day is the intervention deadline
5 date. That's for actually intervening as a formal
6 party in the case, if you wanted to do that.

7 MS. STARLA VOLK: My name is Starla Volk, "V"
8 like in Victor, O-L-K.

9 Thank you, Commissioner Hanson and
10 Commissioners, also Black Hills Power for coming and
11 showing us. I am a homeowner and representing the
12 Morse Place Subdivision Water Association.

13 If you could bring up the Johnson Siding map
14 you had up earlier with a big bend on it? Okay, our
15 association is kind of where that little turnaround
16 is right where it says, Proposed action lines run
17 behind our house. Yeah, my house is right with the
18 line behind it. We already have the line there and
19 also Black Hills Co-op has a line back there.

20 Now, when you were saying that -- the old line
21 is going to stay; is that correct?

22 MR. MIKE FREDRICH: That location, yes, the
23 69 kV line that is currently there will stay.

24 MS. STARLA VOLK: Okay. So which way will the
25 new line go? Will it go into the forest service or

1 will it come into my yard?

2 MR. MIKE FREDRICH: North --

3 MS. STARLA VOLK: It'll go on the other side of
4 the existing line?

5 MR. MIKE FREDRICH: Yes.

6 MS. STARLA VOLK: Okay. But not out as far as
7 the Black Hills Power line?

8 MR. MIKE FREDRICH: The Black Hills Electric?

9 MS. STARLA VOLK: Yeah. Sorry. Will it be
10 between the two of them then, or --

11 MR. MIKE FREDRICH: I do not know that. With
12 respect to the proximity of their lines --

13 MS. STARLA VOLK: So the existing line, how far
14 will it go?

15 MR. MIKE FREDRICH: The existing line will
16 go -- the 230 line will go right next to, at least
17 our current plan is right up against the existing
18 69 kV right-of-way.

19 MS. STARLA VOLK: So it will be north of that?

20 MR. MIKE FREDRICH: It will be north of that.

21 And I'm not sure if I understood your reference
22 to the co-op's line.

23 MS. STARLA VOLK: It's out further.

24 MR. MIKE FREDRICH: And that would be a
25 distribution line?

1 MS. STARLA VOLK: Yes. It's our power line.
2 That's where I get my power.

3 MR. MIKE FREDRICH: Yes, it would be a
4 distribution line because the 69 kV line that serves
5 the Big Bend Substation is coming off of that
6 existing line.

7 MS. STARLA VOLK: Okay.

8 With the new line will we get noise to where
9 you hear that buzzing or anything? Will it be
10 different?

11 The structure you're showing us tonight is
12 exactly what we have now up there, as far as I can
13 tell, and that doesn't seem to be a problem. But if
14 it's going to be like a high pitched buzzing or, you
15 know, that type of stuff, and Rimrock is a scenic
16 highway, so if it's going to be bigger holes, that
17 will --

18 MR. MIKE FREDRICH: What our studies have shown
19 as it relates to the noise at the edge of the
20 right-of-way is that it will be below the normal --
21 it's -- 52.5 DB is a measurement of noise level that
22 people -- if you think above that, people begin to
23 perceive or hear noise.

24 The design of this line is -- the edge of the
25 right-of-way is going to be below that from a noise

1 level perspective. So we don't anticipate any noise
2 levels being increased at the right-of-way.

3 MS. STARLA VOLK: Okay. Well, that was one of
4 my concerns, and my neighbors', not just mine. I'm
5 representing some other homes up there, too.
6 Because they felt that we get a lot of buzzing or
7 things like that. And then with all that much more
8 power or whatever, the earlier lady,
9 Ms. Leonard, as far as the cancer and all of that,
10 because we've got a lot of power back there now.

11 So, like I said, that's all I guess I wanted
12 to -- and you pretty much answered my questions.
13 Thank you so much.

14 MR. MICHAEL LEWIS: Good evening, Michael
15 Lewis, L-E-W-I-S, back in the Hidden Valley Sunridge
16 Road area.

17 First just a couple of typing things. We do
18 appreciate having the chance to make comments
19 because we actually found out about the modification
20 3G there through word of mouth in February of this
21 year, which was after all of the public hearings.

22 And so I put calls into Mark Carda, Ruth
23 Esperance up at the forest service, and then they
24 did schedule a public hearing just inside of Rapid
25 City to allow us to at least make input. But prior

1 to us making that comment, we knew nothing about
2 that modification 3G or anybody in our neighborhood
3 knew nothing about that. So there was no
4 notification when that modification came in of
5 anybody in the Sunridge Road section or south and
6 east of that section line.

7 My particular piece of property, if you look at
8 the "R" in route, there's a pie-shaped piece of
9 property right under the "R." So I butt up against
10 the section line.

11 So my first question is: That route shows a
12 slight jog to the north. We've not been able to
13 hear yet: How far is that jog off the section line?
14 What's planned there? In other words, how far off
15 my backyard is that route going to be?

16 MR. MIKE FREDRICH: Just so I understand,
17 you're talking in this area right here?

18 MR. MICHAEL LEWIS: Yes.

19 MR. MIKE FREDRICH: I don't know if -- well, we
20 really haven't determined the final distance of that
21 jog, but we were looking at butting right up against
22 that north -- is that north? North edge.

23 MR. MICHAEL LEWIS: And here's the reason I'm
24 asking: My house is 40 feet from the section line.
25 I have an easement that was granted by the county

1 when that house was built to be that close. If you
2 butt up against the section line I won't have a tree
3 left in my backyard. So being a nature lover, I
4 suppose that doesn't really matter, but I won't have
5 a single tree in my backyard and have nothing but
6 cut space to the north.

7 Now, that would make for a great fire back
8 break, I realize that, but there's been a lot of
9 talk about this stuff off to the west, but there's
10 only been two of us that have talked about this
11 modification 3G. And I just think it's one that we
12 have to strongly object to, the number of residences
13 that are impacted along there, including mine which
14 literally the towers will be above my house. And
15 there's really no reason to do that when there are
16 other alternatives.

17 Back to one of your three objectives,
18 minimizing the impact: You're going to impact every
19 single property owner along that, if you count those
20 up, as compared to the number of property owners
21 you'll affect going around and the distances from
22 those structures. That's important.

23 Now, we just bought our house in 2012. And you
24 had mentioned that you started this whole process,
25 but of course none of that was in the public record

1 anywhere involving that particular piece of property
2 and would have -- it could have affected our
3 decision to purchase that.

4 And putting a power line on 3G would have a
5 dramatic impact on the property value that would
6 exist particularly from my house, plus the several
7 of them to the east of there or even a couple to the
8 west. Mr. England was here earlier. He's just to
9 the west of me.

10 So I have to come out and strongly object to
11 3G and ask that Black Hills Power abandon that as an
12 alternative because of the effects of the number of
13 people.

14 Back to one of the other questions that was
15 asked about the impact of the mining: We have to, I
16 think, as individuals and as a society determine, Do
17 we look at individual rights versus corporate rights
18 when it comes to objections? Can two companies who
19 have the mining rights up there object and cause
20 that to be shifted a half mile and put it on top of
21 15 to 20 homeowners? I don't think that's a right
22 way to do it. And to consider the alternatives.
23 That's why I think we have to object to 3G and look
24 at some other alternatives around there.

25 (Applause)

1 COMMISSIONER HANSON: I need to get an idea if
2 we need to give our stenographer a break. About how
3 many more people are interested in commenting this
4 evening and asking questions? I see at least three.
5 Let's take a short ten-minute break.

6 (Recess taken)

7 MS. KATRINA MATEJCIK: Hello, my name is
8 Katrina Matejczik. And I'm speaking on behalf of my
9 mother.

10 We have a house -- I'm one of George Clinton's
11 neighbors -- on (unintelligible) Prairie Road by
12 Deerfield Drive. And I have some notes from my mom,
13 so I will just read those.

14 Black Hills Power proposed the 230 kilowatt
15 transmission line will be approximately only 300
16 feet from my family's home on (unintelligible)
17 Prairie Road near Deerfield (unintelligible). Our
18 home sits at the corner of the proposed modification
19 line, therefore doubling our exposure on both the
20 north side and the east side.

21 In the summer months we rent the home as a
22 vacation rental and it's practically booked for all
23 nights of the season. If a high voltage line were
24 to be built nearby, it wouldn't be long before
25 guests would post negative reviews.

1 And in the future my parents plan on using it
2 as a full-time residence, and several studies have
3 pointed to the adverse health affects of high
4 voltage lines.

5 A few years ago my mother was treated for a
6 brain aneurysm with platinum implants in her brain.
7 These implants are not supposed to be adversely
8 affected by the electromagnetic radiation in
9 people's average daily lives. However, to live 300
10 feet from a 230 kilowatt line certainly does not fit
11 the definition of normal daily living.

12 These high voltage lines are meant to be away
13 from people's living spaces. The EPA advises that
14 people concerned with health risks, one, increase
15 the distance from yourself and the source. And two,
16 limit the amount of time spent around the source.

17 This area is our home and we cannot limit the
18 amount of time spent near the source. However, we
19 are going to work hard to ensure that Black Hills
20 Power increase the distance between our home and the
21 line.

22 We're asking that Black Hills Power, to move
23 the line north above Road 249 and to extend the line
24 another 500 feet east before heading south to
25 (unintelligible).

1 Thank you for hearing my family's comments.

2 COMMISSIONER FIEGEN: Can you show us where
3 your home is?

4 MS. KATRINA MATEJCIK: Let's see, it's -- yeah,
5 in between a little to the right there.

6 COMMISSIONER NELSON: Mike, if I could ask:
7 There was a gentleman earlier that suggested moving
8 the line a little bit north. Am I looking at the
9 right one?

10 And so that would help in your situation?

11 MS. KATRINA MATEJCIK: Yeah, we're in agreement
12 with that.

13 COMMISSIONER NELSON: Thank you.

14 COMMISSIONER HANSON: Thank you.

15 MR. HAROLD STOLTENBURG: Harold Stoltenburg,
16 S-T-O-L-T-E-N-B-U-R-G.

17 My first part of the question is from an
18 individual that wasn't able to make it. His wife
19 had to take him to the ER tonight. His question is:
20 We live up there by the Fireside Inn, and he lives
21 on Big Piney Road. And looking off his deck right
22 now he's looking at the existing line that's there.
23 His question is: You're going to put another line
24 in there? Will that be a double line then? Because
25 there is a line in there now, your 69K.

1 MR. MIKE FREDRICH: I'm not sure exactly the
2 area you're talking about.

3 MR. HAROLD STOLTENBURG: Do you know where the
4 Fireside Inn is at? It's over to the right. The
5 next slide to the right where it crosses 385 -- I
6 mean, 44. I'm sorry. It used to be the Fireside
7 Inn. It's now Grizzly's.

8 COMMISSIONER NELSON: Sir, did you say Big
9 Piney Road?

10 MR. HAROLD STOLTENBURG: That's correct. Okay,
11 yes, that's correct, yep.

12 Anyway, his concern is that are you going to
13 put a double line in there now? There is an
14 existing line that was modified in '03.

15 MR. MIKE FREDRICH: We would be putting the 230
16 kV line to the north of that existing line.

17 MR. HAROLD STOLTENBURG: And that would widen
18 the right-of-way how much?

19 MR. MIKE FREDRICH: The right-of-way, that 230
20 kV line would be 125 feet -- excuse me, 100 feet
21 because that's on forest service property.

22 MR. HAROLD STOLTENBURG: A hundred feet?

23 MR. MIKE FREDRICH: Right.

24 MR. HAROLD STOLTENBURG: Okay. I'll give him
25 that answer.

1 My second question is for myself and some other
2 people: In the letter that we received, the second
3 paragraph says, "You are the landowner designated to
4 receive the property tax bill of land located within
5 one half mile of the site for the transmission
6 line." What is the "property tax bill"? Are we
7 going to get additional taxes?

8 MR. MIKE FREDRICH: No. To my knowledge, no.
9 We use the tax records to determine property owner
10 of record to mail the notice to. I realize that
11 that caused a lot of confusion with respect to the
12 information that was put in the letter, but that was
13 the purpose of that is so that we knew who was the
14 property owner of record at the time.

15 MR. HAROLD STOLTENBURG: Fine. That answered
16 my question. Thank you.

17 MS. ALVENE HENDERSON: Hello. My name is
18 Alvene Henderson. I have H&H Ranch, which is north
19 of the interstate just on the west side of Haines
20 Avenue. I don't know if we could find it or not.
21 About a mile and a half north of the interstate on
22 Haines, just west of Haines Avenue.

23 And the line is not projected to go through my
24 property, but I do have a couple of questions that
25 are associated with it. There's a lot of timber

1 property along here, and my concern is fire
2 fighting. What is going to happen if a fire starts
3 up there because of down line or something like
4 that? And who will bear the expense of taking care
5 of that?

6 I notice that a lot of the areas that this line
7 is traversing is timber rugged property, and where
8 is the accessibility to get to the line? And which
9 fire departments will be called in in order to fight
10 the fire, those kinds of things?

11 MR. MIKE FREDRICH: With respect to that, what
12 I can say is that as we design our facilities, we
13 design them to national electric safety co-op
14 requirements. And we also perform aerial patrols of
15 those facilities on an annual basis.

16 To answer all of your other questions, quite
17 frankly I can't due to some legal activity that's
18 currently before us. So I apologize for not being
19 able to answer that, but that's all I can do.

20 MS. ALVENE HENDERSON: I'm not sure what
21 questions to ask related to that, but it is a
22 concern of mine.

23 I have 150 acres of timber and it could affect
24 that, so...

25 Any other questions about it?

1 That's it. Thank you.

2 COMMISSIONER HANSON: Thank you, ma'am.

3 MR. ROBERT KRAFT: Robert Kraft, K-R-A-F-T.

4 Thank you for the Commission and members of
5 Black Hills Power for this opportunity.

6 Edelweiss Mountain, could you pull up that,
7 please? West of Black Forest Inn, south of Pactola.
8 Further west. There you go. It's on the left-hand
9 side there. Now, the proposed line that I see
10 there, my understanding is that there used to be a
11 69 line that was there several years ago but was
12 removed. And that line, is there more of a
13 probability that will move to the south and try and
14 follow that previous line cutting, or is that line
15 pretty much going to stay where it is?

16 MR. MIKE FREDRICH: If I understand your
17 question, what got proposed there is the proposed
18 route for the 230 kV line, along that existing,
19 along that old 69 kV route that was previously
20 there.

21 MR. ROBERT KRAFT: So was that visually done in
22 accordance with where the development actually was
23 located, Edelweiss Mountain, as far as how far that
24 was from that existing swatch? Because there's no
25 evidence of a 69 going south of that furthestmost

1 south property there of Edelweiss.

2 MR. MIKE FREDRICH: So if I understand what
3 you're asking is this would be just southwest of
4 that map that we just had up there?

5 MR. ROBERT KRAFT: Correct.

6 MR. MIKE FREDRICH: So that is the proposed
7 route as it continues to the southwest.

8 MR. ROBERT KRAFT: Okay.

9 And one health issue, if you could address
10 that, please, there's a phenomenon called stray
11 voltage. Could you explain what that actually is
12 regarding high power transmission lines?

13 MR. MIKE FREDRICH: Excuse me. I got too much
14 ice in my glass of water there.

15 To me the definition of stray voltage or
16 possibly induced voltage could potentially occur
17 when our lines run parallel or perpendicular to a
18 fence line, for example, and there could be some
19 conduction that occurs during those time periods.
20 And what we do when we come across those situations
21 is we will take care of grounding those fence lines
22 where we're in a proximity of a power line.

23 MR. ROBERT KRAFT: Thank you very much. I
24 appreciate it.

25 MR. BRIAN ROUNDS: This is Brian Rounds,

1 B-R-I-A-N, R-O-U-N-D-S, with (unintelligible) staff.

2 Just to kind of follow along that question
3 before you leave, sir, (unintelligible), I guess
4 maybe -- what I'm getting from the question, what
5 kind of a question that you were getting at was it
6 appeared that you were trying to follow some
7 right-of-way there, and I'm not sure when that was
8 abandoned, but it looks like it's been overgrown.
9 You can't tell that there was anything cut. So are
10 you planning to recut that, or is it going away
11 from -- is it following an actual right-of-way
12 there?

13 MR. MIKE FREDRICH: Our intention is to follow
14 the old actual right-of-way, and any vegetation that
15 has regrown in that right-of-way will be cleared.

16 MR. BRIAN ROUNDS: Do you know, how long ago
17 was that removed?

18 MR. MIKE FREDRICH: I believe it was six to
19 eight years ago.

20 MR. BRIAN ROUNDS: Okay, thanks.

21 UNIDENTIFIED SPEAKER: My name is
22 (unintelligible). Can I ask a question?

23 COMMISSIONER HANSON: Yes, but we'd like to
24 give everybody an opportunity before we give
25 everyone a second shot.

1 MR. ERIN TASSEFF: Hi. My name is Erin
2 Tasseff, T-A-S-S-E-F-F. I'm a resident of Rimrock.

3 I have a question. 230 kV, would you be able
4 to bring up the substation picture again? When you
5 originally started your -- yeah, the common use?
6 Would you kindly do that? Perfect.

7 I have a question. We're sitting here and
8 we're talking about cutting through all of this land
9 and cutting across people's properties. Is there no
10 other 230 kV line in existence on this map? Is
11 that -- all in the blue is?

12 MR. MIKE FREDRICH: All of the blue lines and
13 even some of the other colored lines that are green
14 and red are 230 kV transmission lines.

15 MR. ERIN TASSEFF: Then could someone please
16 explain to me why is it more cost effective to cut
17 through the forestry land and across people's
18 property instead of just adding an existing 230 kV
19 line to the existing routes that are already
20 present? If there was already substations in place
21 and there is already 230 capability in place, why
22 then are we cutting through at an angle through the
23 forestry service when there's already a path for 230
24 to go to where you need it to go?

25 MR. MIKE FREDRICH: I would explain it this

1 way: Think of it as a three-legged stool. If we
2 were to double up on one of those legs, the stool
3 will topple over. So by having three distinct
4 routes, we increase the reliability of our system.
5 Because if we put those 230 kV lines on the same
6 infrastructure and we, for example, have a tornado
7 go through that, instead of losing one circuit or
8 one set of structures, we've lost two lines.

9 And that is part of the planning efforts, the
10 planning studies that we looked at as we plan our
11 system. We looked at providing diverse routes for
12 these so that we don't get into these situations
13 where we're losing multiple facilities on the same
14 right-of-way. There are -- there are established
15 plan study criteria that identify those type of
16 planning scenarios.

17 MR. ERIN TASSEFF: Okay. Thank you, sir.

18 MR. MIKE FREDRICH: You're welcome.

19 MR. JAMES HODGES: James Hodges.

20 The cost of infrastructure wear and tear in the
21 Hidden Valley, whatever one ultimately is chosen,
22 very steep grade coming up to those subdivisions,
23 really not well suited for logging, other industrial
24 vehicles, who -- how are the costs for wear and tear
25 on residential roads -- who takes care of those

1 costs? Is that the developer or the homeowner or --

2 MR. MIKE FREDRICH: I don't know if I have
3 specifically an answer with respect to that.

4 MR. JOHN J. SMITH: I do. Maybe I should
5 address that because we deal with this every time.

6 A company is required to -- if you're talking
7 about restoration of roads that were used during
8 construction, is that what you're asking?

9 MR. JAMES HODGES: Yes. Well, not the roads
10 that they have cut in but existing municipal roads
11 that --

12 MR. JOHN J. SMITH: Existing roads, the company
13 is required by law to fully restore back to the
14 condition that the roads were in prior to
15 construction. And then there's a phrase in there
16 that says "reasonable wear and tear excepted," which
17 is normal, you know. But it's their obligation
18 under the law to fully restore roads to the
19 condition they were in before construction.

20 And we also require the posting of a bond
21 that's authorized by statute to guarantee that those
22 roads get repaired. And we've been through this a
23 lot with Keystone's -- with Keystone, with a lot of
24 electric transmission lines. And we don't quit at
25 the PUC until that road restoration is complete and

1 signed off by the governmental entity, whoever it
2 is.

3 MR. JAMES HODGES: So there's a
4 pre-construction assessment of existing conditions
5 as a part of the development?

6 MR. JOHN J. SMITH: In general, yes. I mean, I
7 would put it this way: We frequently require -- we
8 do require a pre assessment. And in some cases
9 we've even required a video survey. Now, that's
10 more with pipeline because the construction effects
11 are dramatically different than with a project like
12 this, but yes, we do that on occasion.

13 MR. JAMES HODGES: Okay.

14 MR. JOHN J. SMITH: We require that, a
15 pre assessment of the roads and then a restoration.

16 But honestly the way it really works in the
17 real world is it's usually the governmental entity
18 whose road it is. And until they're satisfied that
19 it meets the prior condition -- and they're usually
20 pretty familiar. I mean, they know what their roads
21 are like. And until they're satisfied and sign off,
22 we're not done. All right?

23 MR. JAMES HODGES: Okay.

24 MR. JOHN J. SMITH: They need to sign off.

25 MR. JAMES HODGES: Could we go to Slide 2

1 again?

2 Realizing the need for timeliness in project
3 construction, it would seem to me that opting for a
4 route that potentially impacts fewer properties is
5 desirable.

6 One of the reasons that I wish to say that my
7 proposed alignment or the alignment that's under
8 general consensus that heads north along the section
9 line, past section line is not being as actively
10 considered as the yellow line is because it might
11 impact six properties. By my -- I see six
12 properties being impacted by the yellow line.

13 If the project were needing to obtain
14 right-of-way through condemnation proceedings, would
15 that not be deleterious to the project timeline?

16 MR. MIKE FREDRICH: We would hope that we don't
17 need to go that way with respect to this. The
18 comments we heard tonight, we'll take a look at
19 this. But we've got to consider all the other
20 factors that we have in front of us with respect to
21 this alternative route. And that includes working
22 with the forest service as it relates to our EIS
23 study as well.

24 As I mentioned earlier, we are beginning that
25 process, having those detailed discussions with the

1 potentially impacted landowners. We've heard some
2 things tonight that we may need to take a look at.

3 MR. JAMES HODGES: Can I request that the final
4 impact study quantify separation of the various
5 alternatives, the separation distances to
6 residences, Option A, Option B, Option C so you can
7 show conclusively how the selected option is
8 impacting the least amount of people?

9 Similarly, some of the other items that are
10 brought up in my most recent communication such as
11 acres of forest that are being cleared, could that
12 be quantified as part of the impact?

13 MR. MIKE FREDRICH: I'll let Kevin speak to
14 this. Kevin has got the experience with the EIS
15 side.

16 MR. KEVIN LINCOLN: The draft EIS has been out,
17 and that was open to public comment and the extent
18 of that period a couple of times for some additional
19 meetings.

20 Any comments you have on the EIS need to go
21 directly to the forest service. We have nothing to
22 do with the EIS officially. That's the forest
23 service.

24 MR. JAMES HODGES: Is there a reason why
25 they're not present tonight?

1 MR. KEVIN LINCOLN: It's a state meeting. It's
2 not a forest service meeting.

3 MR. JOHN J. SMITH: They have their own
4 process.

5 MR. JAMES HODGES: And I assume the Commission
6 looks at the final impact statement?

7 COMMISSIONER HANSON: Yes, we do.

8 MR. JAMES HODGES: All right. Thank you.

9 COMMISSIONER FIEGEN: James, could I ask you
10 where your residence is or property is? I didn't
11 quite see that.

12 MR. JAMES HODGES: I didn't state where it is.
13 I'm in -- right at the head of this road. Right at
14 the head of this road there's a lot that's bounded
15 by a cul-de-sac there. I'm in the center of it
16 surrounded by two roads.

17 My residence would visually be able to see the
18 power poles, depending on the location, because of
19 the topography, be able to see into the valley and
20 see power poles and lines.

21 COMMISSIONER HANSON: All right, thank you.

22 MR. ROBERT THOMAS: My name is Robert Thomas,
23 T-H-O-M-A-S.

24 Can I go back to the Common Use System chart?
25 I've been wondering here if the idea or the purpose

1 of this line that's going to cut through major
2 recreational area and disrupt national forest is to
3 make your grid system more robust. And I look at
4 Teckla. Now you're going to have four lines in
5 there for switching capabilities that are blocked by
6 the Antelope Mine Substation which only has two, so
7 you aren't doing anything to help that, Reno.
8 You're not helping Yellow Creek. You're not helping
9 South Bend, and you would not help Minicada
10 (phonetic).

11 So why go through the National Forest at all
12 and not go north to lock out Yellow Creek, even over
13 to Reno, which would give you your three-legged
14 stool and one, two -- three substations that don't
15 have it? You know, your reason for going this way
16 doesn't make any sense when you're leaving all the
17 holes around it.

18 And I live in the Pactola area, and the last
19 snowstorm in October we were out of service for over
20 a week because the terrain there is so rough you
21 cannot get to it to service it anyway.

22 So you're running a line. You're going to
23 destroy I don't know how many acres of national
24 forest where we're trying to save the trees with bug
25 infestation.

1 I do know about arc flash, and I know about
2 your safety features, but in a disruption when that
3 lets go, you cannot catch it fast enough. So the
4 fire potential on a line this big is huge. Even a
5 thirteen eight line is huge. Now you're going up to
6 your highest transmission voltage, right, on this,
7 available?

8 MR. MIKE FREDRICH: As it relates to the design
9 of this system, yes, it's -- 230 kV is the highest
10 voltage we have on our system.

11 MR. JAMES HODGES: Right, to transmit.

12 I just think a better proposal is going to the
13 north where you have road access.

14 Even your Yellow Creek, which, if I understand,
15 that's in the Lead/Deadwood area, half that forest
16 has already been burnt down and there's no clear
17 cutting to get through there.

18 I think there's a much better proposal to do
19 this, much better, probably cheaper. You're putting
20 it right through your biggest revenue generation in
21 Western South Dakota. You're going real close to
22 the Pactola Reservoir, which is also a very big
23 income generation.

24 Your tourist industry depends on the Black
25 Hills and the way they look as they are now. And

1 all you gotta do is drive down 385 and look across
2 there in either direction and see the swath that's
3 cut up those mountain ridges to see what a high
4 voltage power line does to the esthetics of the
5 Black Hills.

6 And I got involved in this late. I'm a
7 property owner for two years, and I knew nothing
8 about this until I got my registered letter last
9 week. A couple of other groups that I've contacted
10 have not heard anything about this either.

11 So I think the Commission would be well served
12 if they take a look at going north, especially from
13 Osage, and get rid of the Pactola Reservoir area.
14 It would eliminate all of these people's concerns.
15 You've got a less populated area, and it's not a big
16 tourist area.

17 But that line that's going through that
18 national forest, if anything happens, is not
19 accessible to any high power equipment that you
20 gotta get in there. Or you're going to have to
21 supply that, which is not only are you cutting the
22 access and clearing all the timber, but now you're
23 going to have to put access off of any roads around
24 there into those power lines. What you're doing to
25 the Black Hills is, I just don't understand it when

1 there's better ways to go about it which would give
2 them more flexibility on their grid.

3 That's all I got.

4 MS. KATHY WEBER: I'm Ms. Kathy Weber,
5 W-E-B-E-R.

6 I just have one quick comment. I'm also a
7 property owner of the Ponderosa Ridge Development.
8 And one of the things that my husband and I liked
9 about the property when we bought it was there are
10 no overhead power lines. So if that proposal blue
11 line is still in effect, that would drastically
12 impact the visuals in that neighborhood.

13 Thank you.

14 COMMISSIONER HANSON: Thank you.

15 Anyone further? Any last questions or
16 comments? Auctioneer is going to say "sold," but
17 I've got a Commissioner who would like to ask either
18 a question or a comment.

19 COMMISSIONER NELSON: Just one question.

20 Could you bring up the map again that we've
21 spent so much time on? I'll repeat this into the
22 microphone.

23 My question is: Is the landowner that has this
24 lot, this lot or this lot here tonight?

25 UNIDENTIFIED SPEAKER: They are not.

1 UNIDENTIFIED SPEAKER: I don't believe so.

2 COMMISSIONER NELSON: For the record, I asked
3 if any of three particular landowners were present
4 tonight, and they are not.

5 That's all I have, Mr. Chairman. Thank you.

6 COMMISSIONER HANSON: Thank you.

7 Ms. Fiegen, did you have anything?

8 COMMISSIONER FIEGEN: I'm saving my questions
9 for the public hearing.

10 COMMISSIONER HANSON: All right. Thank you.

11 One last opportunity, one last chance, anyone
12 feeling compelled to ask a question that's burning
13 that you don't want to go to sleep tonight not
14 knowing the answer to?

15 (No response.)

16 COMMISSIONER HANSON: All right, then we'll
17 call it.

18 I would like, if there is a -- Mr. Thomas made
19 a number of comments about going north to Reno and
20 to Yellow Creek, and I'm wondering if you have some
21 comments to that.

22 MR. MIKE FREDRICH: One of the ways that I look
23 at this system is looking at it from the standpoint
24 of a pipeline and a lot line and looking at the
25 facilities that it takes to move power from Point A

1 to Point B, mainly looking at what it takes to move
2 resources from the WyoDak -- from what I would
3 consider the western portion of our system, the
4 WyoDak, you know, Teckla area, moving that over to
5 the eastern part of the system, namely the Lange,
6 Rapid City, Lookout, West Hill. That can all be
7 considered part of our eastern part of our system.

8 We have a significant amount of load that is
9 served in the Spearfish/Rapid City area. And what
10 happens with respect to that is the transmission
11 planners, not necessarily wanting to speak for Eric
12 and his side of the fence, but I've also been
13 involved in transmission planning over my career,
14 and one of the things that the transmission planers
15 do is they perform transmission studies that look at
16 the various options of how to serve and move power
17 across the system when certain legs of certain pipes
18 are out of service.

19 So as I talked about earlier with respect to
20 the Common Use System transmission owners,
21 performing joint planning, that's something that
22 they do on a normal basis. And as they look at the
23 system and look at the additions to the system and
24 what it's going to take to provide support to the
25 loads served from this system, the best option that

1 came out of that was this proposed line addition
2 from, running from Teckla to Osage, then from Osage
3 over to Lange.

4 And yes, you could look at the Yellow Creek
5 area and say there's only two legs going into that
6 area. As a whole, as we look at that whole load
7 that's supported on that eastern face of our system,
8 this was the best option that was determined from
9 those transmission planning phases.

10 COMMISSIONER FIEGEN: If I could just add,
11 Mr. Chairman: In the application the Commission
12 reads, and then we get to ask questions of Black
13 Hills Power at our hearing that they are under oath
14 and all sorts of things. It's like a courtroom.

15 But they do have three routes in here that we
16 have read about, a northern route and a southern
17 route and the route they chose. And they have a
18 narrative on Pages 6 and 7 of why they did not
19 choose the north route or the south route. And then
20 during the hearing we will ask more questions about
21 those three routes, too.

22 COMMISSIONER HANSON: Ladies and Gentlemen,
23 thank you very much for your attendance this
24 evening. As said in the beginning, no decisions are
25 being made here this evening. We will have a public

1 hearing -- excuse me. We will have an evidentiary
2 hearing on this, and you are welcome to become
3 parties to that if you wish to participate in the
4 presentation of evidence and asking questions of
5 witnesses and presenting testimony and things of
6 that nature. And you need to contact us on that.

7 You can follow all of the, everything that
8 takes place, every communication from every
9 landowner that is sent to us, every bit of evidence
10 that's presented, any changes that take place, you
11 can follow that all on our website.

12 And if you have questions on how to navigate
13 the website, please be in contact with us.

14 Thank you and please have a safe travel home
15 this evening.

16 All Commissioners move to adjourn?

17 COMMISSIONER FIEGEN: Move to adjourn.

18 * * * * *

19 (The proceedings concluded at 8:50 p.m.,
20 August 25, 2014.)
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1 STATE OF SOUTH DAKOTA)
2 COUNTY OF PENNINGTON) ss.
3
4

5 I, CINDY K. PFINGSTON, hereby certify that
6 the foregoing pages numbered from 1 to 87, inclusive,
7 constitute a full, true and accurate record of the
8 proceedings had in the above matter, all done to the best
9 of my skill and ability.

10 DATED this 6th day of October, 2014.
11

12 _____
13
14 CINDY K. PFINGSTON
15 Registered Professional Reporter
16

17 My commission expires:
18 February 4, 2016
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