

From: PUC

Sent: Tuesday, October 13, 2015 8:04 AM

To: [REDACTED]

Subject: NW, EL14-106, & WIND

Mr. and Mrs. Thomas:

This is in response to your email to PUC Chairman Chris Nelson on Oct. 7 regarding the rate increase associated with the Beethoven Wind Farm near Tripp, and a wind farm proposed for Lincoln County and Union County. Since the NorthWestern Energy rate case, docket EL14-106, is an open docket that commissioners have not yet acted or voted on, Chairman Nelson forwarded your email to the PUC staff for response. The commissioners' discussion of open dockets must be done in an open, public forum.

Regarding the tax dollars associated with the Beethoven Wind Farm, you may be referencing Production Tax Credits. All PTCs NorthWestern Energy receives will be credited to its customers through the Delivered Cost of Fuel adjustment, reducing the rates customers pay. In fact, NorthWestern Energy started crediting the PTCs to the Delivered Cost of Fuel adjustment on Oct. 2, 2015. The estimated impact to a residential customer using an average of 750 kWh per month is a bill reduction of \$5.21.

The PUC does not currently have a docket regarding a wind farm for south Lincoln County and Union County. Should such a filing be submitted in the future, you are welcome to ask questions or file comments regarding that docket once we have information on it to reference in order to analyze and respond.

Here is a link to the NorthWestern Energy docket: <http://www.puc.sd.gov/Dockets/Electric/2014/el14-106.aspx> And here is a link to a document that provides some guidance on the processing of rate cases by the commission: <http://www.puc.sd.gov/commission/Publication/electricratecasehandout.pdf>

South Dakota Public Utilities Commission Staff

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