

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Petition for a
Declaratory Ruling Determining if South
Dakota Law Would Allow Petitioner to
Develop and Own its Own Renewable
Energy Generation System

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DOCKET NO. EL18-061

PETITION TO INTERVENE
[CHARLES MIX ELECTRIC
ASSOCIATION, INC.]

Pursuant to ARSD 20:10:01:15.02, Charles Mix Electric Association, Inc. a rural electric (distribution) cooperative organized under S.D.C.L. Chapter 47-21, hereby petitions the Commission for leave to intervene in the above-entitled matter on the following grounds:

FACTS SUPPORTING PETITIONER'S INTEREST

1. Charles Mix Electric Association, Inc. ("CME" herein) is a rural electric cooperative in good standing and duly organized under the laws of South Dakota. CME maintains its principal headquarters and office at 440 Lake Street, Lake Andes, South Dakota, 57356. CME has provided electric power and service to the rural residents and consumers of Charles Mix County since 1946.
2. CME is an "electric utility" as defined by S.D.C.L. § 49-34A-1(7) with an assigned service area, the boundaries of which have been established as provided in S.D.C.L. §§ 49-34A-42 to 49-34A-44, inclusive.
3. Such assigned service area covers substantially all of rural Charles Mix County, South Dakota. CME's assigned service area includes the Pickstown Treatment Plant, Pickstown Intake / Entry Point, Platte Treatment Plant, and Platte Intake / Entry Point of Randall Community Water District ("RCWD" herein).
4. RCWD has been a member consumer of CME since September 23, 1976. It has twenty-seven (27) metered services / accounts with CME; and RCWD is the cooperative's largest power consumer. The Pickstown Treatment Plant alone is the sixth largest power user in CME's assigned service area. As a member of CME's "Large Commercial Consumer" class, RCWD uses approximately 4.5 million kWh in a typical 12-month period. Revenues based on kWh usage and demand exceed \$400,000 annually.
5. CME has outstanding loans from the Cooperative Finance Corporation, the United States Department of Agriculture – Rural Utilities Service (RUS), and the Federal Financing Bank (RUS guaranteed) totaling more than \$17 million. As a consequence of such debt, CME is subject to a comprehensive federal regulatory scheme (7 C.F.R. §§ 1700 *et seq*) and must

meet certain minimum criteria to ensure reasonable security for and/or the repayment of loans made or guaranteed by RUS. (See 7 C.F.R. § 1710.114.)

6. RCWD's proposal to "develop a renewable energy source to offset the amount of retail power consumption" (Petition, ¶ 2), may adversely affect CME's power requirements, revenues, rates, minimum coverage ratios, debt service, and recovery of plant investment. The extent to which CME may be adversely affected cannot be determined from the submissions heretofore filed with the Commission by RCWD.
7. In addition, RCWD's proposed development may involve co-generation and interconnection issues governed by federal law and regulations.

WHEREFORE, Charles Mix Electric Association, Inc., hereby makes and files this Petition to Intervene and shows the Commission that:

- A. CME is specifically deemed by statute to be an interested party;
- B. The outcome of the proceeding will bind and adversely affect CME with respect to an interest peculiar to CME as distinguished from an interest common to the public or to the taxpayers in general;
- C. This Petition to Intervene is timely filed and will not unduly prejudice the rights of any other party to these proceedings; and
- D. Under the facts as set forth above, CME should be granted leave to intervene in this important matter.

Pursuant to ARSD 20:10:01:15.02, service upon all parties to the proceeding has been made as shown in the Certificate of Service filed herewith.

Dated this 3rd day of January, 2019.

/s/ Michael J. Whalen
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