

ENVIRONMENT MIDWEST

October 8, 2008

Gary Hanson, Chairman Steve Kolbeck, Commissioner Dusty Johnson, Commissioner South Dakota Public Utilities Commission Capitol Building, 1st Floor 500 East Capitol Avenue Pieire, SD 57501-5070

Re: Docket RM08-002, Interconnection Rulemaking

Dear Chairman and Commissioners:

This letter is in response to the Commission's September 9, 2008 request for comments on the model Interconnection Rules proposed by Staff as a starting point for the formal rulemaking process in Docket RM08-002.

ELPC recommends that the Commission adopt the Staff's Recommended Rules as the starting point for this docket. Staff and the parties have devoted extensive time and resources in the workshop process leading up to this docket to narrow the contested issues and come up with a draft rule that reflects, to the greatest extent possible, a reasonable compromise and workable rule for distributed generation interconnection in South Dakota. Staff conducted a thorough, well-researched, and fair process to develop the proposed rules. Staff's proposed rules accurately reflect the agreed-on positions of the parties where consensus was reached in the workshop process, and fairly considered the parties' respective positions where consensus was not possible.

Although no party received everything they wanted in Staff's proposed rule, we think that all parties would agree that the workshop process was fair that that everyone had ample opportunities to be heard and explain their positions. Although we do not think there will be many disputed issues, each party will have an additional opportunity to advocate for changes in the proposed rule during the formal rulemaking process. We do not recommend making any changes now, before the formal rulemaking process begins, as this would short-circuit the deliberative process.

The Environmental Law & Policy Center has significant experience working with state utility commissions to implement the EPAct 2005 requirements. We recognize the Commission's

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thorough and careful study of these important issues and appreciate the opportunity to participate in this docket.

Respectfully submitted, Bud Hes

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