

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION BY)	ORDER DENYING
OTTER TAIL POWER COMPANY ON BEHALF)	APPLICATION FOR
OF BIG STONE II CO-OWNERS FOR AN)	RECONSIDERATION;
ENERGY CONVERSION FACILITY PERMIT)	ORDER DENYING
FOR THE CONSTRUCTION OF THE BIG)	APPLICATION FOR
STONE II PROJECT)	RECONSIDERATION
)	SECOND APPLICATION
)	EL05-022

On July 21, 2005, Otter Tail Power Company (Otter Tail) on behalf of the Project Co-Owners, Central Minnesota Municipal Power Agency, Great River Energy, Heartland Consumers Power District, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., Otter Tail Corporation d/b/a Otter Tail Power Company, Southern Minnesota Municipal Power Agency and Western Minnesota Municipal Power Agency submitted to the Public Utilities Commission (Commission) an application for a permit for an energy conversion facility. The proposed energy conversion facility is a nominal 600 MW coal-fired electric generating facility and associated facilities, which the Project co-owners have named Big Stone II, to be located on an industrial site adjacent to the existing Big Stone Plant Unit I in Grant County, South Dakota. The proposed site is located East of Milbank and Northwest of Big Stone City, in Grant County, South Dakota.

On July 28, 2005, the Commission electronically transmitted notice of the filing to interested individuals and entities, however, it did not include an intervention date. On August 5, 2005, the Commission electronically transmitted an amended notice which included an intervention deadline of September 18, 2005. On August 18, 2005, the Commission electronically transmitted and posted to its web page an Errata Notice for Amended Weekly Filings setting forth the correct intervention deadline of September 19, 2005. On August 25, 2005, the Commission received a Petition to Intervene from Clean Water Action (Clean Water). On September 16, 2005, the Commission received Applications for Party Status from South Dakota Chapter Sierra Club (Sierra Club) and Union of Concerned Scientists (Union). On September 19, 2005, the Commission received Applications for Party Status from Mary Jo Stueve (Stueve), Minnesotans for an Energy-Efficient Economy (Minnesotans), Izaak Walton League of America - Midwest Office (Izaak Walton) and Minnesota Center for Environmental Advocacy (Minnesota Center). At its September 27, 2005, meeting, the Commission granted intervention to Clean Water, Sierra Club, Union, Stueve, Minnesotans, Izaak Walton and Minnesota Center. On February 16, 2006, the Commission received a letter from Clean Water Action requesting that its Petition to Intervene be withdrawn. At its regularly scheduled meeting of February 28, 2006, the Commission granted Clean Water Action's request to withdraw its Petition to Intervene.

On May 12, 2006, the Commission received a Joint Motion and Stipulation to Amend Second Scheduling and Procedural Order from Otter Tail. On May 19, 2006, the Commission received a Stipulation requesting withdrawal of its intervention from Sierra Club. At its regularly scheduled meeting of May 23, 2006, the Commission granted the Joint Motion and Stipulation to Amend Second Scheduling and Procedural Order. The Commission also granted Sierra Club's Stipulation requesting withdrawal of its intervention. On July 8, 2006, the Commission received a Notice of and Petition for Dismissal from Stueve. On July 21, 2006, the Commission issued its Final Decision and Order; Notice of Entry.

On July 28, 2006, the Commission received a Notice and Application for Reconsideration from Stueve. On August 3, 2006, the Commission received Applicants' Answer to Petition for Rehearing. On August 14, 2006, the Commission received a Notice and Application for Reconsideration Second Application from Stueve. On August 16, 2006, the Commission received Staff's Answer to Petitions for Reconsideration. On August 21, 2006, the Commission received a letter in support of Stueve's request for reconsideration from the Joint Intervenors and Applicants' Answer to Second Petition for Rehearing.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-41B, specifically 49-41B-1, 49-41B-2, 49-41B-2.1, 49-41B-4, 49-41B-6, 49-41B-7, 49-41B-8, 49-41B-9, 49-41B-10, 49-41B-11, 49-41B-12, 49-41B-13, 49-41B-14, 49-41B-15, 49-41B-16, 49-41B-17, 49-41B-17.1, 49-41B-19, 49-41B-20, 49-41B-21, 49-41B-22, 49-41B-24, 49-41B-26, 49-41B-33, 49-41B-35, 49-41B-36, 49-41B-38, and ARSD Chapter 20:10:22.

At its regularly scheduled meeting of August 23, 2006, the Commission considered this matter. The Commission found that the Notice and Application for Reconsideration and the Notice and Application for Reconsideration Second Application failed to demonstrate sufficient grounds for rehearing or reconsideration and should be denied (Chairman Sahr abstained). It is therefore

ORDERED, that the Notice and Application for Reconsideration and the Notice and Application for Reconsideration Second Application are denied.

Dated at Pierre, South Dakota, this 24th day of August, 2006.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u>Nelsina Kolbo</u>
Date:	<u>8/24/06</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

ROBERT K. SAHR, Chairman, abstaining

Dustin M. Johnson
DUSTIN M. JOHNSON, Commissioner

Gary Hanson
GARY HANSON, Commissioner