BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY BASIN ELECTRIC POWER COOPERATIVE, INC. REGARDING ITS NOTIFICATION OF INTENT TO APPLY FOR A PERMIT FOR AN ENERGY CONVERSION FACILITY

ORDER DESIGNATING AFFECTED AREA AND LOCAL REVIEW COMMITTEE

EL08-004

On February 20, 2008, the South Dakota Public Utilities Commission (Commission) received a Notification of Intent to submit an application for a permit for an energy conversion facility from Basin Electric Power Cooperative, Inc. (Basin) pursuant to SDCL 49-41B-5 and ARSD 20:10:22:02. Basin proposes to construct a 700-MW baseload electric generation facility (Project) and associated electric transmission lines and water pipeline in South Dakota referred to as the NextGen Project. The proposed site for the Project is located in Walworth County, approximately 2.75 miles to the west of Selby. The Project would be located on an undeveloped greenfield site of approximately 600 acres within a 2,360-acre plant site. A new 345-kV transmission line would be constructed from the Project to a new substation approximately four miles west of the site where interconnection would occur with existing WAPA 230-kV and Basin 345-kV lines. A second 345-kV transmission line would be constructed east some 17 miles to interconnect with Basin's existing 345/500-kV Antelope Valley-Broadland line. Preliminary interconnection studies indicate that approximately 40 miles of 230 kV transmission line between Basin's existing Broadland Substation, approximately 3 miles west of Huron, and Basin's existing Storla Substation, approximately 10 miles southwest of Woonsocket, would also be required. The construction phase of the project will take place over a period of four years beginning in 2010. At the peak of plant construction, up to 1,700 construction workers are anticipated. Once the plant is operational, Basin estimates that up to 150 permanent, full-time workers would be required. Basin estimates the capital cost of the Project to be approximately \$2.5 billion dollars.

The Commission has jurisdiction over this matter pursuant to SDCL 49-41B, specifically SDCL 49-41B-6 and ARSD 20:10:22:01 and 20:10:22:02.

On March 4 - 7, 2008, Commission Staff filed an Aerial Map of Affected Area, Map of Counties of Proposed Area, Staff's Second Data Request, Map of School Districts around Proposed Area, Revised Map of Proposed Area and Potential Local Review Committees. On March 7, 2008, Basin filed a Supplement to Notice of Intent - Response to Staff Data Request.

Under SDCL 49-41B-6, the Commission is required to designate the affected area relative to this filing and also to designate a local review committee within thirty days after the filing of the notification of intent. According to SDCL 49-41B-2(9), the term "siting area" is defined as "that area within ten miles in any direction of a proposed

energy conversion facility . . . or which is determined by the commission to be affected by a proposed energy conversion facility." In ARSD 20:10:22:01(1), "affected area" is defined as "that area which may be affected environmentally, socially, aesthetically, or economically by the location of a facility at a proposed site." Under SDCL 49-41B-6, "the Commission shall designate . . . a local review committee composed of:

- (1) The chair of the tribal council of each affected reservation;
- (2) The president of the board of education of each affected school district;
- (3) The chair of the county commissioners of each affected county;
- (4) The mayor of each affected municipality; and
- (5) A representative of the applicant utility designated by the utilities."

After discussion at its March 11, 2008 regular meeting, the Commission determined that the affected area for Basin's proposed energy conversion facility is an area within 25 miles of the site of the proposed facility plus the school district of Gettysburg 53-1. The Commission then determined, based upon Staff's filed Potential Local Review Committees, that the local review committee for this filing should be those entities listed in the column entitled "25 Miles" plus Gettysburg School District 53-1. Subsequent to the Commission meeting, the Commission determined that Wakpala is not in fact a municipality within the meaning of SDCL 9-1-1(6) and therefore not a municipality under SDCL 49-41B-6(4). In accordance with SDCL 49-41B-6, the Commission therefore designates the local review committee for the Project comprised of the following officers, ex officio:

- (1) The Chairs of the Standing Rock and Cheyenne River Sioux Tribes;
- (2) The Chairs of the Campbell, Corson, Dewey, Edmunds, McPherson, Potter and Walworth County Commissions;
- (3) The Presidents of the School Boards of Bowdle School District 22-1, Eagle Butte School District 20-1, Edmunds Central School District 22-5, Eureka School District 44-1, Gettysburg School District 53-1, Herreid School District 10-1, Hoven School District 53-2, McLaughlin School District 15-2, Mobridge School District 62-3, Pollock School District 10-2, Selby School District 62-5, Smee School District 15-3 and Timber Lake School District 20-3;
- (4) The Mayors or Presiding Officers of the cities of Akaska, Bowdle, Glenham, Herreid, Hoven, Java, Lowry, Mobridge and Selby; and
- (5) A representative of the applicant designated by Basin Electric Power Cooperative, Inc.

It is therefore

ORDERED, that the affected area for the purposes of this filing shall consist of an area within 25 miles of the site of Basin's proposed energy conversion facility and Gettysburg School District 53-1; and it is

FURTHER ORDERED, that the local review committee shall be comprised of the above referenced officers, serving ex officio, and that any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his/her successor, who shall promptly notify the Commission of such succession.

Dated at Pierre, South Dakota, this ______ day of March, 2008.

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: Uniosa Janlihli

Date: 3/30/0%

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

GARY HANSON, Chairman

STEVE KOLBECK, Commissioner

DUSTIN M. JOHNSON, Commissioner 46