

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

IN THE MATTER OF THE APPLICATION BY)	ORDER GRANTING JOINT
BASIN ELECTRIC POWER COOPERATIVE,)	MOTION FOR APPROVAL
INC. FOR AN ENERGY CONVERSION)	OF SETTLEMENT
FACILITY SITING PERMIT FOR THE DEER)	STIPULATION AND
CREEK STATION PROJECT COMBINED-)	GRANTING PERMIT TO
CYCLE NATURAL GAS ENERGY)	CONSTRUCT FACILITIES
CONVERSION FACILITY AND ASSOCIATED)	
INFRASTRUCTURE, INCLUDING A WATER)	EL09-015
SUPPLY SYSTEM AND ELECTRIC)	
TRANSMISSION SYSTEM)	

On July 28, 2009, Basin Electric Power Cooperative, Inc. (Basin) filed an application with the Public Utilities Commission (Commission) for an energy conversion facility permit for the Deer Creek Station project located 12 miles northeast of Brookings, South Dakota. The project consists of a 300 net megawatt combined-cycle natural gas conversion facility and associated 1.25 mile water pipeline and 0.75 mile electric transmission line. Construction of this \$393 million project is anticipated to begin in July 2010 with startup in June 2012. The project will help serve the increased generation demand for electric power in the eastern portion of Basin's service area. An associated siting application for a 13.2 mile natural gas pipeline for the project has been filed separately.

On August 11, 2009, the Commission assessed a filing fee not to exceed \$396,500, with an initial deposit of \$8,000. Due to scheduling and notice complications, Basin filed a Motion for Extension of Notice, Public Hearing Timeframe and Application for Party Status on August 21, 2009. Basin further requested to hold the public hearing on September 30, 2009. On August 25, 2009, the Commission granted the Motion.

On August 31, 2009, Iberdrola Renewables (Iberdrola) filed a Petition for Intervention. On September 8, 2009, the Commission granted Iberdrola's Petition for Intervention. On September 30, 2009, the Brookings County Commission (Brookings) filed an Application for Party Status. On October 13, 2009, Jongeling Consulting submitted a combined Consulting Services Proposal in EL09-015 and HP09-002. On October 20, 2009, the Commission granted Party Status to Brookings and granted intervention. The Commission also approved the request to hire a consultant for \$10,500.

On January 19, 2010, Basin filed an Addendum to the Application. On February 5, 2010, a draft environmental impact statement was received from the U.S. Department of Energy. On April 5, 2010, Basin Electric submitted their water permit obtained by the South Dakota Department of Environment and Natural Resources. On May 5, 2010, Basin submitted the Notice for Requirements of Transmission Line Construction. On May 10, 2010, Basin and Staff filed a Joint Motion for Approval of Stipulation and the Stipulation.

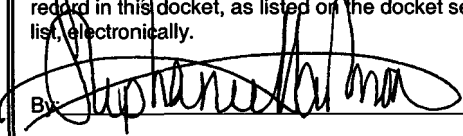
The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-41B, and ARSD Chapter 20:10:22.

At its regularly scheduled meeting of May 18, 2010, the Commission considered this matter. The Commission voted unanimously to grant the Joint Motion for Approval of the Stipulation. By approving the Stipulation, the Commission grants Applicant's application for a permit to construct an energy conversion facility and associated facilities, subject to the Findings of Fact, Conclusions of Law, and Terms and Conditions listed in the Stipulation. It is therefore


ORDERED, that the Stipulation entered into by Applicant and Commission Staff on May 10, 2010, shall be approved and shall be incorporated by reference into this Decision and Order the same as if it had been set forth in its entirety herein; and it is further

ORDERED, that Applicant is granted a permit to construct the an energy conversion facility and associated facilities, subject to the Findings of Fact, Conclusions of Law, and Terms and Conditions listed in the Stipulation.

Dated at Pierre, South Dakota, this 2nd day of June, 2010.

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, electronically.
By: <u></u>
Date: <u>06/02/10</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:


DUSTIN M. JOHNSON, Chairman


STEVE KOLBECK, Commissioner


GARY HANSON, Commissioner