

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

IN THE MATTER OF THE APPLICATION) OF OTTER TAIL POWER COMPANY FOR) AN ENERGY CONVERSION FACILITY) PERMIT FOR THE CONSTRUCTION OF A) COMBUSTION TURBINE GENERATOR) AND ASSOCIATED INFRASTRUCTURE) INCLUDING A NATURAL GAS PIPELINE) AND ELECTRIC TRANSMISSION LINE) NEAR ASTORIA, SOUTH DAKOTA)	ORDER GRANTING JOINT MOTION FOR APPROVAL OF SETTLEMENT STIPULATION; ORDER GRANTING PERMIT TO CONSTRUCT ENERGY CONVERSION FACILITY; NOTICE OF ENTRY EL17-042
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On October 5, 2017, the South Dakota Public Utilities Commission (Commission) received an Application for an Energy Conversion Facility Permit (Application) from Otter Tail Power Company (Otter Tail). Otter Tail proposes to develop, own, and operate an approximate 250 megawatt simple-cycle natural gas fired energy conversion facility and related components known as the Astoria Station Project (Project). Infrastructure facilities include a short segment (less than 1,000 feet long) of approximately 10-inch diameter natural gas pipeline on Otter Tail property necessary to interconnect to the Northern Border Pipeline and a short segment (preliminarily estimated to be less than one-half mile long) of 345-kilovolt (kV) generation-tie electric transmission line necessary to interconnect to the Big Stone South-Brookings County 345-kV electric transmission line. The energy conversion facility, known as Astoria Station, is proposed to be located in the N 1/2 of Section 22, Township 113N, Range 48W, Scandinavia Township, Deuel County, approximately one and one-half miles northwest of Astoria, South Dakota. The Project is expected to be in service by May 2021. Otter Tail estimates the total construction cost to be \$165 million. Otter Tail previously filed its required Notice of Intent to Apply for a Permit for an Energy Conversion Facility in Docket EL17-017.

On October 12, 2017, the Commission electronically transmitted notice of the filing and the intervention deadline of December 4, 2017, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. On October 12, 2017, the Commission issued a Notice of Application; Order for and Notice of Public Input Hearing; Notice of Opportunity to Apply for Party Status. On October 17, 2017, the Local Review Committee filed a letter requesting \$17,600 to hire a consultant. On October 30, 2017, the Commission issued its Order Assessing Filing Fee; Order Authorizing Executive Director to Enter into Consulting Contracts; Order Granting Local Review Committee's Request to Hire Consultant. On November 14, 2017, Otter Tail filed a Motion for Judicial Notice and a Motion for Finding of Substantial Compliance with Publication Notice Requirement, or in the Alternative, Extending the Deadline for Publishing Notice of Public Input Hearing. On November 27, 2017, the Commission held a Public Input Hearing in Toronto, South Dakota. On November 28, 2017, the Commission issued an Order Granting Motion for Finding of Substantial Compliance with Publication Notice Requirement; Order Granting Motion for Judicial Notice. On December 28, 2017, the Local Review Committee filed its Final Report. On October 30, 2017, March 1 and June 28, 2018, Otter Tail filed supplemental information in support of its Application.

On July 12, 2018, Commission staff and Otter Tail filed a Joint Motion for Approval of Settlement Stipulation and a Settlement Stipulation. On July 27, 2018, the Local Review

Committee filed an amended Final Report.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-41B and ARSD Chapters 20:10:01 and 20:10:22.

At its regularly scheduled meeting of July 26, 2018, the Commission considered this matter. Having thoroughly reviewed the filings in the docket and after making further inquiry of the parties, the Commission voted unanimously to grant the Joint Motion for Approval of Settlement Stipulation. By approving the Settlement Stipulation, the Commission grants Otter Tail's Application for a permit to construct an energy conversion facility and associated infrastructure, subject to the Terms and Conditions listed in the Settlement Stipulation. It is therefore

ORDERED, that the Joint Motion for Approval of Settlement Stipulation is hereby granted, and the Settlement Stipulation is approved and shall be incorporated by reference into this Order the same as if it had been set forth in its entirety herein. It is further

ORDERED, that a permit to construct the Astoria Station Project and its associated infrastructure is hereby granted to Otter Tail Power Company, subject to the Terms and Conditions set forth in Settlement Stipulation.

NOTICE OF ENTRY

PLEASE TAKE NOTICE that this Order Granting Joint Motion for Approval of Settlement Stipulation; Order Granting Permit to Construct Energy Conversion Facility was duly issued and entered on the 3rd day of August 2018.

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 or by mail.
By: <u>Adam De Hueck</u>
Date: <u>8/3/18</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Kristie Fiegen
KRISTIE FIEGEN, Chairperson

Gary Hanson
GARY HANSON, Commissioner

Chris Nelson
CHRIS NELSON, Commissioner