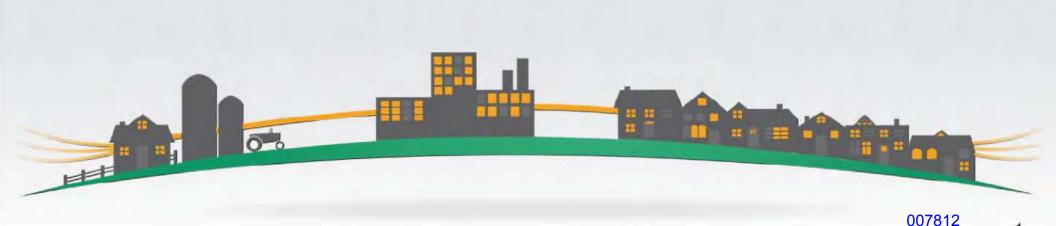


Public Hearing

October 2013





Today's presentation will cover:

- Applicant overviews
- Project development
- Project overview
- Routing process
- Engineering design
- Project outreach
- Right-of-way
- Next steps



Montana-Dakota Utilities Co.



- Headquartered in Bismarck, North Dakota
- Electric and/or natural gas service to parts of Montana,
 North Dakota, South Dakota, and Wyoming
- Service area covers about 168,000 square miles
- Approximately 312,000 customers



Otter Tail Power Company



- Headquartered in Fergus Falls, Minnesota
- Electric service to parts of Minnesota, North Dakota, and South Dakota
- Service area covers about 70,000 square miles
- Approximately 129,400 customers in 422 communities



Project development and benefits

Project development

Project developed by MISO after several studies on future generation needs

Notice of Intent to construct was filed in SD on March 5, 2012 (within 90 days of MISO approval by statute)

SDPUC set Public Hearing date as October 17, 2013 (within 60 days by statute)

We are here

Approved by MISO in December 2011 Application for a Facility Permit filed with SDPUC on August 23, 2013 (within 18 months by statute)

- Project benefits
 - Enables the delivery of low-cost generation
 - Increases system reliability



Local economic benefits

- Short term local economic benefits during construction
 - Construction expenditures (estimated range \$3 \$7 Million through construction period)
 - Other tax benefits: (estimated range \$5.5 \$9 Million)
 - Sales and use taxes
 - Contractor taxes
- Long term local benefits
 - Increased taxes paid to affected counties/townships
 - Estimated annual property taxes paid by Project:
 - \$715,000 \$885,000 in Brown County
 - \$535,000 \$755,000 in Day County
 - \$490,000 \$605,000 in Grant County



Project overview



- New 345 kV transmission line
- Anticipated length: 160 miles to 170 miles
- Connect Ellendale substation to Big Stone South substation
- Anticipated total
 Project cost: \$293M –
 \$370M
- SD investment est. \$250M -\$320M
- In service in 2019



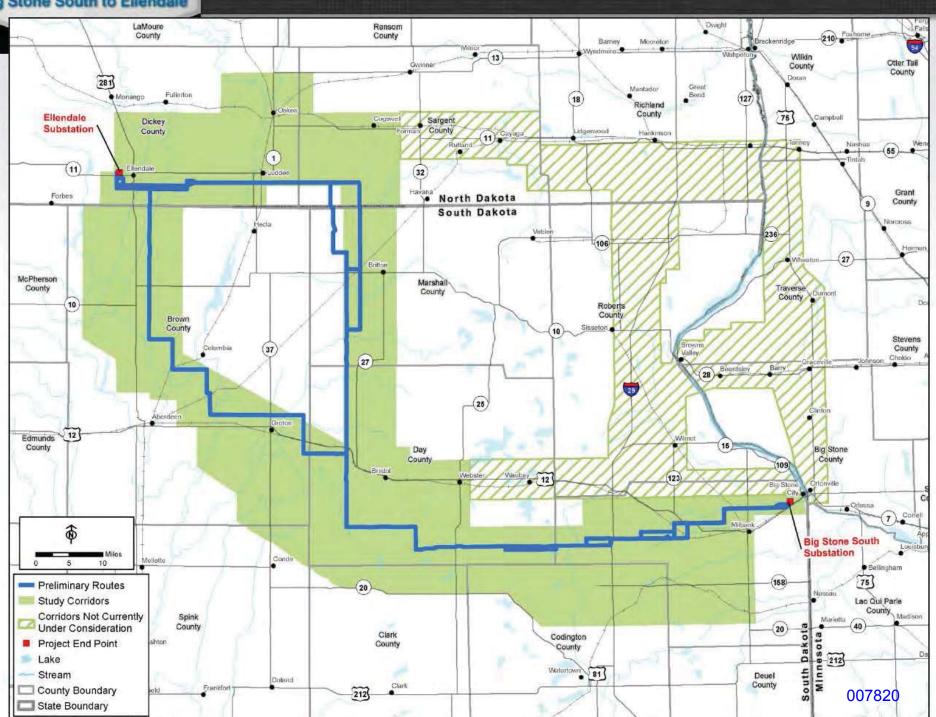
Owners' routing criteria

Information evaluated:

- Overall length and cost
- Existing high voltage transmission lines and transportation infrastructure
- Section lines
- Populated areas/residences
- Environmental and engineering considerations
- River crossing locations
- Public and agency feedback

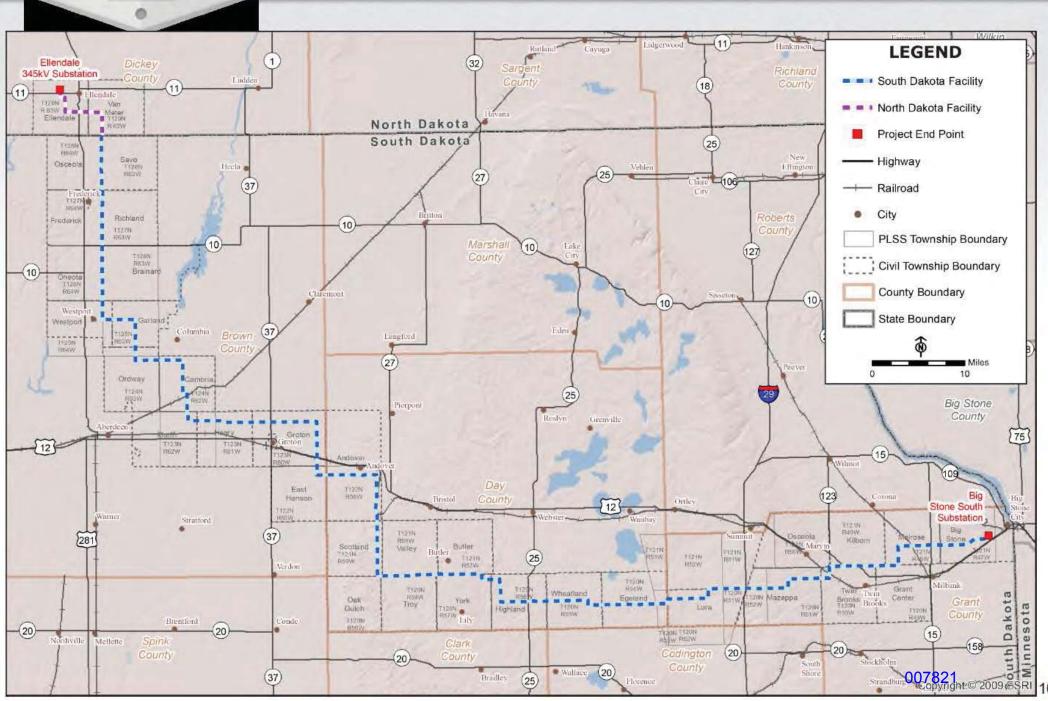


Routing process: Preliminary Routes





Routing process: Preferred Route





Engineering design considerations



Average	
measure	ments
Above-grade height	125 - 155 ft
Foundation diameter	6 - 11 ft
Span	700 - 1200 ft
Structures per mile	5 - 6
Minimum ground clearance	30 ft



Construction overview

- Survey structure locations and identify ingress and egress locations.
- Auger the holes where the structure poles will be set and pour foundation (if required).
- Assemble the structure on the ground adjacent to the holes/foundation.
- 4 Lift structure and place in hole or on foundation.
- 5 String wires.
- 6 Restore right-of-way and energize line.













Project outreach summary

- Letters or postcards mailed (September 2012, October 2012, February 2013, April 2013, May 2013, June 2013, August 2013)
- Open house meetings (October 2012 & February 2013)
- Newsletters mailed (November 2012, June 2013, October 2013)
- County meetings (August 2012 & January 2013)
- Interagency meetings (August 2012 & January 2013)
- Tribal Agency meetings (October 2012, March 2013, May 2013, July 2013)



Easement process as of October 14th

- Started contacting landowners on August 5, 2013
- Over 90% of the SD parcel owners have been contacted to date
- 94 options have been signed
- Nearly 30% of the SD project miles have options signed



Next steps

2008-2012 Planning 2012-2014 Environmental review and permitting

2012-2016 Engineering design and right-of-way 2016-2019 Construction 2019 In service

We are here



Thank you!



HOW TO STAY INFORMED and PROVIDE FEEDBACK:

- Visit our website at www.BSSEtransmissionline.com
- Call our toll-free information line: 1-888-283-4678
- Join our mailing list (online or at this meeting)
- Email us at: info@BSSEtransmissionline.com
- Make a comment at this meeting or online at www.BSSEtransmissionline.com

