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South Dakota Public Utilities Commission Meeting
February 15, 2019, at 8:30 A.M. CST
Room 413, Capitol Building
Pierre, South Dakota

MINUTES OF THE COMMISSION MEETING

Chairman Gary Hanson called the meeting to order. Present were: Commissioners: Chris Nelson and Kristie Fiegen; Commission Attorney: Adam de Hueck; Commission Advisor: Greg Rislov; Staff Attorneys: Kristen Edwards and Amanda Reiss; Staff Analysts: Patrick Steffensen, Eric Paulson, Jon Thurber, Joseph Rezac and Lorena Reichert; Consumer Affairs Manager: Deb Gregg; and Staff: Kaitlyn Baucom.

Present were:

Brett Koenecke, May, Adam, Gerdes & Thompson LLP, representing Triple H Wind Project, LLC; Mollie Smith, Fredrikson & Byron, P.A., representing Dakota Range III, LLC; Brenna Gunderson and Ryan Henning, Apex Clean Energy Holdings, LLC, representing Dakota Range III, LLC; Kelsey McGregor and Scott Creech, sPower, representing Prevailing Wind Park, LLC; Robert O'Neal, Epsilon Associates, Inc., representing Dakota Range III, LLC; Christine White, Dakota Range III, LLC; and Brian Rounds, AESL Consulting.

Joining the meeting by telephone were:

Aaron Galloway, Lynn, Jackson, Shultz and Lebrun, PC, representing Crowned Ridge Wind II, LLC; Lynn Wolters, Otter Tail Power Co.; Jason Keil, Black Hills Power Inc., dba Black Hills Energy; Ryan Long and Lynn Moe, Northern States Power Company dba Xcel Energy; David Hessler, Hessler Associates, Inc.; representing PUC; Jeff Decker, NorthWestern Corporation dba NorthWestern Energy; Katelyn Lynch-Butcher and Rhonda Davis, MidAmerican Energy Company; Kristi Mogen, self; Amber Christenson, self; Allen Robish, self; Tamie Aberle and Jordan Hatzenbuhler, Montana-Dakota Utilities Co.; and Dr. Mark Roberts, Exponent, representing Dakota Range III, LLC.

Administration

1. Approval of the minutes of the Commission meeting held on February 1, 2019. (Staff: Joy Lashley)

Commissioner Nelson moved to approve the minutes of the Commission meeting held on February 1, 2019. Motion carried 3-0

Consumer Reports

1. Status Report on Consumer Utility Inquiries and Complaints Received by the Commission (Consumer Affairs: Deb Gregg)

The Commission received a total of 73 contacts since the last report was prepared for the February 1, 2019, Commission meeting.

Eight contacts involved telecommunication services, 18 contacts were related to electrical services, three contacts were related to natural gas service, nine contacts were related to wireless service, 15 contacts were related to the Do Not Call Registry, two contacts were related to Wind Energy, one contact was related to the Keystone XL project, three contacts were related to the Grain Warehouse Division, and 14 contacts were related to issues not regulated by the PUC.

Contacts received in 2019: 220 of the 232 have been resolved.

Electric

1. EL18-046 In the Matter of the Application of Dakota Range III, LLC for a Permit of a Wind Energy Facility and a 345-kV Transmission Line in Grant and Roberts Counties (Staff Analysts: Darren Kearney, Jon Thurber; Staff Attorney: Amanda Reiss)

A lengthy discussion took place regarding docket EL18-046. An audio of the discussion can be found on the PUC website under Commission Actions, Commission Meeting Archives, 2019, February 15, 2019, recording located at:

<https://puc.sd.gov/commission/media/2019/puc02152019.mp3>.

Commissioner Nelson moved to grant the Joint Motion and Adopt the Settlement Stipulation and issue the requested Permits. Motion carried 3-0.

2. EL18-026 In the Matter of the Application by Prevailing Wind Park, LLC for a Permit of a Wind Energy Facility in Bon Homme County, Charles Mix County and Hutchinson County, South Dakota, for the Prevailing Wind Park Project (Staff Analysts: Darren Kearney, Jon Thurber; Staff Attorney: Kristen Edwards)

A lengthy discussion took place regarding docket EL18-026. An audio of the discussion can be found on the PUC website under Commission Actions, Commission Meeting Archives, 2019, February 15, 2019, recording located at:

<https://puc.sd.gov/commission/media/2019/puc02152019.mp3>.

Commissioner Nelson moved to approve Applicant's Kelsey McGregor as the public liaison officer and approve Applicant's escrow agreement contingent that Minnwest Bank not make any material changes. Motion carried 3-0.

3. EL18-048 In the Matter of the Petition of Otter Tail Power Company for Approval of the Transmission Cost Recovery Rider Rate (Staff Analysts: Patrick Steffensen, Joseph Rezac; Staff Attorney: Kristen Edwards)

Ms. Lynn Wolters, Otter Tail Power Company (OTP), asked that the Commission approve OTP's TCR rate factors and revised tariff sheet with an effective date of March 1, 2019. Mr. Patrick Steffensen, staff analyst, recommended that the Commission approve OTP's request.

Commissioner Hanson moved to approve Otter Tail Power Company's TCR rate factors and revised tariff sheet with an effective date of March 1, 2019. Motion carried 3-0.

4. EL18-062 In the Matter of the Filing by Montana-Dakota Utilities Co. for Approval of Tariff Revisions to Its Rates for Rate 95 and Rate 96 (Staff Analyst: Joseph Rezac; Staff Attorney: Amanda Reiss)

Mr. Jordan Hatzenbuehler, Montana-Dakota Utilities Co. (MDU), asked that the Commission approve MDU's tariff revisions with an effective date of February 15, 2019. Mr. Joseph Rezac, staff analyst, recommended that the Commission approve MDU's request.

Commissioner Fiegen moved to approve Montana-Dakota Utilities Co.'s tariff revisions with an effective date of February 15, 2019. Motion carried 3-0.

5. EL19-001 In the Matter of the Request for Approval of an Electric Service Territory Boundary Agreement between Black Hills Power, Inc. dba Black Hills Energy and Black Hills Electric Cooperative, Inc. (Staff Analyst: Joseph Rezac; Staff Attorney: Amanda Reiss)

Mr. Joseph Rezac, staff analyst, recommended that the Commission approve the proposed electric service territory boundary agreement between Black Hills Power, Inc. dba Black Hills Energy (BHE) and Black Hills Electric Cooperative, Inc. Mr. Jason, Keil, BHE, agreed with the request.

Commissioner Fiegen moved to approve the proposed electric service territory boundary agreement. Motion carried 3-0.

6. EL19-002 In the Matter of the Petition of Northern States Power Company dba Xcel Energy for Approval of a Credit Mechanism for Payments from the Second Extended Department of Energy Settlement (Staff Analysts: Patrick Steffensen, Joseph Rezac; Staff Attorney: Amanda Reiss)

A lengthy discussion took place regarding docket EL19-002. An audio of the discussion can be found on the PUC website under Commission Actions, Commission Meeting Archives, 2019, February 15, 2019, recording located at:

<https://puc.sd.gov/commission/media/2019/puc02152019.mp3>.

Commissioner Hanson moved to approve Northern States Power's request and the continuation of the one-time bill credit mechanism as described in staff's memo. Motion carried 3-0.

7. EL19-003 In the Matter of the Application by Crowned Ridge Wind, LLC for a Permit of a Wind Energy Facility in Grant and Codington Counties (Staff Analysts: Darren Kearney, Jon Thurber, Eric Paulson; Staff Attorneys: Kristen Edwards, Amanda Reiss)

Ms. Amanda Reiss, staff attorney, recommended that the Commission assess a filing fee not to exceed \$400,000 with an initial deposit of \$8,000 and authorize the executive director to enter into necessary consulting contracts. Mr. Aaron Galloway, Lynn, Jackson, Shultz and Lebrun, PC, representing Crowned Ridge Wind II, LLC (Crowned Ridge), stated Crowned Ridge does not object to the filing fee or the intervenors.

Commissioner Hanson moved to assess a filing fee not to exceed \$400,000 with an initial deposit of \$8,000, authorize the executive director to enter into necessary consulting contracts. Motion carried 3-0.

Commissioner Fiegen moved to grant party status to Kristi Mogen, Amber Christenson, and Allen Robish. Motion carried 3-0.

8. EL19-004 In the Matter of the Request for Approval of an Electric Service Territory Boundary Agreement between MidAmerican Energy Company and Southeastern Electric Cooperative, Inc. (Staff Analyst: Joseph Rezac; Staff Attorney: Amanda Reiss)

Mr. Joseph Rezac, staff analyst, recommended that the Commission approve the electric service territory boundary agreement between MidAmerican Energy Company (MidAmerican) and Southeastern Electric Cooperative, Inc. (Southeastern). Ms. Katelyn Lynch-Butcher, MidAmerican and Mr. Brad Schardin, Southeastern, agreed with the request.

Commissioner Nelson moved to approve the proposed electric service territory boundary agreement. Motion carried 3-0.

9. EL19-006 In the Matter of the Application of Black Hills Power Inc. dba Black Hills Energy for a Facility Permit to Construct a 230 kV Transmission Line and Associated Facilities in Pennington County (Staff Analysts: Eric Paulson, Joe Rezac; Staff Attorney: Kristen Edwards)

Ms. Kristen Edwards, staff attorney, recommended that the Commission assess Black Hills Power, Inc. dba Black Hills Energy (BHE) a filing fee not to exceed \$24,250 with an initial deposit of \$8,000 and authorize the executive director to enter into necessary consulting contracts. Mr. Jason Keil, BHE, did not object to the requests.

Commissioner Fiegen moved to assess a filing fee not to exceed \$24,250 with an initial deposit of \$8,000 and authorize the executive director to enter into necessary consulting contracts. Motion carried 3-0.

10. EL19-007 In the Matter of the Application by Triple H Wind Project, LLC for a Permit of a Wind Energy Facility in Hyde County, South Dakota (Staff Analysts: Darren Kearney, Jon Thurber, Joe Rezac; Staff Attorneys: Kristen Edwards, Amanda Reiss)

Ms. Kristen Edwards, staff attorney, recommended that the Commission assess Triple H Wind Project, LLC (Triple H) a filing fee not to exceed \$350,000 with an initial deposit of \$8,000 and authorize the executive director to enter into necessary consulting contracts. Mr. Brett Koenecke, May, Adam, Gerdes & Thompson LLP, representing Triple H, stated Triple H did not object to the requests.

Commissioner Nelson moved to assess a filing fee not to exceed \$350,000 with an initial deposit of \$8,000 and authorize the executive director to enter into necessary consulting contracts. Motion carried 3-0.

Natural Gas

1. NG19-001 In the Matter of the Filing by NorthWestern Corporation dba NorthWestern Energy for Approval of a Contract with Deviations with POET Biorefining – Hudson, LLC (Staff Analyst: Lorena Reichert; Staff Attorney: Amanda Reiss)

Mr. Jeff Decker, NorthWestern Corporation dba NorthWestern Energy (NorthWestern), asked that the Commission approve NorthWestern's contract with deviations with POET Biorefining - Hudson, LLC and the associated tariff revisions with an effective date of March 1, 2019. Ms. Lorena Reichert, staff analyst, recommended that the Commission approve NorthWestern's request.

Commissioner Fiegen moved to approve NorthWestern Energy's contract with deviations with POET Biorefining - Hudson, LLC and the associated tariff revisions with an effective date of March 1, 2019. Motion carried 3-0.

Telecommunications

1. TC13-026 In the Matter of Study Area Boundaries for Incumbent Local Exchange Carriers (Staff Analyst: Lorena Reichert; Staff Attorney: Kristen Edwards)

Ms. Lorena Reichert, staff analyst, referred the Commission to staff's memo, which said that since the last certification made by the Commission, Staff is aware of two boundary changes (Docket Nos. TC17-023 and TC17-061) that should be submitted to the Federal Communications Wireline Competition Bureau by March 15, 2019.

Commissioner Nelson moved to certify the current study area boundaries, as described by staff. Motion carried 3-0.

There being no further business, at the hour of 9:38 a.m., the South Dakota Public Utilities Commission meeting adjourned.

/s/Joy Lashley .

Joy Lashley

Administrative Specialist

[PUC Email](#)

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