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South Dakota Public Utilities Commission Meeting

July 25, 2019, at 1:30 P.M. CDT

Room 413, Capitol Building

Pierre, South Dakota

NOTE: Docket participants who wish to join this meeting by conference call should contact the Commission at 605-773-3201 by 10:00 a.m. CDT on Monday, July 25, 2019, to reserve a phone line. Lines are limited and assigned on a first come, first served basis, subject to possible reassignment to accommodate persons who must appear in a proceeding. Ultimately, if you wish to participate in docket discussion at the Commission Meeting and a line is not available, you may have to appear in person.

NOTE: To listen to the Commission Meeting live please go to the PUC's website www.puc.sd.gov and click on the LIVE link on the home page. The Commission requests persons who will only be listening to proceedings and not actively appearing in a case listen via the webcast to free phone lines for those who have to appear. The Commission meetings are archived on the PUC's website under the Commission Actions tab. Click on "Commission Meeting Archives," to access the recordings.

NOTE: Notice is further given to persons with disabilities that this Commission meeting is being held in a physically accessible place. If you have special needs, please notify the Commission and we will make all necessary arrangements.

AGENDA OF COMMISSION MEETING

Consumer Reports

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

Electric

1. **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, Mikal Hanson)

On January 30, 2019, Crowned Ridge Wind, LLC (Crowned Ridge or Applicant) filed an application for a permit to construct a wind energy conversion facility to be located in Grant County and Codington County, South Dakota (Project). The Project would be situated on approximately 53,186 acres in the townships of Waverly, Rauville, Leola, Germantown, Troy, Stockholm, Twin Brooks, and Mazeppa, South Dakota. The total installed capacity of the Project would not exceed 300 megawatts of nameplate capacity. The proposed Project includes up to 130 wind turbine generators, access roads to turbines and associated facilities, underground 34.5-kilovolt (kV) electrical collector lines, underground fiber-optic cable, a 34.5-kV to 345-kV collection substation, one permanent meteorological tower, and an operations and maintenance facility. The Project will utilize the Crowned Ridge 34-mile 230-kV generation tie line and a new reactive power compensation substation to transmit the generation from the Project's collector substation to the Project's point of interconnection located at the Big Stone South 230-kV Substation, which is owned by Otter Tail Power Company. Applicant has executed a power purchase agreement with Northern States Power Company (NSP) to sell NSP the full output of the Project. The Project is expected to be completed in 2020. Applicant estimates the total cost of the Project to be \$400 million. The Commission issued its oral decision granting a permit to construct facilities on July 9, 2019. Condition 42 of the Permit requires Applicant to provide a public liaison officer, approved by the Commission prior to commencement of construction. On July 17, 2019, Applicant filed a letter regarding its proposed public liaison officer.

TODAY, shall the Commission approve Applicant's proposal for a public liaison officer? OR, how shall the Commission proceed?

2. EL19-012 In the Matter of the Application by Sweetland Wind Farm, LLC for Facility Permits for a Wind Energy Facility and a 230-kV Transmission Facility in Hand County, South Dakota for the Sweetland Wind Farm Project (Staff Analysts: Darren Kearney, Jon Thurber, Eric Paulson; Staff Attorneys: Kristen Edwards, Mikal Hanson)

On March 6, 2019, Sweetland Wind Farm, LLC (Applicant) filed an application for facility permits to construct Sweetland Wind Farm, a wind energy facility located on approximately 20,979 acres of land in Hand County, South Dakota, in the townships of Pearl, Hulbert, and Rose Hill, South Dakota, and a 230-kV transmission line (Project). The total installed capacity of the Project would be approximately 200 MW nameplate capacity. The proposed Project includes up to 71 wind turbine generators, access roads to turbines and associated facilities, underground electrical power collector lines connecting the turbines to the Project substation, an operations and maintenance facility, and temporary construction areas, including crane paths, pull sites, access roads, a laydown yard, and a concrete batch plant(s) (as needed), and four permanent meteorological towers. The Project would interconnect to the regional electric grid along the Western Area Power Administration's existing Fort Thompson to Huron transmission line via a new switchyard located in Rose Hill Township. The Project will result in the installation of approximately 7 miles of 230-kV overhead transmission line. The Applicant does not currently have a purchase agreement for the Project but is currently in discussions with interested parties. A public input hearing to take public comments regarding the Project was held on April 25, 2019, in Miller, South Dakota. Party status has been granted to one individual, Theresa Lichy. On June 26, 2019, Applicant filed a Settlement Stipulation and Joint Motion for Approval of Settlement Stipulation between Applicant and Teresa Lichy. On July 11, 2019, the Commission issued an Order Granting Joint Motion for Approval of Settlement Stipulation, Approving the Settlement Stipulation between Applicant and Teresa Lichy, and Granting Withdrawal of Party Status to Theresa Lichy. On July 18, 2019, Commission Staff filed a Joint Motion for Approval of Settlement Stipulation and a Settlement Stipulation between Applicant and Commission Staff resolving all issues.

TODAY, shall the Commission grant the Joint Motion for Approval of Settlement Stipulation and approve the terms and conditions stipulated therein? AND, shall the Commission issue the requested Permits? OR, how shall the Commission proceed?

3. EL19-022 In the Matter of Black Hills Power, Inc. dba Black Hills Energy's Application for Adjustment to Its Cogeneration and Small Power Production Service Simultaneous Net Billing Generation Credit Rate(s) (Staff Analyst: Brittany Mehlhaff; Staff Attorney: Kristen Edwards)

On May 1, 2019, Black Hills Power, Inc. dba Black Hills Energy (BHE) filed a request for approval of an adjustment to Its Cogeneration and Small Power Production Service Simultaneous Net Billing Generation Credit Rate(s). BHE requests to change its generation credit rate found on Section No. 3B, Sheet No. 9 and to cancel Sheets No. 1 through 8. BHE requests to change from a single generation credit rate to a solar and wind seasonal on- and off-peak generation credit rate. An effective date of June 1, 2019, was requested in the application. On July 11, 2019, BHE filed a letter regarding revised exhibits, stating it no longer requests separate on- and off-peak rates due to complications for implementing the rates for customers on the Residential Demand Rate, and instead requests approval to change its existing generation credit rate to \$0.0248 per kWh, effective August 1, 2019.

TODAY, shall the Commission approve the revised tariff sheets and updated generation credit rate, as filed on July 11, 2019, effective August 1, 2019?

4. EL19-024 In the Matter of the Joint Request for an Electric Service Boundary Change between Northern States Power Company dba Xcel Energy and Sioux Valley-Southwestern Electric Cooperative, Inc. dba Sioux Valley Energy (Staff Analyst: Lorena Reichert; Staff Attorney: Kristen Edwards)

On May 17, 2019, the Commission received a Joint Service Territory Exchange Agreement between Xcel Energy and Sioux Valley-Southwestern Electric Cooperative. The area to be exchanged includes a portion of the Willow Ridge Addition development in northeastern Sioux Falls. The exchange also includes portions of sections 8, 9, 16, and 17 of T101N, R48W, in Minnehaha County that were inadvertently missed during the review of boundaries in EL15-004. On June 21, 2019, and

July 2, 2019, the companies responded to staff data requests. On July 2, 2019, the companies filed an amended agreement and Exhibit F.

TODAY, shall the Commission approve the service territory boundary change?

5. EL19-026 In the Matter of the Application by Tatanka Ridge Wind, LLC for a Permit of a Wind Energy Facility in Deuel County, South Dakota (Staff Analysts: Darren Kearney, Jon Thurber, Joseph Rezac; Staff Attorneys: Kristen Edwards, Amanda Reiss, Mikal Hanson)

On June 17, 2019, the South Dakota Public Utilities Commission (Commission) received an Application for a Facility Permit (Application) from Tatanka Ridge Wind, LLC (Tatanka or Applicant), a subsidiary of Avangrid Renewables, LLC. Tatanka proposes to construct a wind energy facility to be located in Deuel County, South Dakota, known as the Tatanka Ridge Wind Project (Project). The Project would be situated within an approximately 27,900-acre project area, located near the Towns of Toronto and Brandt (Project Area). The Project Area is in Blom, Brandt, Grange, Hidewood, and Scandinavia Townships. The total installed capacity of the Project would be approximately 155 megawatts (MW) of nameplate capacity. The proposed Project includes up to 56 wind turbine generators, access roads to turbines and associated facilities, above/underground electrical collector lines, communication systems, a collection substation, one permanent meteorological tower, less than 0.5-mile long 345-kV gen-tie transmission line, and an operations and maintenance facility. The Project would interconnect to the regional electric grid via the Astoria substation, a new Otter Tail Power Company interconnection substation scheduled to be operational in 2020, located in Scandinavia Township. Tatanka has entered into two purchase power agreements, one with Google for 98 MW and one with Dairyland Power Cooperative for the balance. The Project is expected to be completed in 2020. Applicant estimates the total construction cost to be \$216 million.

TODAY, shall the Commission assess a filing fee not to exceed \$308,000 with an initial deposit of \$8,000? AND, shall the Commission authorize the executive director to enter into necessary consulting contracts? Or, how shall the Commission proceed?

6. EL19-027 In the Matter of the Application by Crowned Ridge Wind II, LLC for a Permit of a Wind Energy Facility in Deuel, Grant and Codington Counties (Staff Analysts: Darren Kearney, Jon Thurber, Eric Paulson; Staff Attorney: Kristen Edwards, Amanda Reiss, Mikal Hanson)

On July 9, 2019, the South Dakota Public Utilities Commission (Commission) received an Application for a Wind Energy Facility Permit (Application) from Crowned Ridge Wind II, LLC (Crowned Ridge Wind or Applicant), a subsidiary of NextEra Energy Resources, LLC. Crowned Ridge Wind proposes to construct a wind energy facility to be located in Codington, Deuel and Grant Counties, South Dakota (Project). The Project would be situated within an approximately 60,996-acre project area, located east of the City of Watertown (Project Area). The Project Area is in Waverly, Kranzburg North, Kranzburg South, Troy, Rome, Goodwin, and Havana Townships. The total installed capacity of the Project would be approximately 301 megawatts of nameplate capacity. The proposed Project includes up to 132 wind turbine generators, access roads to turbines and associated facilities, underground 34.5 kV electrical collector lines, underground fiber-optic cable, a 34.5-kV to 230-kV collection substation, up to two permanent meteorological towers, and an operations and maintenance facility. The Project would interconnect to the electric grid at the Big Stone South 230-kV Substation using the Crowned Ridge II 5-mile 230-kV transmission line that was approved in Docket EL18-019 and the Crowned Ridge 34-mile generation tie line that was approved in Docket EL17-050. The Project is expected to be completed in 2020. Applicant has executed a purchase and sale agreement with Northern States Power Company dba Xcel Energy (NSP) to sell NSP the Project upon commercial operation. Applicant estimates the total construction cost to be \$425 million. On July 11, 2019, Amber Christenson, Allen Robish, and Kristi Mogen filed applications for Party Status.

TODAY, shall the Commission assess a filing fee not to exceed \$412,500 with an initial deposit of \$8,000? AND, shall the Commission authorize the executive director to enter into necessary consulting contracts? AND, shall the Commission grant party status to those who have filed?

Natural Gas

1. NG19-006 In the Matter of the Filing by NorthWestern Corporation dba NorthWestern Energy for Approval of a Contract with Deviations with Dan & Jerry's Greenhouse (Staff Analyst: Brittany Mehlhaff; Staff Attorney: Amanda Reiss)

On June 21, 2019, NorthWestern Corporation dba NorthWestern Energy (NorthWestern) filed for approval of a contract with deviations with Dan & Jerry's Greenhouse. Dan & Jerry's Greenhouse, an existing customer on NorthWestern's natural gas system, is expanding its business, which requires NorthWestern to upgrade the existing natural gas pipeline in order to service the increased load. NorthWestern states that based on the cost of the project, it requires security for the capital investment cost in order to protect its legacy customers. The contract includes recovery of the pipeline project costs over a ten-year period. Per the customer's request, the project costs and tariff delivery charges will be recovered through a fixed monthly charge based on projected annual volumes, with an annual review conducted to determine if volumes exceed the project amount. Any overages will be billed at the tariff rate 87B. NorthWestern requests approval with an effective date for the tariff revisions of August 1, 2019.

TODAY, shall the Commission approve NorthWestern Energy's contract with deviations with Dan & Jerry's Greenhouse and the associated tariff revisions with an effective date of August 1, 2019?

Telecommunications

1. In the Matter of the Request for Certification Regarding the Use of Federal Universal Service Support in Dockets TC19-020, TC19-021, TC19-022, TC19-025, TC19-026, TC19-027, TC19-028 and TC19-030

TC19-020 In the Matter of the Request of Valley Telecommunications Cooperative Association, Inc. for Certification Regarding Its Use of Federal Universal Service Support (Study Area: 391685) (Staff Analyst: Joseph Rezac; Commission Attorney: Adam de Hueck)

On June 21, 2019, the Commission received an application from Valley Telecommunications Cooperative Association, Inc., (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254(e) and should receive all federal universal service support determined for distribution to the Company. On July 15, 2019, the Company responded to staff's data request.

TC19-021 In the Matter of the Request of Fort Randall Telephone Company for Certification Regarding Its Use of Federal Universal Service Support (Study Area 391660) (Staff Analyst: Eric Paulson; Commission Attorney: Karen Cremer)

On June 21, 2019, the Commission received an application from Fort Randall Telephone Company (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254(e) and should receive all federal universal service support determined for distribution to the Company. On July 16, 2019, the Company responded to staff's data request.

TC19-022 In the Matter of the Request of Kennebec Telephone Co., Inc. for Certification Regarding its Use of Federal Universal Service Support (Study Area 391668) (Staff Analyst: Patrick Steffensen; Commission Attorney: Adam de Hueck)

On June 24, 2019, the Commission received an application from Kennebec Telephone Co., Inc. (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254(e) and should receive all federal universal service support determined for distribution to the Company. On July 2, 2019, the Company responded to staff's data request.

TC19-025 In the Matter of the Request of James Valley Cooperative Telephone Company for Certification Regarding Its Use of Federal Universal Service Support (Study Area: 391664) (Staff Analyst: Brittany Mehlhaff; Commission Attorney: Karen Cremer)

On June 25, 2019, the Commission received an application from James Valley Cooperative Telephone Company (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254e and should receive all federal

universal service support determined for distribution to the Company. On July 10, 2019, the Company responded to staff's data request.

TC19-026 In the Matter of the Request of Northern Valley Communications, LLC for Certification Regarding Its Use of Federal Universal Service Support (Study Areas: 399017 and 396340) (Staff Analyst: Brittany Mehlhaff; Commission Attorney: Adam de Hueck)

On June 25, 2019, the Commission received an application from Northern Valley Communications, LLC (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254e and should receive all federal universal service support determined for distribution to the Company. On July 10, 2019, the Company responded to staff's data request.

TC19-027 In the Matter of the Request of James Valley Wireless, LLC for Certification Regarding Its Use of Federal Universal Service Support (Study Area: 399014) (Staff Analyst: Brittany Mehlhaff; Commission Attorney: Karen Cremer)

On June 25, 2019, the Commission received an application from James Valley Wireless, LLC (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254e and should receive all federal universal service support determined for distribution to the Company. On July 10, 2019, the Company responded to staff's data request.

TC19-028 In the Matter of the Request of Cheyenne River Sioux Tribe Telephone Authority for Certification Regarding its Use of Federal Universal Service Support (Study Area 391647) (Staff Analyst: Patrick Steffensen; Commission Attorney: Adam de Hueck)

On June 25, 2019, the Commission received an application from Cheyenne River Sioux Tribe Telephone Authority (Company) requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254(e) and should receive all federal universal service support determined for distribution to the Company. On July 8, 2019, the Company responded to staff's data request.

TC19-030 In the Matter of the Request of Beresford Municipal Telephone Company for Certification Regarding Its Use of Federal Universal Service Support (Study Area: 391649) (Staff Analyst: Eric Paulson; Commission Attorney: Adam de Hueck)

On June 26, 2019, the Commission received an application from Beresford Municipal Telephone Company requesting the Commission to issue a certification to the FCC and USAC indicating it is in compliance with 47 U.S.C. Section 254(e) and should receive all federal universal service support determined for distribution to the Company. On July 1, 2019, the Company responded to staff's data request.

TODAY, shall the Commission provide a certification to the Federal Communications Commission and to the Universal Service Administration Company regarding the use of Federal Universal Service Support in each of the above dockets?

Items for Commission Discussion

Public Comment

Individuals who wish to make public comments to the commission may do so in person during this time. All who offer public comment are requested to sign in at the commission meeting. Time limits for comments may be determined at the discretion of the chairman.

Announcements

1. The next regular commission meeting will be Tuesday, August 6, 2019, at 9:30 a.m. CDT in Room 413 at the State Capitol Building, Pierre, South Dakota.
2. PUC commissioners and staff will meet with representatives of Montana-Dakota Utilities Co. on Tuesday, August 6, 2019, at 1:30 p.m. CDT in Room 413 the State Capitol Building, Pierre, South Dakota. The agenda includes discussion about Montana-Dakota's integrated resource

planning report.

3. A public input hearing for docket [EL19-026](#) - In the Matter of the Application by Tatanka Ridge Wind, LLC for a Permit of a Wind Energy Facility in Deuel County, South Dakota will be held Wednesday, August 7, 2019, at 5:30 p.m. CDT in the Deubrook Elementary School Gymnasium, 695 Palisades Avenue, Toronto, South Dakota.
4. PUC commissioners and staff will attend the Mid-America Regulatory Conference Annual Meeting August 11-14, 2019, at the Hilton Des Moines Downtown, Des Moines, Iowa.
5. PUC commissioners and staff will attend the South Dakota Telecommunications Association Annual Meeting and Conference August 18-20, 2019, at the Holiday Inn Spearfish-Convention Center, Spearfish, South Dakota.
6. Commission meetings are scheduled for August 21 and September 3, 2019.
7. Commissioners and staff will meet with consumers at the PUC booth in the Expo Building at the South Dakota State Fair, August 29–September 2, 2019, in Huron, South Dakota.

/s/Leah Mohr .

Leah Mohr

Deputy Executive Director

[PUC Email](#)

July 18, 2019