South Dakota Public Utilities Commission Meeting March 31, 2020, at 9:30 A.M. CDT Conference Call

NOTE: Docket participants who wish to join this meeting by conference call should contact the Commission at 605-773-3201 by 5:00 p.m. CDT on Monday, March 30, 2020, to reserve a phone line.

NOTE: To listen to the Commission Meeting live please go to the PUC's website <u>www.puc.sd.gov</u> 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.

# AGENDA OF COMMISSION MEETING

## Consumer Reports

1. Status Report on Consumer Utility Inquiries (Consumer Affairs: Deb Gregg)

## Administration

1. <u>AA20-001</u> In the Matter of Clarification of the Commission's ETC Certification Process (Staff Analyst: Lorena Reichert; Staff Attorney: Kristen Edwards)

In Docket TC13-027, the Commission waived certain ETC requirements for years 2013, 2014, and 2015, in response to the Federal Communications Commission's changes in annual reporting requirements. Since 2016, this clarification process has been decided in dockets AA16-002, AA17-001, AA18-001, and AA19-001. In Docket AA19-001, the Commission voted to continue the waivers of ARSD 20:10:32:54 (8) and (9) for 2019, as well as waive the June 1 filing deadline as set forth in ARSD 20:10:32:52 and allow ETCs to file their annual certifications on or before July 1. On February 12, 2020, Commission staff filed a letter opening this docket and requesting clarification as to how the companies should proceed in 2020.

TODAY, shall the Commission waive certain certification requirements as found in ARSD 20:10:32:54 and the filing deadline as found in ARSD 20:10:32:52? OR, how shall the Commission proceed?

### <u>Electric</u>

1. <u>EL14-106</u> In the Matter of the Application of NorthWestern Corporation dba NorthWestern Energy for Authority to Increase its Electric Rates (Staff Analysts: Brittany Mehlhaff, Patrick Steffensen, Eric Paulson, Joseph Rezac; Staff Attorney: Amanda Reiss)

On December 19, 2014, the Commission received an application by NorthWestern Corporation dba NorthWestern Energy (NorthWestern) for approval to increase rates for electric service to customers in its South Dakota service territory by approximately \$26.5 million annually or approximately 20.24% based on its test year ending September 30, 2014. On October 16, 2015, a Revised Settlement Stipulation, Joint Motion for Approval of Revised Settlement Stipulation, and staff Memorandum were

filed. On November 4, 2015, the Commission issued an Order Granting Joint Motion for Approval of Revised Settlement Stipulation and Order Approving Interim Refund Plan. On September 10, 2018, an Amendment to Revised Settlement Stipulation and Joint Motion for Approval of Amendment to Revised Settlement Stipulation were filed. On September 26, 2018, the Commission issued an Order Granting Joint Motion for Approval of Amendment to Revised Settlement Stipulation. The Stipulation requires NorthWestern to annually submit with the Commission a filing which describes the actual cost, design, and benefits of each cost of NorthWestern's Economic Development programs in the previous calendar year and the projected cost, design, and benefits of each cost to NorthWestern's Economic Development programs in the current calendar year on or before March 31st of each year. On March 23, 2020, NorthWestern filed a letter requesting the Commission's permission for a one-week grace period for filing its 2020 economic development budget and 2019 expense reports, which would allow it to file on or before April 7, 2020.

TODAY, shall the Commission grant NorthWestern's request for a one-week grace period for filing its 2020 economic development budget and 2019 expense reports, which would allow it to file on or before April 7, 2020? OR, how shall the Commission proceed?

# 2. <u>EL17-055</u> In the Matter of the Application by Crocker Wind Farm, LLC for a Permit of a Wind Energy Facility and a 345 kV Transmission Line in Clark County, South Dakota, for Crocker Wind Farm (Staff Analysts: Darren Kearney, Jon Thurber; Staff Attorneys: Kristen Edwards, Amanda Reiss)

On December 15, 2017, Crocker Wind Farm, LLC (Crocker) filed an Application for an energy facility permit and a 345 kV Transmission Line (Project) to construct the Crocker Wind Farm, a wind energy facility located on approximately 29,331 acres of privately owned land in Clark County, South Dakota, approximately 8 miles north of Clark, South Dakota. Following a contested case process, on June 12, 2018, the Commission issued a Final Decision and Order Granting Permit to Construct Facilities (Permit). Condition 40 of the Permit requires Crocker to provide a public liaison officer, approved by the Commission. On August 9, 2018, the Commission issued an Order Approving Public Liaison Officer. The Project commenced commercial operations in November 2019. On March 19, 2020, Crocker filed a Motion to Terminate Public Liaison Services.

TODAY, shall the Commission grant Crocker's Motion to Terminate Public Liaison Services?

3. <u>EL18-038</u> In the Matter of the Complaint of Energy of Utah, LLC and Fall River Solar, LLC Against Black Hills Power Inc. dba Black Hills Energy for Determination of Avoided Cost (Staff Analysts: Jon Thurber, Darren Kearney, Brittany Mehlhaff; Staff Attorney: Kristen Edwards)

On September 14, 2018, Energy of Utah and Fall River Solar, LLC (Fall River Solar) filed a Complaint against Black Hills Power Inc. dba Black Hills Energy (BHE) for determination of avoided cost pursuant to the Public Utility Regulatory Policy Act of 1978 (PURPA). The Complaint relates to a planned 80-megawatt solar facility Fall River Solar is developing in Fall River County, South Dakota. BHE filed an answer on October 4, 2018. On March 9, 2020, an Order For and Notice of Evidentiary Hearing on April 14, 2020, was issued. On March 16, 2020, BHE filed a Motion for Order Compelling Responses to Discovery Requests and For Extension of Pre-Hearing Motion Deadline.

TODAY, shall the Commission grant Black Hill Energy's Motion for Order Compelling Responses to Discovery Requests? AND, shall the Commission grant the request For Extension of Pre-Hearing Motion Deadline? OR, how shall the Commission proceed?

# 4. <u>EL18-045</u> In the Matter of the Application of Flying Cow Wind, LLC for a Facility Permit to Construct a 345 kV Transmission Line and Associated Facilities in Deuel County (Staff Analysts: Darren Kearney, Jon Thurber; Staff Attorney: Amanda Reiss)

On October 24, 2018, the Commission received an application for a facility permit from Flying Cow Wind, LLC, (Flying Cow), a wholly-owned subsidiary of Roaring Fork Wind, LLC to construct an approximately 10.42-mile 345-kV overhead transmission line, a substation, and associated facilities (Project) in Deuel County, South Dakota. The starting point for the Project is proposed to be located in Government Lot 2 of Section 34 in Township 114N, Range 47W, Norden Township. The ending point will be in the NW ¼ of Section 22, Township 113N, Range 48 West, Scandinavia Township. The Project was acquired by Avangrid Renewables, LLC, in the Spring of 2019. On September 3, 2019, the Commission granted Flying Cow's Motion to Extend Deadline for Commission Action for six months to April 24, 2020. On March 23, 2020, Flying Cow filed a Motion to Withdraw Application.

TODAY, shall the Commission grant Flying Cow Wind, LLC's Motion to Withdraw Application?

# 5. <u>EL19-027</u> 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 Attorneys: Kristen Edwards, Amanda Reiss)

On July 9, 2019, the Commission received an Application for a Wind Energy Facility Permit (Application) from Crowned Ridge Wind II, LLC (CRW II), a subsidiary of NextEra Energy Resources, LLC. CRW II 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. CRW II has executed a purchase and sale agreement with Northern States Power Company dba Xcel Energy (NSP) to sell NSP the Project upon commercial operation. CRW II estimates the total construction cost to be \$425 million. The Commission issued its oral decision granting a permit to construct facilities on March 17, 2020. The Permit includes a Condition that requires Applicant to provide a public liaison officer, approved by the Commission prior to commencement of construction. On March 19, 2020, 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?

6. <u>EL20-008</u> In the Matter of the Application of Black Hills Power, Inc. dba Black Hills Energy for Approval of Its 2019 Economic Development Report and 2020 Economic Development Plan (Staff Analyst: Brittany Mehlhaff; Staff Attorney: Kristen Edwards) On February 28, 2020, the Commission received an application from Black Hills Power, Inc. dba Black Hills Energy (BHE) requesting approval of its 2019 Economic Development Report and its 2020 Economic Development Plan and Budget. BHE makes this filing in compliance with the settlement stipulation approved in Docket EL14-026. BHE provides actual economic development expenses for 2019 and information regarding the memberships, community sponsorships, and other activities the program supports as well as the 2020 budget and planned economic development activities for the year.

TODAY, shall the Commission approve Black Hills Power, Inc. dba Black Hills Energy's 2019 Economic Development Report and its 2020 Economic Development Plan?

#### 7. <u>EL20-011</u> In the Matter of the Joint Request for Service Rights Exception between NorthWestern Corporation dba NorthWestern Energy and H-D Electric Cooperative, Inc. (Staff Analyst: Lorena Reichert; Staff Attorney: Amanda Reiss)

On March 5, 2020, the Commission received a filing requesting approval of a Consent and Agreement for Electric Service between NorthWestern Corporation dba NorthWestern Energy (NorthWestern) and H-D Electric Cooperative, Inc. (H-D Electric) to allow H-D Electric to provide singlephase electric service to a streetlight located approximately 50 feet east and 75 feet south of the northwest corner of Government Lot 1 of Section 5 in Township 116 North, Range 50 West, 5th P.M., Deuel County, located in NorthWestern's territory. The main purpose of the streetlight is to improve safety at an intersection by increasing visibility.

TODAY, shall the Commission approve the requested service rights exception between NorthWestern Energy and H-D Electric Cooperative Inc.?

#### <u>Natural Gas</u>

#### 1. <u>NG11-003</u> In the Matter of the Application of NorthWestern Corporation dba NorthWestern Energy for Authority to Increase its Natural Gas Rates (Staff Analyst: Brittany Mehlhaff, Staff Attorney: Amanda Reiss)

On May 20, 2011, the Commission received an application by NorthWestern Corporation dba NorthWestern Energy (NorthWestern) for approval to increase rates for natural gas service in its South Dakota service territory by \$4,123,035 annually or 7.20% based on NorthWestern's test year ending December 31, 2010. On November 7, 2011, NorthWestern and staff jointly filed a Joint Motion for Approval of Settlement Stipulation, the Settlement Stipulation, and supporting Exhibits. On November 30, 2011, the Commission issued an Order Granting Joint Motion for Approval of Settlement Stipulation. The Stipulation requires NorthWestern to annually submit with the Commission a filing which describes the actual cost, design, and benefits of each cost of NorthWestern's Economic Development programs in the projected cost, design, and benefits of each cost to NorthWestern's Economic Development programs in the current calendar year on or before March 31st of each year. On March 23, 2020, NorthWestern filed a letter requesting the Commission's permission for a one-week grace period for filing its 2020 economic development budget and 2019 expense reports, which would allow it to file on or before April 7, 2020.

TODAY, shall the Commission grant NorthWestern's request for a one-week grace period for filing its 2020 economic development budget and 2019 expense reports, which would allow it to file on or before April 7, 2020? OR, how shall the Commission proceed?

### Items for Commission Discussion

#### Public Comment

Individuals who wish to make public comments to the commission may do so during this time. All who offer public comment are requested to let the commission know of their wish to speak when they call in to reserve a phone line. Time limits for comments may be determined at the discretion of the commission.

#### Announcements

- Due to concerns surrounding COVID-19, the South Dakota Public Utilities Commission office in the State Capitol building will be closed through May 1, 2020. PUC commissioners and staff will telework during this period. If you need to reach the PUC, please email PUC@state.sd.us or call (605) 773-3201.
- 2. The PUC office will be closed April 10 and 13, 2020, in observance of Easter.
- 3. The next regular commission meeting will be Tuesday, April 14, 2020, at 9:30 a.m. CDT in Room 413 at the State Capitol Building, Pierre, South Dakota.
- 4. Commission meetings are scheduled for April 29 and May 12, 2020.

<u>\s\Cindy Kemnitz</u> Cindy Kemnitz Finance Manager puc@state.sd.us March 24, 2020