



Gary Hanson, Chair
Steve Kolbeck, Vice Chair
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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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March 20, 2008

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**RE: Basin Electric's Notice of Intent for a proposed generating plant near Selby
Docket EL08-004 – Order Establishing Local Review Committee**

Ladies and Gentlemen:

On March 20, 2008, the South Dakota Public Utilities Commission (“Commission”) issued the enclosed Order Designating Affected Area and Local Review Committee (“Order”) in response to a Notification of Intent filed by Basin Electric Power Cooperative, Inc. (“Basin”) on February 20, 2008. Basin proposes to construct a 700-MW electric generating plant in Walworth County, approximately 2.75 miles west of Selby (“Project”). A water supply line and new transmission facilities are also proposed. These are described in more detail in the enclosed Order and the Notification of Intent.

You have received a copy of this Order and the other enclosed materials because our contacts with local governments in the area indicate you currently hold one of the offices designated to serve on the local review committee (“LRC”) for the Project. The responsibilities of the LRC are essentially to assess the potential social and economic effects of the proposed generating facility, assess the surrounding area's ability to absorb those effects and arrive at recommendations and mitigation measures deemed necessary. Copies of the laws defining the LRC's duties in detail are enclosed for your reference.

At this time, Basin has only filed a notice of its intent to file an application for a permit, as it must do at least 6 months prior to its permit application. This means that Basin can file its actual application for a permit on or after August 20, 2008. Within seven months after the actual application is filed, the LRC is required to file a final report with the Commission containing its findings and its recommendations. If the Commission so approves, the LRC may employ outside persons, such as consultants, to assist it in performing its duties, and the expenses of this will be paid from the initial fee that Basin will be required to file with its application. Expense and compensation payments to the

Local Review Committee Members

March 20, 2008

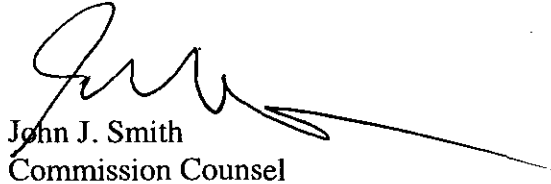
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committee members themselves, however, are the responsibility of the units of government which the members represent.

The LRC's first step is generally to meet and select a chairperson. While the LRC is an independent body separate from Commission Staff, Staff is available to answer any questions the committee may have. Should you need to contact Staff, please do not hesitate to contact Karen Cremer, Staff Attorney, Nathan Solem, Brian Rounds, or Daris Ormesher, Staff Engineers, or Bob Knadle, Staff Analyst - ph. 800-332-1782 or 605-773-3201; fax 866-757-6031.

The Notice of Intent, Order and all other documents in the case are on file in the Commission's office in the Capitol Building in Pierre and may also be accessed on the Commission's web site at www.puc.sd.gov under "Commission Actions," "Commission Dockets," "Electric Dockets," "2008 Electric Dockets," "EL08-004."

Sincerely,



John J. Smith
Commission Counsel

enclosures