



SIoux VALLEY ENERGY

P.O. Box 216 • Colman, SD 57017-0216
Web Site: www.siouxvalleyenergy.com

Telephone: 605-534-3535 • Toll-Free: 1-800-234-1960
Office Fax: 605-256-1693 • Dispatch Fax: 605-256-1690

September 30, 2009

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

RE: Basin Electric Power Cooperative – Deer Creek Station; EL 08-034

Dear Ms. Van Gerpen:

Sioux Valley Energy supports Basin Electric Power Cooperative's plan to build Deer Creek Station near the town of White, S.D. As you are aware, the chosen location is within the Sioux Valley Energy service territory and will directly benefit its members. This additional generation resource is needed to meet the increasing electrical needs of our existing and new customers.

As a not-for-profit rural electric distribution cooperative (which is owned and governed by its members), Sioux Valley is a part of the Basin Electric Power Cooperative/East River Electric Power Cooperative system. Sioux Valley distributes electricity to over 20,000 consumers throughout eastern South Dakota and southwest Minnesota. Sioux Valley Energy has seen steady load growth over the last five years and is anticipating an annual load increase of four percent until the year 2021. Sioux Valley is forecasting its electric load will essentially triple within a 20-year time period. The cooperative's annual sales have increased 89 percent and annual revenues have grown by 87 percent over the last decade. While new electric load is a driving factor, consumer capacity upgrades also have impacted load growth and demand. In fact, several of East River Electric's substations used to serve Sioux Valley consumers are at capacity or are overloaded and will be upgraded this next year.

When Sioux Valley Energy's members flip a light switch, turn on their dishwasher or power up their grain drying equipment, they expect and demand affordable, reliable and safe electricity. Sioux Valley Energy delivers that value to them day in and day out. Deer Creek Station will help the cooperative meet those needs now and in the future.

Thank you for your consideration in this matter. We appreciate your diligence and work shown throughout the regulation and siting process.

Sincerely,

Don L. Marker, General Manager/CEO
Sioux Valley Energy

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