



May 26, 2021

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 East Capitol
Pierre, SD 57504-5070

Re: PrairieWinds SD1, Inc. – Docket EL09-028

Dear Ms. Van Gerpen:

Condition 40 of the Stipulation and Order in the above-referenced docket requires Basin Electric Power Cooperative (Basin Electric) to submit a project status report as well as an updated decommissioning plan for the project in accordance with ARSD 20:10:22:13.01 for the South Dakota Public Utilities Commission's (SDPUC's) review and approval. In accordance with the Stipulation and Order as well as South Dakota law and rules, this letter will serve as the Project status report. Further, the updated decommissioning plan and cost estimate is also included with this filing.

The above mentioned rule provides that, "the applicant shall provide a plan regarding the action to be taken upon the decommissioning and removal of the wind energy facilities. Estimates of monetary costs and the site condition after decommissioning shall be included in the plan. The commission may require a bond, guarantee, insurance, or other requirement to provide funding for the decommissioning and removal of a wind energy facility. The commission shall consider the size of the facility, the location of the facility, and the financial condition of the applicant when determining whether to require some type of funding. The same criteria shall be used to determine the amount of any required funding."

Basin Electric proposes a corporate (self) guarantee, for the type of decommissioning funding that should be required for the PrairieWinds SD1. The above mentioned rule provides that the Commission shall consider the financial condition of the applicant in deciding whether to require some type of funding. Basin Electric's strong bond ratings, liquidity and equity positions support the idea of a corporate guarantee being sufficient in this case. Further, this is similar to the financial assurance mechanism utilized in North Dakota for the PraireWinds ND Project, regulated by the North Dakota Public Service Commission.

As a final issue, SDPUC Staff has requested information regarding the road bond that was required for construction. As part of our permitting efforts through the SDPUC, Basin Electric was required to secure a bond in the amount of \$1,500,000. The bonding obligation was to compensate for any damages beyond normal wear to public roads, highways or bridges or other related facilities caused by or attributable to activities relating to the construction of the project. Given roads have been restored and ten years have elapsed since the completion of project construction, Basin Electric requests the bonding obligation for the project be terminated.

Project Status Report

The PrairieWinds SD1, also known as Crow Lake Wind Project (Project), began full operation in 2011. The Project was constructed, owned and operated by PrairieWinds SD 1, Inc., a wholly-owned subsidiary of Basin Electric. In early 2018 PrairieWinds SD 1, Inc. was merged into Basin Electric, which took over ownership/operations of the project. The Project currently employs 11 individuals, with most of which having been employed at the site since the onset of operations.

The Project has been operating smoothly, with only normal operations and maintenance activities, including replacement of gear boxes, generators and a turbine blade. There have been numerous software upgrades to both the turbines and Supervisory Control and Data Acquisition (SCADA) system. The Project typically has 97% availability and a capacity factor exceeding 40%.

Multiple post-construction avian studies have been completed at the Project site. The final report, prepared by a third-party contractor concluded "...Based on the low fatality rates, it is unlikely that operation of this facility is having a significant impact on bird, raptor, or bat populations based on the adjusted bird fatality estimates from three years of post-construction monitoring at PWSD1."

If you should have any questions, comments, or concerns regarding this matter, please contact me at 701.557.5495 or ksolie@bepc.com.

Sincerely,



Kevin L. Solie, P.E.
Senior Environmental Compliance Administrator

\Enclosures