



Public Hearing

May 20, 2014

EXHIBIT

EL-13-028

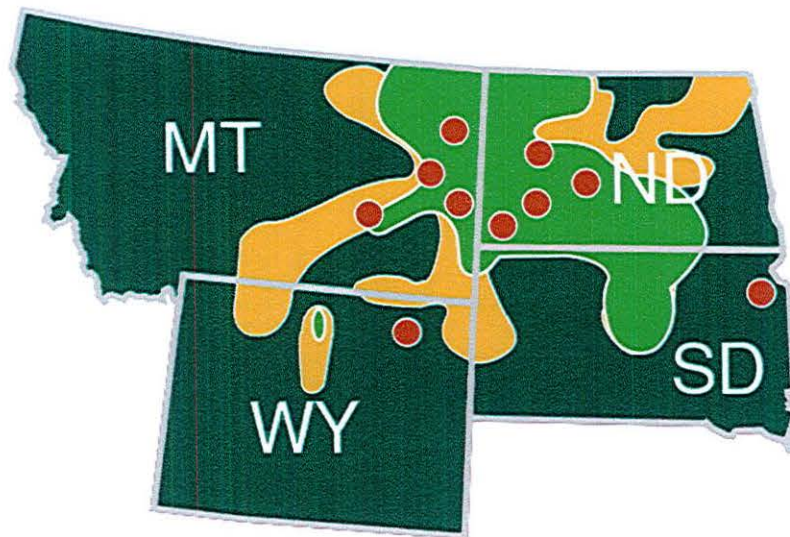
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Today's presentation will cover:

- ⦿ Applicant overviews
- ⦿ Project development
- ⦿ Project overview
- ⦿ Routing process
- ⦿ Route Change Requests
- ⦿ Engineering design
- ⦿ Project outreach
- ⦿ Right-of-way
- ⦿ Next steps



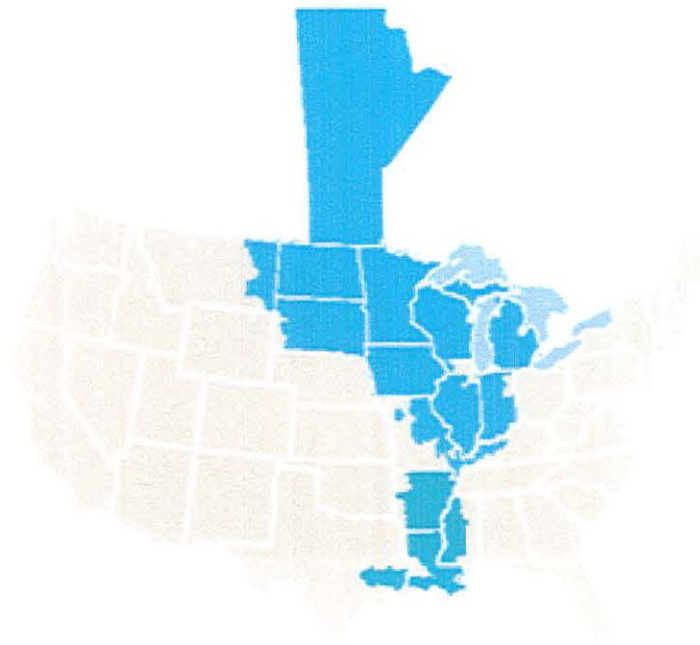
- Electric utility areas
- Natural gas utility areas
- Electric generating stations
- States of operations

- ⦿ Headquartered in Bismarck, North Dakota
- ⦿ Electric and/or natural gas service to parts of Montana, North Dakota, South Dakota, and Wyoming
- ⦿ Service area covers about 168,000 square miles
- ⦿ Approximately 312,000 customers

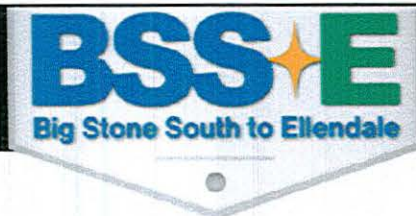


- Headquartered in Fergus Falls, Minnesota
- Electric service to parts of Minnesota, North Dakota, and South Dakota
- Service area covers about 70,000 square miles
- Approximately 129,400 customers in 422 communities

- MISO (Midcontinent Independent System Operator) consists of 48 transmission owning utilities including **Montana-Dakota Utilities Co.** and **Otter Tail Power Company.**



- MISO is an essential link in the safe, cost-effective delivery of electric power across all or parts of 15 U.S. states and the Canadian province of Manitoba. As a Regional Transmission Organization, MISO assures consumers of unbiased regional grid management and open access to the transmission facilities under MISO's functional supervision.



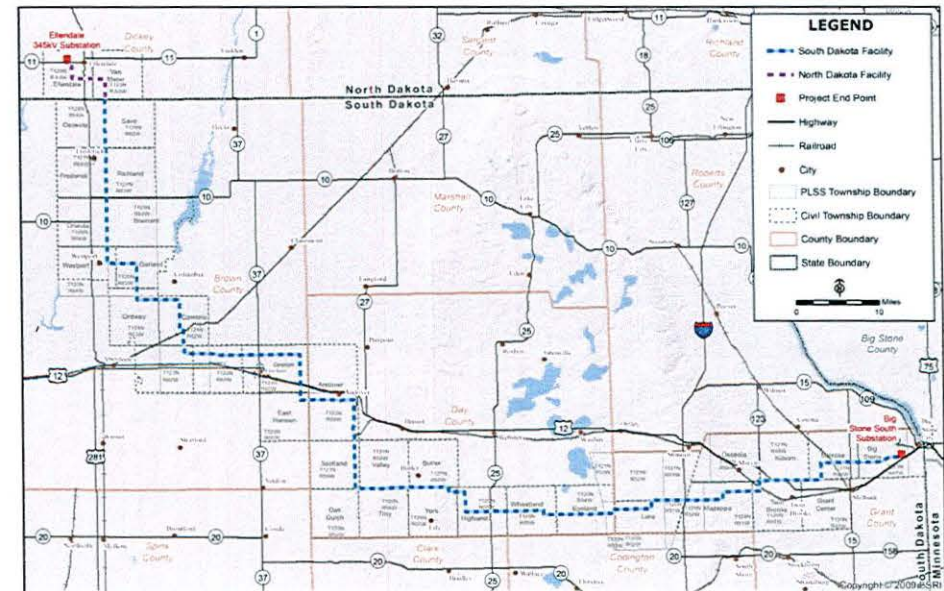
Project Development

- ◎ Multi-value project (MVP)
 - Regional reliability
 - Economic value
 - Support for renewable energy public policy objectives

- ◎ On December 8, 2011 MISO approved a portfolio of 17 MVP projects which included the BSSE 345kV transmission line.

Project overview

- Joint project with Otter Tail Power Company and Montana-Dakota Utilities Co.
- New 345 kV transmission line
 - Ownership to be approximately 50% MDU and 50% OTP
- Approximately 160-170 miles
- Endpoints:
 - Big Stone South substation near Big Stone City, SD
 - OTP ownership
 - New Ellendale substation near Ellendale, ND
 - MDU ownership
- Anticipated project cost \$290-\$370 Million
- In service 2019



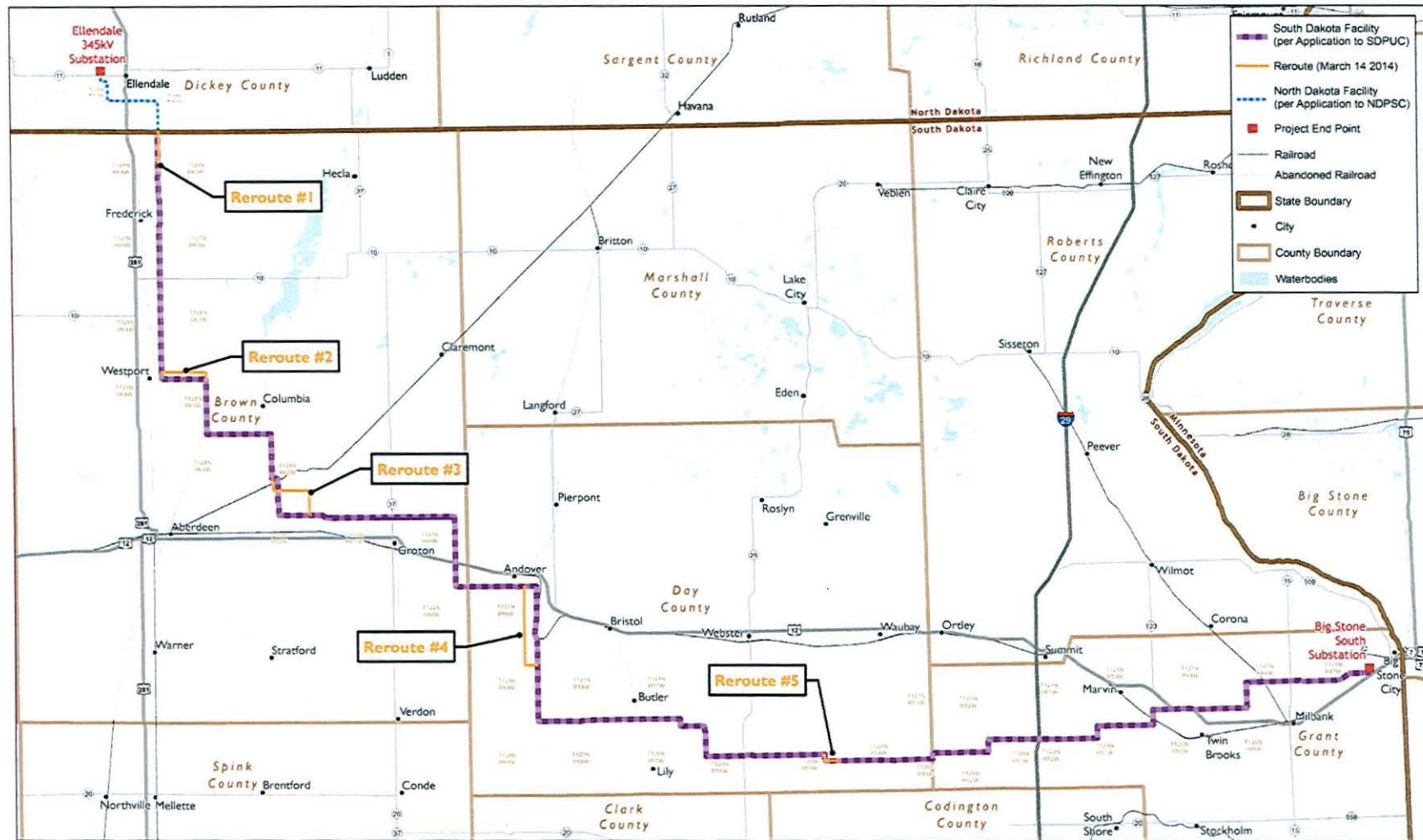
- ◎ Short term local economic benefits during construction
 - Construction expenditures (estimated range \$3 – \$7 Million through construction period)
 - Other tax benefits: (estimated range \$5.5 – \$9 Million)
 - Sales and use taxes
 - Contractor taxes
- ◎ Long term local benefits
 - Increased taxes paid to affected counties/townships
 - Estimated annual property taxes paid by Project:
 - \$715,000 – \$885,000 in Brown County
 - \$535,000 - \$755,000 in Day County
 - \$490,000 - \$605,000 in Grant County

Information evaluated:

- ⦿ Overall length and cost
- ⦿ Existing high voltage transmission lines and transportation infrastructure
- ⦿ Section lines
- ⦿ Populated areas/residences
- ⦿ Environmental and engineering considerations
- ⦿ River crossing locations
- ⦿ Public and agency feedback

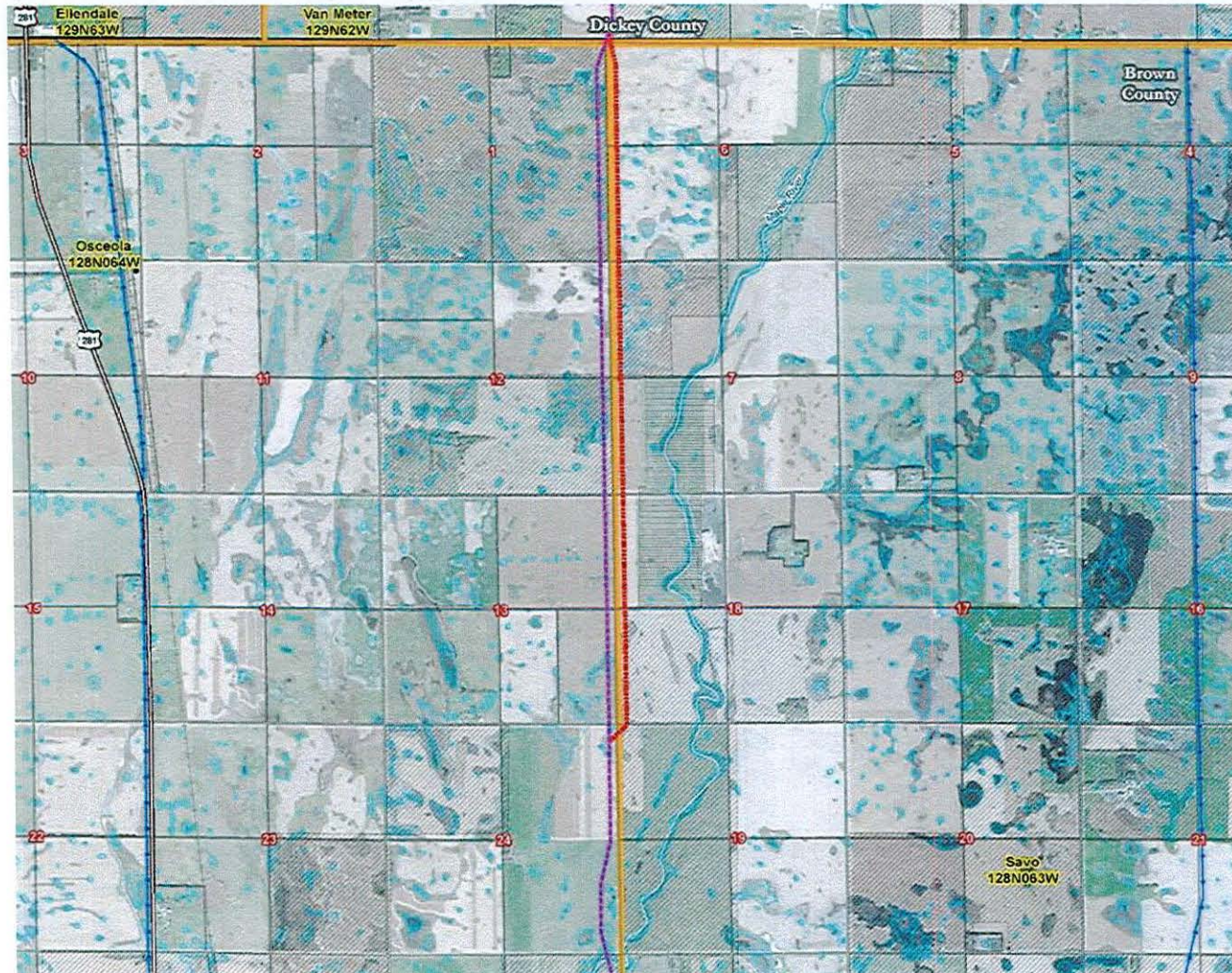
- Total of 36 Route Change Requests (RCR) have been reviewed by the project team
- Of this total, 5 RCRs are under negotiation that required additional landowner notifications
- The 32 landowners impacted by these 5 RCRs are the reason this additional hearing is occurring

Potential Route Changes

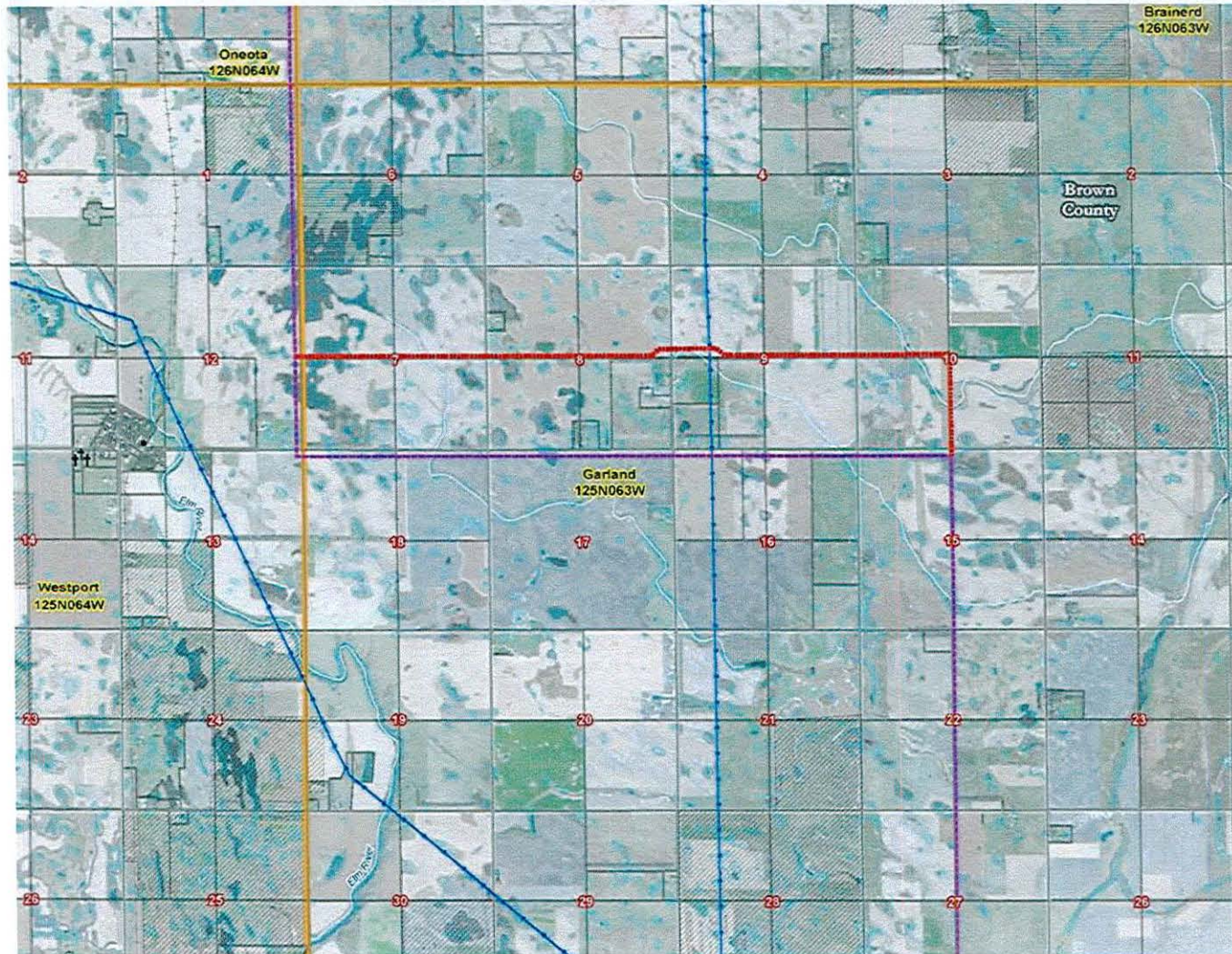


- Route Change Requests are reviewed by the project team using the same routing criteria as was used to select the original route.
- Of the 32 RCRs proposed, 14 have been approved, 5 were not approved and the rest are still under investigation.

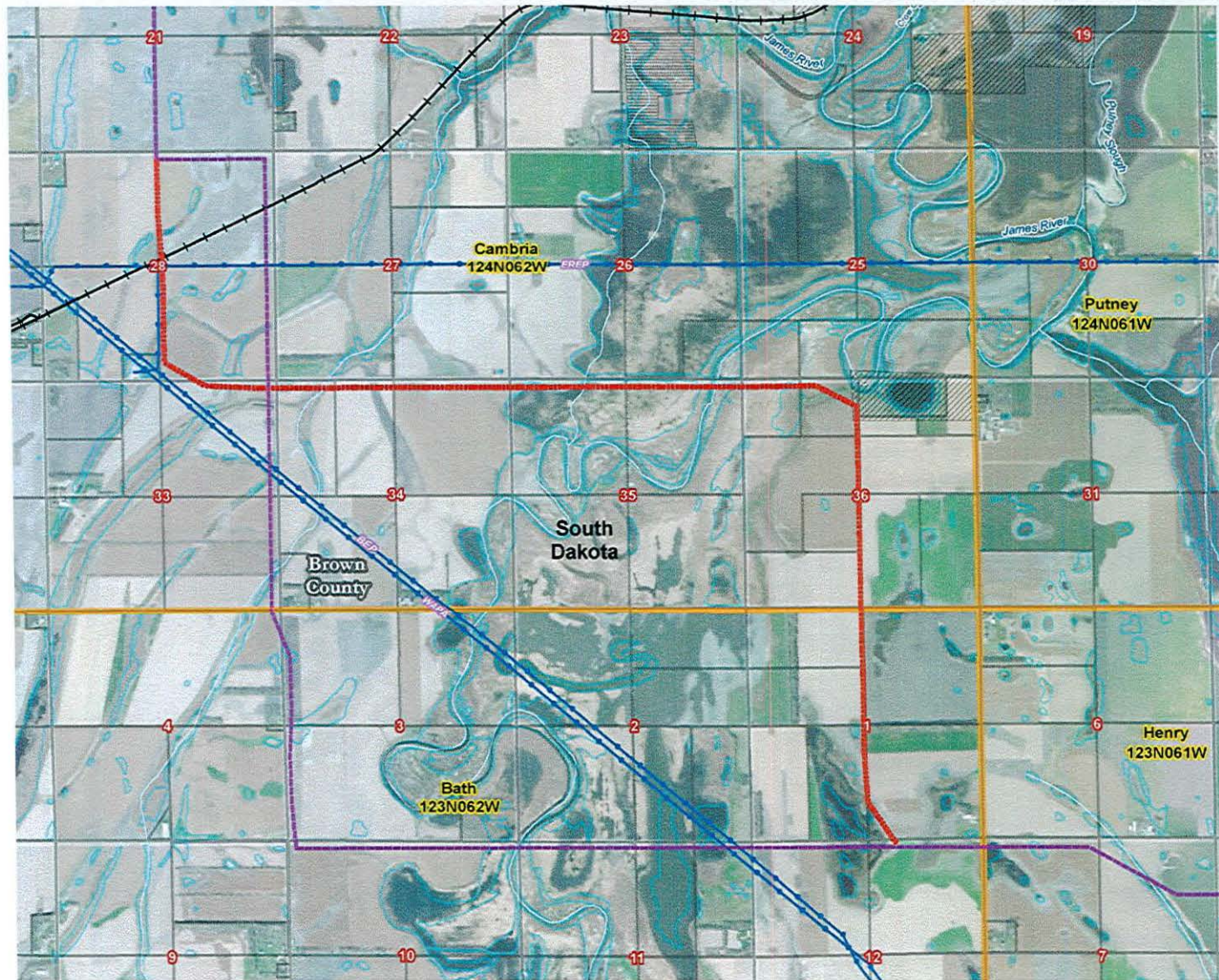
Potential Route Change #1



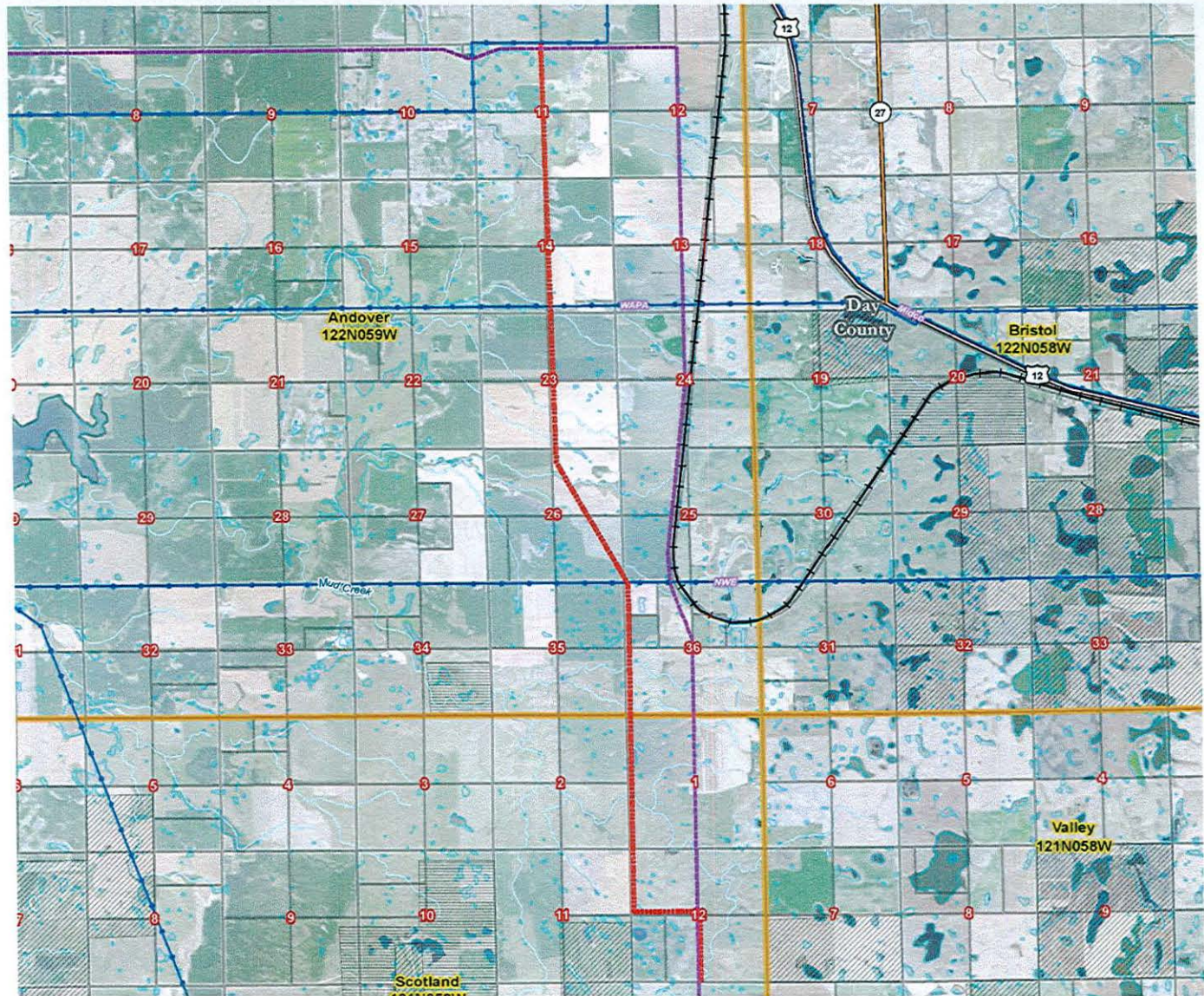
Potential Route Change #2



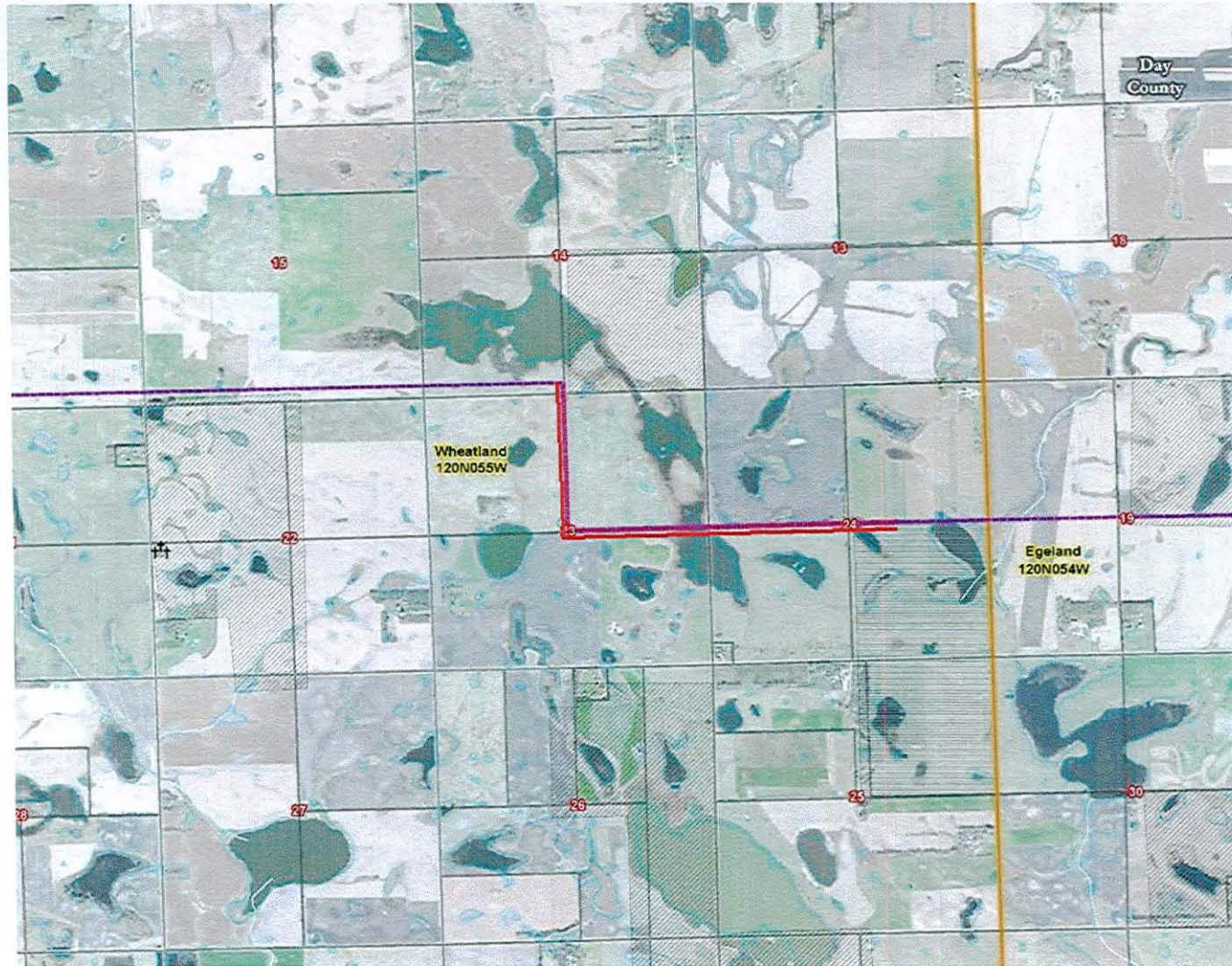
Revised Potential Route Change #3

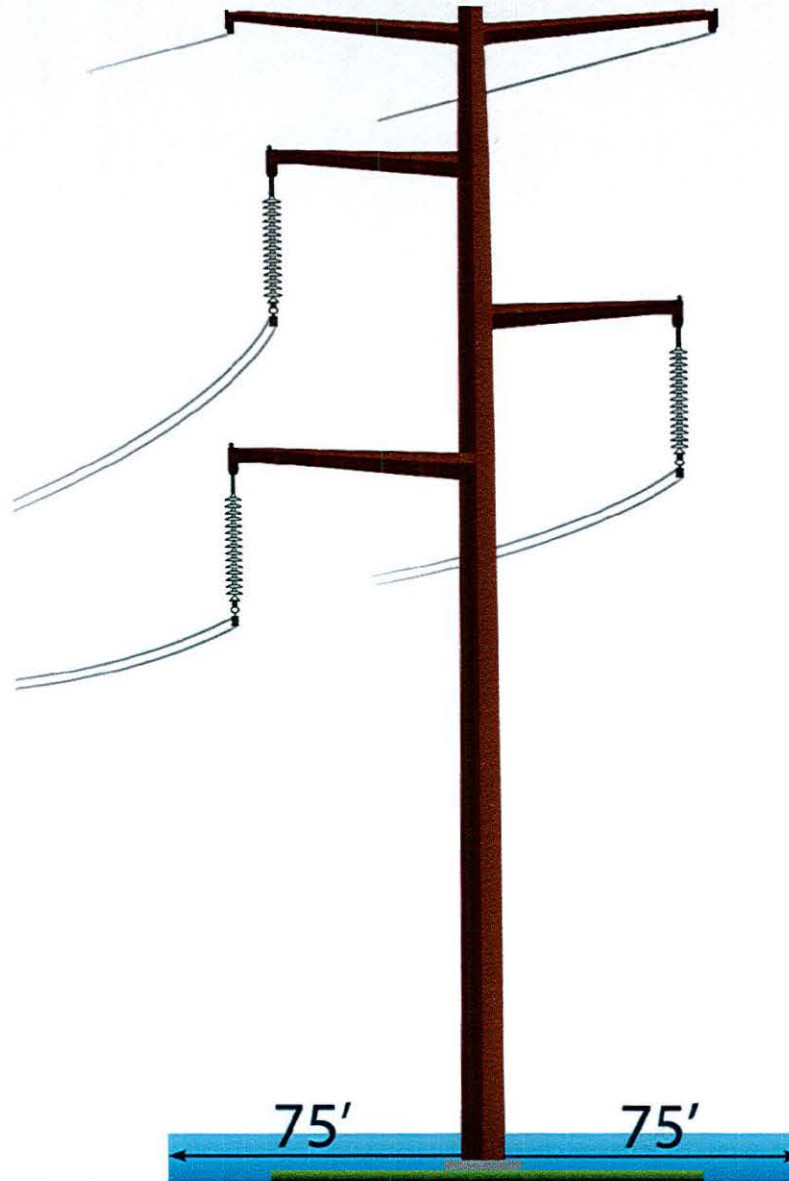


Revised Potential Route Change #4



Potential Route Change #5





Average measurements	
Above-grade height	125 - 155 ft
Foundation diameter	6 - 11 ft
Span	700 - 1200 ft
Structures per mile	5 - 6
Minimum ground clearance	30 ft

Construction overview

- 1 Survey structure locations and identify ingress and egress locations.
- 2 Auger the holes where the structure poles will be set and pour foundation (if required).
- 3 Assemble the structure on the ground adjacent to the holes/foundation.
- 4 Lift structure and place in hole or on foundation.
- 5 String wires.
- 6 Restore right-of-way and energize line.

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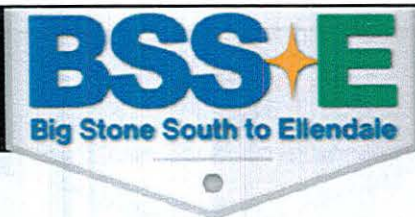
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- ⦿ **Letters or postcards mailed** (September 2012, October 2012, February 2013, April 2013, May 2013, June 2013, August 2013)
- ⦿ **Open house meetings** (October 2012 & February 2013)
- ⦿ **Newsletters mailed** (November 2012, June 2013, October 2013, January 2014)
- ⦿ **County meetings** (August 2012 & January 2013)
- ⦿ **Interagency meetings** (August 2012 & January 2013)
- ⦿ **Tribal Agency meetings** (October 2012, March 2013, May 2013, July 2013)
- ⦿ **SD PUC Public Input hearings** (October 2013)



Easement progress as of May 20th

- Started contacting landowners on August 5, 2013
- 100% of the SD parcel owners have been contacted to date
- Nearly 60% of the SD project miles have options signed

Next steps





HOW TO STAY INFORMED and PROVIDE FEEDBACK:



- Visit our website at **www.BSSEtransmissionline.com**
- Call our toll-free information line: **1-888-283-4678**
- **Join our mailing list** (online or at this meeting)
- Email us at: **info@BSSEtransmissionline.com**
- **Make a comment** at this meeting or online at **www.BSSEtransmissionline.com**