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Docket No.: EL14-080

Response To: South Dakota Public Service Data Request No. 1-3
Commission

Requestor: Kristen Edwards

Date Received: October 3, 2014

Question:

Provide justification for including the capital expenditures associated with the Meadow Lake project considering the land investment was stranded with the Hollydale decision and is currently not used and useful.

Response:

The Company has not included any capital expenditures associated with the Meadow Lake project in its determination of our 2015 South Dakota TCR revenue requirements. As shown on Attachment 7, Page 1 of 1, the row for Meadow Lake has no revenue requirements listed for 2015.

The only place that the Meadow Lake project is listed in our current 2015 TCR filing is to show the minimal expenditures and revenue recovery that the Commission previously approved in our 2013 and 2014 TCR filings.

As we indicated in our response to Data Request No. 2-12 in Docket No. EL14-058, the only expenditures we have made for the Meadow Lake Project are for the land to be used for the new Meadow Lake substation. As we also indicated in that response, the timing for completion of the Meadow Lake project is not known given the legal/regulatory uncertainty associated with a separate but adjacent project (Hollydale) in the area. While this uncertainty is currently affecting the timing of the Meadow Lake project, we are confident that the Meadow Lake project will eventually proceed, and the advance purchase of land that we are holding will be placed into service at a future date.

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