

**BASIN ELECTRIC
POWER COOPERATIVE**

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July 1, 2010

SENT VIA E-FILE

Patricia VanGerpen
Executive Director
Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Avenue
Pierre, SD 57501-5070

Re: Small Renewable Power Rates

Dear Ms. VanGerpen:

Senate Bill 61, passed during 2010 Legislative Session, requires each electric utility to file with the Commission its minimum rate for purchases of electricity generated by a small renewable power facility with a capacity of one hundred kilowatts or less. Electric utility, as found in SDCL 49-34A-1(7) is to be used in determining applicability of SB 61. SDCL 49-34A-1(7) states: "Electric Utility, any person operating, maintaining, or controlling in this state, equipment or facilities for providing electric service to or for the public including facilities owned by a municipality." The definitions section also provides clarification on what is meant by "electric service": "electric service furnished to a customer for ultimate consumption, but not including wholesale electric service furnished by an electric utility to another electric utility for resale." (SDCL 49-34A-1(6))

Basin Electric Power Cooperative (Basin Electric) is a wholesale supplier of electricity and does not furnish electric service to a consumer for ultimate consumption. Thus, since Basin Electric does not meet the definition of electric utility, we do not intend to file this rate. Additionally, it should be noted that per Basin Electric Board Policy, these small renewable power purchases are generally done at the membership level.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Casey Jacobson".

Casey Jacobson
Attorney

cjj/ds