

December 3, 2013

Ms. Patty Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501

Re: In the Matter of the Consideration of Standards to Govern Avoided Cost
Determinations RM13-002

Dear Ms. Van Gerpen:

On behalf of its thirty-one member electric cooperatives, South Dakota Rural Electric Association (SDREA) submits these comments in the above-named docket.

The South Dakota rural electric cooperatives, through their all-requirements supplemental wholesale power supplier Basin Electric, are strong supporters of renewable energy, as evidenced by the more than 757 MW of renewable energy in their collective portfolio, with more to be added in the near future. On behalf of SDREA member companies, Basin Electric ensures our members are in full compliance with the PURPA requirements as to avoided cost, as well as offering appropriate rates to incent renewables as a key part of the member companies' energy mix.

SDREA offers the following observations for the Commission's consideration. First of all, SDREA supports the comments filed by Basin Electric in this docket. SDREA would request that any rules adopted by the Commission herein should acknowledge the non-jurisdictional relationship between the rural electric cooperatives and the Commission on these matters.

SDREA and its members have a concern that even though any rules adopted herein would not be applicable to the members of SDREA, said rules could be imported into or become precedent in another forum. To address this concern, SDREA would urge the Commission not to proceed with rule-making and rely on federal standards and case law. In the event the Commission proceeds to adopt rules, SDREA would encourage the Commission to draft any rules in a manner that permits flexibility to address appropriate utility/generator fact-specific determinations. Although utilities in this region share many common characteristics, any rules adopted should acknowledge the case-by-case analysis that is required by PURPA and avoid one-size-fits-all determinations. There may be a downside to putting certain standards into rules, such as the length of the contract term, while leaving other equally important contract provisions outside of the rules.

Robert C. Riter, Jr
Margo D. Northrup

Darla Pollman Rogers
Lindsey Riter-Rapp
Robert D. Hofer, Of Counsel

Jerry L. Wattier
Thomas Hart, Associate

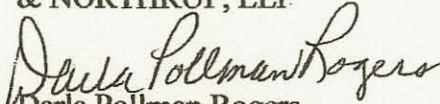


Finally, SDREA would suggest that if the Commission moves forward with rules in this docket, the rules should be drafted in accordance with a known/established set of facts and not include any speculation regarding a yet-to-be-determined national energy policy or initiative.

Thank you for the opportunity to submit comments in this docket.

Sincerely yours,

RITER, ROGERS, WATTIER
& NORTHRUP, LLP

By: 
Darla Pollman Rogers

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