

**Public hearing March 21 in Waverly SD for Apex's Dakota Range Wind Farm  
Comments of Beth Soholt, Wind on the Wires**

Good evening,

My name is Beth Soholt and I am the executive director of Wind on the Wires, a regional renewable energy advocacy organization based in St. Paul, MN and working across a 9-state footprint, including here in South Dakota. Our members, both non-profit and for-profit, work on and support the development of wind and solar projects in South Dakota and across the Midwest. Wind on the Wires (WOW) has worked since 2001 to foster the development of wind power and new transmission lines to bring wind power to market. As with any product or crop, if more wind is produced than can be consumed in the local area, the wind must be transported [over transmission lines] to where it can be used. WOW has also worked side-by-side with electric utility companies and others to integrate new renewable energy into the regional grid.

I will briefly address three issues this evening:

1. Shift to renewable energy that is taking place across the United States;
2. Demand for renewable energy and the benefits wind farm development brings to local communities and the state; and
3. Decommissioning

**First, the shift to renewable energy.**

The Apex Dakota Range Wind Farm is part of an exciting shift to renewable energy that is taking place across the United States. As reported<sup>1</sup> by the American Wind Energy Association, over 7,000 MW of wind power was completed in 2017, representing \$11 billion of private investment in rural communities and states. Building new wind farms keeps American factory and construction workers employed while bringing new revenue to landowners and farm communities. The trend is projected to continue in 2018 and beyond since there are many wind farms under construction or in advanced stages of development. In the Midwest, utilities are adding renewable energy, particularly wind power, to their generation portfolios for many

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<sup>1</sup> US Wind Industry Fourth Quarter 2017 Market Report, American Wind Energy Association, released January 30, 2018. <https://www.awea.org/4Q2017press>

reasons, but chief among them is that wind is an economical choice. The Apex Dakota Range wind farm will be part of Xcel Energy's generation portfolio to help Xcel achieve their stated goal of 85% carbon free resources by 2030. As you know, Xcel Energy serves South Dakota as well as three other states in the Midwest (North Dakota, Minnesota, Wisconsin).

## **Second, demand for renewable energy and benefits to communities and the state.**

The State of South Dakota and local communities are poised to be able to provide a product that Fortune 500 companies and electric utilities want – clean and cost effective wind energy. Many Fortune 500 companies have renewable energy or sustainability goals and are looking for wind projects to meet their needs. The wind resource in South Dakota and neighboring states is one of the best in the country and with new transmission lines such as CapX2020 and the MISO Multi-Value Projects (MVPs), South Dakota wind finally has some additional outlet to get wind energy to market.

So what's in it for the state and local communities? Landowner payments, local spending such as at hotels, restaurants, gasoline, taxes to the state, job creation during construction and afterwards, and the wind developer being part of the community into the future. That's just a partial list of local and state benefits that accrue from wind farm development, whether it's an Apex project or a wind or solar project by another developer.

## **Decommissioning a wind farm**

I wanted to say a few words about decommissioning since it's a topic that's often brought up as folks have concerns what would happen to a wind farm if it ever ceases to operate. Apex has filed a lengthy decommissioning plan in its permit application. But once a wind farm has been constructed, there is great value in the component pieces of the wind farm including salvage value in the tower and turbine materials among other things. We are also seeing a trend in the wind industry right now of repowering older projects to new turbines to enhance and increase the life of existing wind farms, and WOW expects this trend to continue. GE and other turbine manufacturers offer repowering options that can be very cost effective to utilities and ratepayers to again get additional "bang for the buck" from existing wind farms. Finally,

interconnection rights that existing generators have are very valuable and can be sold to another customer. Salvage value, repowering, value of transmission interconnection rights all add up to potential sources of revenue that can go toward decommissioning costs.

South Dakota is on a great course to continue leading the Midwest in the development of cost effective renewable energy projects such as the Apex Dakota Range wind farm. Thank you for the opportunity to provide comments this evening.