

LAW OFFICES

Lynn, Jackson, Shultz & Lebrun, P.C.

LAWYERS ALSO ADMITTED IN MINNESOTA, IOWA, NORTH DAKOTA, AND WYOMING

110 N. MINNESOTA AVENUE
SUITE 400
SIOUX FALLS, SD 57104
605-332-5999
FAX 605-332-4249

www.lynnjackson.com
Member of Lex Mundi
A Global Association of 125 Independent Law Firms

135 E. COLORADO BOULEVARD
SPEARFISH, SD 57783-2755
605-722-9000
FAX 605-722-9001

909 ST. JOSEPH STREET
SUITE 800
RAPID CITY, SD 57701-3301
605-342-2592
FAX 605-342-5185

REPLY TO: Sioux Falls 605-332-5999

From the office of Miles F. Schumacher

e-mail address: mschumacher@lynnjackson.com

September 12, 2019

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capital Building, 1st Floor
500 East Capital Avenue
Pierre, SD 57501-5070

Re: Docket No. EL19-003
Application to the SD PUC for a Facility Permit to Construct
A 300 Megawatt Wind Facility

Dear Ms. Van Gerpen:

The purpose of this letter is to update the South Dakota Public Utilities Commission ("Commission") on the Crowned Ridge Wind, LLC ("CRW") interconnection study process and to provide notice that CRW will defer the construction of 100 megawatts ("MW") of the wind facility.

On August 9, 2019, CRW withdrew MISO interconnection queue position J721 due to high interconnection costs associated with the last 100 MWs of CRW. The interconnection studies for queue position J721 were conducted by MISO and SPP. Although CRW withdrew queue position J721 in the MISO DPP-FEB-2017 West cycle, it retained its queue position J722 in the MISO DPP-AUG-2017 West cycle for the last 100 MWs of CRW.¹ This second queue position, J222, is currently being studied by MISO and SPP, and the results of those studies, including the associated interconnection costs, are expected to be released in the first quarter of 2020.

The withdrawal of queue position J721 and the additional interconnection studies under queue position J722 do not impact the first 200 MWs of CRW, which are already under a MISO

¹ The CRW and Northern States Power Company power purchase agreement ("PPA") was amended to recognize interconnection queue position J722. The amended PPA also reiterates the parties' obligations to explore options, including queue position J722, to construct and operate all 300 MWs of the CRW project.

Ms. Patricia Van Gerpen
September 12, 2019
Page 2

Generation Interconnection Agreement (“GIA”), and will be in commercial operations on or about December 15, 2019.²

However, based on CRW’s review of the J721 MISO and SPP studies, it has determined that there is a reasonable probability that the J722 interconnection studies may also result in higher interconnection costs than can support the construction of the last 100 MWs. Therefore, CRW will defer the decision whether to construct the last 100 MWs until it has reviewed the results of the J722 interconnection studies and associated costs. After CRW has reviewed the study and cost results for J722, CRW will notify the Commission that either: (1) it has decided to start construction on the last 100 MWs or (2) it intends to further defer the construction of the last 100 MWs until such date that the MISO and SPP systems can cost-effectively support the interconnection of the last 100 MWs. If CRW defers construction under scenario (2), it will do so with the understanding that, pursuant to SDCL 49-41B-27, CRW must start construction on the last 100 MWs within four years of issuance of the Facility Permit (issued on July 26, 2019). In the event that CRW will not start construction of the last 100 MWs within that four year time period but seeks to construct the last 100 MWs after that four year time period, CRW also understands it must request certification from the Commission that the 100 MWs continues to meet the conditions of the Facility Permit.

Attachments 1 and 2 to this letter show the turbines associated with the 200 MWs under construction and the turbines associated with the 100 MWs that will be deferred. No turbine locations have changed from the locations filed on May 29, 2019 pursuant to Condition No. 41 of the Facility Permit. The sound and shadow flicker studies are unchanged, because CRW intends to construct and operate the last 100 MWs at a later date.

If you have any questions, please contact me.

Yours very truly,

LYNN, JACKSON, SHULTZ & LEBRUN, P.C.



Miles F. Schumacher

² Similarly, there is a GIA for the first 200 MWs of Crowned Ridge Wind, II, LLC (“CRW II”), while the last 100 MWs of CRW II are being studied under queue position J222. Therefore, in Docket No. EL19-027, CRW II will also explain the potential deferral of the last 100 MWs of CRW II in its supplemental testimony.