

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE APPLICATION BY SWEETLAND WIND FARM, LLC
FOR FACILITY PERMITS OF A WIND ENERGY FACILITY AND A 230-KV
TRANSMISSION FACILITY IN HAND COUNTY, SOUTH DAKOTA FOR THE
SWEETLAND WIND FARM PROJECT**

SD PUC DOCKET EL 19-012

**PRE-FILED SUPPLEMENTAL DIRECT TESTIMONY OF MATT HECK
ON BEHALF OF SWEETLAND WIND FARM, LLC**

May 20, 2019

1 **I. INTRODUCTION AND QUALIFICATIONS**

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3 **Q. Please state your name, employer, and business address.**

4 A. My name is Matt Heck. I am the Director of Development at Scout Clean Energy.
5 My business address is 4865 Sterling Drive, Suite 200, Boulder, Colorado 80301.

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7 **Q. Briefly describe your background and qualifications.**

8 A. I have 18 years of development experience working in more than 29 states for
9 diverse renewable energy companies. Prior to joining Scout Clean Energy as the
10 Director of Development, I developed renewable energy projects with Harvest
11 Energy Services, Iberdrola Renewables (now Avangrid), EDF/enXco, juwi Wind and
12 juwi Solar, and Community Energy. I have led or assisted with development efforts
13 for numerous operating renewable energy projects, including site selection, land
14 acquisition, transmission and interconnection analysis, environmental analysis, and
15 construction and financing due diligence. I have a Bachelor of Science in Integrated
16 Science and Technology from James Madison University, Harrisonburg, Virginia.

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18 **Q. What is your role with respect to the Sweetland Wind Farm and associated
19 transmission line (“Project”)?**

20 A. Prior to Mark Wengierski joining Scout Clean Energy, I was managing the
21 development of the Project for Sweetland Wind Farm, LLC (“Sweetland”).

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23 **II. PURPOSE OF TESTIMONY**

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25 **Q. What is the purpose of your Supplemental Direct Testimony?**

26 A. The purpose of my testimony is to address the questions raised at the public input
27 hearing held on April 25, 2019 regarding the construction activities that occurred in
28 December 2016, and the Project’s qualification for the federal Production Tax Credit
29 (“PTC”).

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31 **III. CONSTRUCTION ACTIVITIES**

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Q. Could you discuss the construction activities that occurred in December 2016?

A. In order to qualify the Project for the full federal PTC, Sweetland performed certain work in December 2016. Specifically, during December 13-22, 2016, Sweetland contracted with a third party to excavate three planned turbine foundation sites and to construct approximately 2,300 linear feet of 14-foot-wide access road between the three excavations. No turbine foundations were installed, and no structures were erected.

Q. Has Sweetland conducted any construction activities since December 2016?

A. Other than routine maintenance work, such as fence repair around the excavation sites, implementing weed and erosion control measures, and reseeding temporarily disturbed areas, no additional work has been conducted since December 22, 2016.

Q. Were the activities conducted on land under lease for the Project?

A. Yes. Sweetland secured lease and easement agreements for the land, and the work was done with the prior consent of the landowners.

Q. Why did Sweetland conduct the construction activities without obtaining a permit from the South Dakota Public Utilities Commission (“Commission”)?

A. At the time of undertaking the PTC-qualification work, Sweetland was not aware that an energy facility permit from the Commission was required before conducting such work. The other states in which Scout Clean Energy had developed wind projects did not have a state permit requirement for siting; rather, zoning permits were required at the local level. Sweetland learned that a permit should have been obtained from the Commission prior to conducting the work when counsel was retained in late 2017 to assist with permitting for the Project.

Q. Were any permits required for the Project at the local level?

62 A. No. Sweetland confirmed with Hand County that county permits were not required
63 for the PTC-qualification work, and Sweetland provided County representatives with
64 updates both prior to and after the work.

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66 **Q. Did Sweetland conduct due diligence on the site prior to conducting the**
67 **activities?**

68 A. Yes. Sweetland had a critical issues analysis of the site prepared by an
69 environmental consulting firm to confirm the absence of environmental issues that
70 would prohibit Project development. Sweetland also obtained coverage under the
71 South Dakota Department of Environment and Natural Resources' General Permit
72 for Storm Water Discharges Associated with Construction Activities, and fully
73 implemented the requirements of a Stormwater Pollution Prevention Plan prior to,
74 during, and after the work. Additionally, Sweetland's contractor requested utility
75 locates prior to conducting the PTC-qualification work.

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77 **Q. Did Sweetland notify the Commission of the construction activities?**

78 A. Yes. After learning a permit should have been obtained, Sweetland asked its
79 permitting attorney to contact Commission Staff to inform them of the situation and
80 scheduled and held a meeting with Commission Staff on October 4, 2017. Prior to
81 that meeting, Sweetland submitted a letter to the Commission on September 26,
82 2017 informing the Commission of the construction activities, and submitted an
83 affidavit to the Commission with additional information on October 30, 2017.
84 Sweetland then appeared before the Commission at its meetings on November 8,
85 2017 and November 21, 2017 to provide additional information regarding the work
86 conducted and to answer the Commission's questions, and Sweetland's
87 presentation at the November 8, 2017 meeting was filed with the Commission. The
88 documentation provided is in Informational Filing Docket No. 2017 Info EL9.

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90 **Q. Did Sweetland intend to begin construction without securing all necessary**
91 **permits?**

92 A. No, Sweetland intended to comply with all applicable requirements. The failure to
93 get a permit from the Commission was a mistake by Sweetland that it regrets was
94 made. Once Sweetland learned of its error, it took the steps discussed above to
95 consult with Commission Staff and inform the Commission regarding what had
96 occurred.

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98 **IV. PTC QUALIFICATION**

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100 **Q. There were questions raised at the public input hearing regarding how the**
101 **Project is qualifying for the federal PTC. Could you address those questions?**

102 A. Yes. The Project is qualifying for the PTC via the construction activities conducted
103 in 2016. Permitting requirements are separate and distinct from the PTC
104 requirements. In other words, qualification for the federal PTC is not contingent on
105 securing permits for a wind project. To be clear, it was not Sweetland's intent to
106 conduct the PTC-qualification construction activities without securing all necessary
107 permits. However, since federal law allows the Project to qualify for the PTC based
108 on the 2016 construction activities, Sweetland intends to do so.

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110 **V. CONCLUSION**

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112 **Q. Does this conclude your Direct Testimony?**

113 A. Yes.

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115 Dated this 20th day of May, 2019.

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119 Matt Heck

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