

Gary Hanson, Chairman Chris Nelson, Vice Chairman Kristie Fiegen, Commissioner

November 10, 2020

Patricia Van Gerpen Executive Director SD Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501

RE: EL19-026, In re Tatanka Ridge Wind, LLC

Ms. Van Gerpen,

The purpose of this letter is to facilitate discussion regarding Applicant's proposed escrow agreement for the November 12, 2020 commission meeting. Staff has reviewed the filing and familiarized itself with the Escrow Agent. Staff is supportive of the escrow agreement in principle, but would like to see the following changes:

- 1. The Commission should be removed as a signatory to the Escrow Agreement. The Commission has not historically been a party to the escrow agreements required for siting permits. This change should be reflected on pages 1 and 12 of the Escrow Agreement.
- 2. The Executive Director of the Commission should be added to the Notice section.

This escrow agreement is different than others the Commission has approved in the past. However, it is important to note that the Escrow Agreement is binding between the Escrow Agent and Tatanka Ridge Wind, LLC, and it does not take the place of or relieve any obligations from the Permit Conditions. Therefore, while the Escrow Agreement is silent on the requirement that \$5,000 per turbine per year be deposited into the account, the requirement is sufficiently covered by the permit conditions. It would be unnecessary for Tatanka Ridge Wind, LLC to bind itself to the Escrow Agent for the annual deposit, as it is not the Escrow Agent's duty to ensure that deposit.

Finally, Staff has some question as to the current ownership of Tatanka Ridge Wind, LLC. Avangrid Renewables, LLC is a signatory to the Escrow Agreement but may not be a majority owner of Tatanka Ridge Wind, LLC at this time.

With the aforementioned considerations, Staff intends to recommend approval of the Escrow Agreement with allowance for immaterial changes.

Sincerely,

Kristen N. Edwards Staff Attorney



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