



July 19, 2023

Public Utilities Commission
Capital Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

Re: Elmington Capital Group, LLC Request for Master Metering Variance

In accordance with ARSD 20:10:26:05 RPG Energy Group is requesting, on behalf of Elmington Capital Group, LLC, a variance to the individual metering requirement set forth in ARSD 20:10:26:03(04).

Elmington Capital is proposing to develop 200 family units and 49 senior units over one or more phases that will activate the currently vacant site with a new sustainable vibrant community. The new development will provide long term deed restricted housing and serve individuals and households between 20%-80% of the Area Median Income ("AMI"). According to a recent Rapid City Housing Study presented by Elevate on August 3, 2022, as many as 1,300 Units of rental housing is needed in Rapid City between 30%-80% AMI. The Project will be supported by a competitive 9% and non-competitive 4% Low-Income Housing Tax Credits ("LIHTC"), Investment Tax Credits ("ITC"), conventional debt financing, and project-based Section 8 Rental Assistance. Under new Federal LIHTC regulations, the project will make an Income Average election, whereby the project can serve both very low-income family households and those in the "missing-middle" (between 20% and 80% AMI) with a total weighted average income-restriction threshold of 60% AMI across all units and bedroom types for the proposed affordable family project. The role of RPG Energy Group in this project is to engineer, procure, and construct a solar PV array on site to provide 100% renewable energy to the development and make this request on behalf of our client. We are requesting to master meter the project for electrical services.

In accordance with ARSD 20:10:26:05, the appropriate utility company has been copied on this letter. Also, in accordance with ARSD 20:10:26:05, see below for the required information for this variance application:

1. The type of project or structure for which a variance is sought.

a. SITE INFORMATION:

- The type of project is a 249 unit multi-family and senior living development designed to provide affordable housing. The project will contain a large on-site ground mounted solar array to offset 100% of the facilities net energy needs in order to promote a sustainable community.



b. SITE LOCATION:

- 1725 Camden Drive & East Anamosa Street at Camden Drive
Rapid City, SD 5770
Located in a Qualified Census Tract

c. SIZE:

- Approximately 27.53 acres

d. CURRENT PARCELS:

- Parcel 1A #2132126007 1.89 acres
- Parcel 2 #2132126003 2.52 acres
- Parcel 3 #2132126004 3.59 acres
- Parcel 4 #2132126005 3.98 acres
- Parcel 12 #2132126006 15.55 acres (Solar PV System)

e. SITE CONFIGURATION

- Six 3-Story Walk-Up Buildings, surface parked (1.5 spaces/DU), Pool, Integral clubhouse/leasing building, 15.55 acres on lot 12 to the east to contain solar farm supporting all other parcels creating a net zero electrical usage design.

2. A reference to the section of this chapter under which the variance is requested.

- a. The variance requested references section 20:10:26:03(04) regarding individual metering for new multiple-occupancy buildings. We are asking the Commission to provide a variance to allow for a master electric meter for this development.

3. The reasons for granting a variance, including cost-effectiveness, energy efficiency, and energy conservation effects.

- a. Elmington Capital Group, LLC will be paying for all utilities in the lease agreement. In order to provide renewable energy and reduce electricity bill costs to the development, Elmington Capital Group, LLC has decided to incorporate a solar PV array connected behind the utility meter. A master metering configuration is key to the success of this solar PV array that will net offset 100% of the energy usage of the development. If the PV system was installed on an individual metered basis then the cost impact would be substantial as there would need to be individual conductors ran to each individual unit rather than just having 1 point of electrical connection. The master metering scenario allows for this single point of electrical connection. Along with being more cost effective, the master metering scenario allows the solar project to be more energy efficient because it allows for 1 single point of connection that is close to the source of energy production rather than having to run conductor all over the



property. The longer the run of the conductors, the more energy loss there will be from the solar production.

Additionally, the master metering scenario will result in cost savings to Elmington Capital Group, LLC based on the following calculations of rate tariff fees from Black Hills Energy:

- Individual Metering Customer Charge: 249 meters X \$20 = \$59,760
- Master Metering Customer Charge: no customer charges per utility tariff "General Service – Large"

RPG has been in contact with Black Hills Energy in which they have no objections to master metering of this project.

4. Whether a hearing is also requested.

- a. We will not be requesting a hearing for this variance.

Thank you for your consideration regarding this project. We look forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Colton Cooper".

Colton Cooper
Vice President of Design and Engineering
RPG Energy Group