BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION BY DEUEL HARVEST WIND ENERGY SOUTH LLC FOR ENERGY FACILITY PERMITS OF A WIND ENERGY FACILITY AND A 345 KV TRANSMISSION FACILITY IN DEUEL COUNTY, SOUTH DAKOTA FOR THE SOUTH DEUEL WIND PROJECT

SD PUC DOCKET EL24-023

PRE-FILED REBUTTAL TESTIMONY OF MONICA MONTERROSA ON BEHALF OF DEUEL HARVEST WIND ENERGY SOUTH LLC

December 5, 2024

1 I. INTRODUCTION

- 2 Q. Please state your name.
- 3 A. My name is Monica Monterrosa.

5 Q. Have you previously provided testimony in this docket?

A. Yes. I submitted Direct Testimony in this docket on behalf of Deuel Harvest Wind
Energy South LLC ("South Deuel Wind") in support of its Facility Permit Application
("Application") to the South Dakota Public Utilities Commission ("Commission") on
June 28, 2024.

II. PURPOSE OF TESTIMONY

12 Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my Rebuttal Testimony is to describe South Deuel Wind's outreach and coordination efforts with intervenors in this proceeding and other landowners since the filing of the Application, provide an update on the Road Use Agreement between South Deuel Wind and Deuel County for the South Deuel Wind Project ("Project"). I also respond to the direct testimony of Commission Staff ("Staff") witness Mr. Jon Thurber and Intervenor Ms. Arla Hamann Poindexter.

I note that Mr. Chris Harrington of Capitol Airspace Group responds to the concerns presented by the Lake Cochrane Improvement Association ("LCIA") and Mr. Matt Holden. Mr. Michael Hankard addresses Mr. David Hessler's testimony regarding sound. Ms. Michelle Phillips responds to Ms. Arla Hamann Poindexter's testimony regarding potential environmental impacts. Ms. Alexandra Thompson responds to Mr. Thurber's testimony regarding turbine model flexibility and a proposed condition regarding determinations made by the Federal Aviation Administration.

29 III. OUTREACH AND ROAD USE AGREEMENT UPDATE

- 30 Q. Has South Deuel Wind engaged in additional outreach with Mr. Bekaert, Ms.
- Hamann Poindexter, and the LCIA since the public input meeting?
- 32 A. Yes.

- 34 Q. Please describe the substance of your discussions with Mr. Bekaert.
 - A. After the public input meeting, South Deuel Wind further investigated the construction activities that would occur near Mr. Bekaert's home. The road that leads to his residence is anticipated to be used for the delivery of turbine components and construction equipment, and personnel access for one turbine, turbine location 75. South Deuel Wind received specifications from the Deuel County engineer for the culvert near Mr. Bekaert's property and determined that the culvert would be left in place because it is capable of supporting the projected loads for construction equipment and delivery.

South Deuel Wind provided an overview of the construction process to Mr. Bekaert and informed him that due to large vehicles and equipment, the roadway may be blocked for five to 20 minutes at a time. South Deuel Wind committed to provide Mr. Bekaert a construction timeline at least one week prior to the commencement of work on turbine location 75. South Deuel Wind expects that during construction, Mr. Bekaert will have full access to his property, with inaccessibility limited to at most 20 minutes that would occur during large load vehicle and equipment road use, barring any delays from unforeseen circumstances like weather or equipment breakdown. South Deuel Wind also provided Mr. Bekaert with an explanation of anticipated shadow flicker for his residence and an overview of Project tax allocation per township.

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- Q. What communications has South Deuel Wind had with Ms. HamannPoindexter?
- 58 A. South Deuel Wind reached out to Ms. Hamann Poindexter to discuss her concerns, 59 but she declined to meet.

- Q. What additional outreach has South Deuel Wind undertaken with landowners
 in the Project area?
- A. South Deuel Wind has continued to contact landowners in the Project Area. As a result of those communications, four additional landowners have become participants in the Project. These landowners are identified as receptors R-305, R-306, R-212 and R-322 in the noise and flicker studies for the Project.

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- 68 Q. What is the current status of a road use agreement between Deuel County 69 and South Deuel Wind?
- A. South Deuel Wind has been in continuing contact with Deuel County to negotiate the terms of the Road Use Agreement. South Deuel Wind and Deuel County met most recently on December 4, 2024 and are seeking to execute the Road Use Agreement in early 2025.

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75 IV. RESPONSE TO STAFF TESTIMONY

- 77 Q. Did you review the Direct Testimony of Commission Staff witness Mr. Jon 78 Thurber?
- Yes. South Deuel Wind appreciates Mr. Thurber's and Staff's thorough review of the Application, appendices, and the responses to data requests submitted in this proceeding.

¹ The R-322 agreement is pending receipt through the U.S. Postal Service.

- 83 Q. Do you have a response to Mr. Thurber's Direct Testimony?
- A. Yes. Mr. Thurber addresses several aspects of the Project and makes recommendations in his Direct Testimony that I will address relating to decommissioning, costs and financial assurance, aerial spraying, and construction and milestone reporting obligations.

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- Q. On pages 5-6, Mr. Thurber describes that the number of alternate turbine
 locations "may be excessive." Do you agree with this characterization?
- A. No. South Deuel Wind developed a Project Layout with 73 proposed turbine locations of which up to 68 will be constructed, enabling the Project to avoid or minimize potential impacts to natural resources and to work around potential issues that may arise during construction, while allowing for the flexibility to site turbines where they will be the most efficient.

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- 97 Q. On pages 7-8, Mr. Thurber states it is unclear if the Project will comply with 98 Deuel County's shadow flicker regulation. What is your response?
 - A. No receptor will experience more than 30 hours of shadow flicker per year from the Project. Because the Shadow Flicker Analysis presumed all turbine locations were operational, there were some instances where modeling showed more than 30 hours of shadow flicker per year. Once the final turbine locations and model(s) are selected, South Deuel Wind will perform an updated shadow flicker analysis and demonstrate that no residence will experience more than 30 hours of shadow flicker per year from the Project.

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- 107 Q. On page 9, Mr. Thurber recommends that South Deuel Wind remove turbine 108 foundations to a depth of four feet below grade upon decommissioning. 109 What is your response?
- 110 A. South Deuel Wind is agreeable to removing turbine foundations to a depth of four feet upon decommissioning.

- On page 9, Mr. Thurber suggests that the decommissioning amount should presume 68 turbines may be constructed. Do you agree?
- 115 A. South Deuel Wind agrees that the Commission could use cost for decommissioning the GE 3.8-154 since it includes the most turbines, 68. South Deuel Wind submitted an updated Decommissioning Plan to Staff in response to discovery on November 18, 2024. At that time, South Deuel Wind also provided an updated Appendix X Decommissioning Plan for the V164-4.5 turbines to include removal of 40 junction boxes.

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- On page 10, Mr. Thurber reviews South Deuel Wind's decommissioning cost estimates and concluded that they "appear low"? Do you agree with this characterization?
- 125 A. While these costs differ from other projects, South Deuel Wind does not concur 126 that they are "low." South Deuel Wind retained an experienced consultant to 127 prepare the decommissioning plans, which determined they are reasonable 128 estimates of the potential cost for decommissioning and that these costs are 129 influenced by recent higher salvage values. South Deuel Wind does agree with Mr. 130 Thurber's recommendation on page 10 of his testimony that the Commission 131 review the Project in 10 years and then every five years thereafter to ensure that 132 sufficient security is provided to cover the cost of decommissioning.

- On pages 10-11, Mr. Thurber discusses South Deuel Wind's surety bond proposal. Does South Deuel Wind still agree a surety bond is appropriate financial assurance for decommissioning costs?
- 137 A. Yes. South Deuel Wind maintains that a surety bond is appropriate. South Deuel Wind would propose as an amount, \$50,000 per turbine for the initial 10-year

139		period. This would be comparable to \$5,000 per turbine per year escrow
140		requirement the Commission has imposed on prior dockets. ²
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142	Q.	On pages 13-15, Mr. Thurber discusses aerial spraying and describes South
143		Deuel Wind's suggestion that an aerial applicator needs to provide three
144		separate notices prior to application may be excessive and burdensome.
145		What is your response?
146	A.	Arial spraying is extremely weather dependent and can change at the last moment
147		which does impact predictive and reactive site work as well as production. In
148		framing the proposed condition, we looked primarily at the safety of our staff,
149		keeping them away from contact with potentially harmful chemicals and out of
150		turbines in the proximity of the spraying. Having the three-day notice allows us to
151		shift work, to minimize human exposure and minimize impacts to production.
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153		We included a 12-hour notice because we have seen in the past spraying
154		companies cancel or shift work to other areas with no notice leaving the wrong
155		turbines shut down and our staff in harm's way. The one- to two- hour notice allows
156		us to minimize production loss and ensure the correct turbines are shut down
157		protecting the sprayer and our staff.
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159		These notices can be made by email or phone, which we do not believe is unduly
160		burdensome.
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162	Q.	On page 15, Mr. Thurber discusses construction progress reports and
163		recommends that South Deuel Wind provide a periodic progress report on
164		the status of Project construction, with monthly reports during construction,

² See, e.g., In the Matter of the Application by North Bend Wind Project, LLC for a Permit to Construct and Operate the North Bend Wind Project in Hyde County and Hughes County, South Dakota (EL21-018); In the Matter of the Application by Sweetland Wind Farm, LLC for Facility Permits for a Wind Energy Facility and a 230-kV Transmission Facility in Hand County, South Dakota for the Sweetland Wind Farm Project (EL 19-012).

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and quarterly reports prior to construction and after the date of commercial

- operations until reclamation is complete. Do you agree with this recommendation?
- 168 A. South Deuel Wind is agreeable to providing period reports.

- 170 Q. Have you reviewed Exhibit JT-5 accompanying Mr. Thurber's Direct Testimony, referenced on page 15 of Mr. Thurber's testimony?
- 172 A. Yes.

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- 174 Q. Does South Deuel Wind agree the report template in Exhibit JT-5 is 175 reasonable and will be used to provide construction progress updates?
- 176 Α. South Deuel Wind appreciates the need for the Commission and Staff to be 177 apprised of Project construction progress. South Deuel Wind proposes a condition 178 that requires construction progress updates, but does not require a specific format. 179 The progress reports would contain a) a summary of the work completed to date; 180 b) a summary of the activates to be completed for the project and an associated 181 timeline; c) a summary of consumer contacts, indicating the issue raised in the 182 contact and the action the Applicant took to address the issue; and d) a permit 183 condition checklist including the status of all required filings to the Commission and 184 any other permitting agency. This is consistent with the construction reporting obligations of the applicant in a recent wind docket.³ South Deuel Wind requests 185 186 that it provides this information in a format of its choice.

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Q. On page 16, Mr. Thurber also recommends other milestones that South Deuel Wind should report to the Commission, including that South Deuel Wind file notifications with the Commission to report the date construction will commence as soon as it is known, but no later than five business days prior to commencement; report the date construction was completed within

³ See In the Matter of the Application by North Bend Wind Project, LLC for a Permit to Construct and Operate the North Bend Wind Project in Hyde County and Hughes County, South Dakota, Docket No. EL21-018.

five business days of completion; report the date of commercial operation within five business days of operation; report the date reclamation was completed within five business days of completion. Do you agree with these reporting conditions?

A. South Deuel Wind agrees with these reporting milestones.

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199 V. RESPONSE TO INTERVENORS

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- Q. Have you reviewed the Direct Testimony and responses to data requests submitted by Ms. Hamann Poindexter?
- 203 A. Yes.

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Q. Do you have a response to the tax and economic benefits issues Ms. Hamann Poindexter raised?

Α. Yes. Ms. Hamann Poindexter's criticisms of the economic benefits through tax payments from the Project are unfounded. First, I note that the tax figures discussed in my testimony are estimates and may change based on final Project specifications and other factors, including the final nameplate capacity, actual electrical production, number of turbines constructed, and final Project turbine locations. The Project is anticipated to pay a total of approximately \$13.17 million to school districts over the life of the Project. Under SDCL Sections 13-13-10.1(15) & 13-16-26, the school districts in which the Project is located will see a total increase in revenue of approximately \$3 million in the first nine years of Project operations and the remainder will be considered "local effort" for purposes of the state funding formula (meaning these amounts offset/reduce the amounts the school district receives in aid from the state). Taxes for Deuel County are anticipated to be approximately \$9.2 million over the life of the Project. The total amount of taxes allocated to townships over the life of the Project is approximately \$3.95 million and will vary depending on the final Project Layout. Finally, the taxes for the state of South Dakota are anticipated to be approximately \$11.9 million over the life of the Project. This data demonstrates that the Project will have a positive economic impact at the local level and the state level through the payment of taxes.

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- 226 Q. Does the amount of property taxes paid by other individuals or companies 227 impact the property taxes that the Project will pay?
- 228 A. No. The amount of taxes paid by others does not affect the amount of taxes the 229 Project pays.

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- Q. Ms. Hamann Poindexter claims that the Project will negatively impact soil health. What is your response to this concern?
- 233 A. Over the years of development of the Project, South Deuel Wind has conducted 234 extensive environmental surveys to inform the siting of the Project. The surveys 235 included analysis of the soil in and around the Project Area. Soil resources are 236 discussed in Section 7.2 of the Application. South Deuel Wind used this 237 information in designing the Project Layout to minimize construction cut and fill 238 requirements, and limit construction in areas with steep slopes, while maintaining optimal turbine locations. This will help to minimize soil impacts, while allowing soil 239 240 in the Project Area to continue to be used for agricultural purposes.

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- Q. Ms. Hamann Poindexter suggests that the Project may reduce water quality in the area. What is your response to this concern?
- 245 Excavation and exposure of soils during construction can cause an increase in Α. 246 stormwater runoff and sedimentation in receiving waters during storm events. 247 Construction of the Project will require coverage under the South Dakota 248 Department of Environment and Natural Resources General Permit for Storm 249 Water Discharges Associated with Construction Activities. To maintain compliance 250 with provisions of this General Permit, South Deuel Wind will prepare a Storm 251 Water Pollution Prevention Plan to identify potential sources of stormwater 252 pollution from the Project site and specify Best Management Practices ("BMPs") 253 to control erosion and sedimentation and minimize negative impacts caused by

254		stormwater discharges from the Project. The BMPs may include silt fence, wattles,
255		erosion control blankets, temporary stormwater sedimentation ponds,
256		revegetation, and/or other features and methods designed to control stormwater
257		runoff and mitigate erosion and sedimentation. Impacts to water quality are not
258		expected to be significant for the construction, operation, and decommissioning of
259		the Project.
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261	Q.	In discovery response 1-4, contained in Exhibit JT-3, Ms. Hamann Poindexter
262		suggests the Project may impact "calciferous" fens, freshwater springs, and
263		unbroken sod located on land owned by Ms. Hamann Poindexter's family
264		farm. What is your response?
265	A.	I respectfully disagree with Ms. Hamann Poindexter that the Project will impact her
266		land. No Project Facilities are proposed to be located on any property owned by
267		Ms. Hamann Poindexter or her family. Should Ms. Hamann Poindexter provide
268		more information about how she believes off-site facilities may impact her property,
269		I can provide an additional response.
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271	VI.	CONCLUSION
272	Q.	Does this conclude your testimony?
273	A.	Yes.
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276	Date	d this 5 th day of December, 2024
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Monica Monterrosa