

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

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| IN THE MATTER OF THE FILING BY BASIN) | ORDER DESIGNATING |
| ELECTRIC POWER COOPERATIVE, INC.) | AFFECTED AREA AND |
| REGARDING ITS NOTIFICATION OF INTENT) | LOCAL REVIEW |
| TO APPLY FOR A PERMIT FOR AN ENERGY) | COMMITTEE |
| CONVERSION FACILITY) | EL04-018 |

On May 13, 2004, the Public Utilities Commission (Commission) received a notification of intent to submit an application for a permit for an energy conversion facility from Basin Electric Power Cooperative, Inc. (Basin Electric). Basin Electric is a consumer-owned, regional cooperative headquartered in Bismarck, North Dakota. Basin Electric proposes to construct a new 100 MW (nominal) General Electric LMS100 simple cycle gas turbine in Brown County, approximately five miles south of the city of Groton. The proposed site is located five miles south of the city of Groton, three miles north of the community of Ferney and 18 miles southeast of the city of Aberdeen, all of which is in Brown County. The proposed natural gas supply pipeline will originate from the existing Northern Border Pipeline located in the SE1/4 of Section 11, Township 120 North, Range 61 West in Spink County, South Dakota. The turbine will be fired by natural gas supplied by the nearby Northern Border Pipeline's existing 42" diameter interstate transmission line. This proposed project location will require approximately 12 miles of new pipeline to be installed to interconnect the gas turbine site with the major pipeline. The proposed site has an existing Western Area Power Administration (Western) 115-kV substation and a Basin Electric 345-kV substation. An existing 345-kV transmission line owned by Basin Electric and a 115-kV line owned and operated by Western currently pass within 1/2 mile of the site. This site will be operated remotely with daytime support personnel for operating and maintenance activities. The construction phase of the project will take place over a period of 12-15 months. A maximum of approximately 30-40 construction personnel will be on site at any given time.

Basin Electric estimates the capital cost of the Groton project at \$69,000,000.

Under SDCL 49-41B-6, the Commission is required to designate the affected area relative to this filing and also to designate a local review committee within thirty days after the filing of the notification of intent. According to SDCL 49-41B-2(8), the term "siting area" is defined as "that area within ten miles in any direction of a proposed energy conversion facility or which is determined by the commission to be affected by a proposed energy conversion facility." In ARSD 20:10:22:01(1), "affected area" is defined as "that area which may be affected environmentally, socially, aesthetically, or economically by the location of a facility at a proposed site."

Under SDCL 49-41B-6, the Commission shall also designate the local review committee which shall be composed of the following:

- (1) The chairman of the county commissioners of each affected county;
- (2) The president of the board of education of each affected school district;
- (3) The mayor of each affected municipality; and
- (4) A representative of the applicant utility designated by the utilities.

Any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his/her successor, who shall promptly notify the Commission of such succession.

At its June 8, 2004, Commission meeting, the Commission discussed the designation of the affected area and the local review committee. The Commission has jurisdiction over this matter pursuant to SDCL 49-41B, specifically SDCL 49-41B-6 and ARSD 20:10:22:01 and 20:10:22:02. After its discussion, the Commission determined that the affected area for Basin Electric's proposed simple cycle gas turbine energy conversion facility is an area within six miles of the site of the proposed facility located entirely within Brown County and the Groton School District, together with the area in which the proposed gas supply pipeline will be located, which will include areas in southern Brown and northern Spink Counties and the Groton and Conde School Districts. In accordance with SDCL 49-41B-6, the Commission designated the local review committee which shall be comprised of the following individuals, ex officio:

- (1) The Chairman of the Brown County Commission;
- (2) The Chairman of the Spink County Commission;
- (3) The President of the School Board of Groton School District 06-3;
- (4) The President of the School Board of Conde School District 56-1
- (5) The Mayor of the city of Groton;
- (6) A person appointed by Basin Electric Power Cooperative, Inc.

It is therefore

ORDERED, that the affected area for the purposes of this filing shall consist of an area within six miles of the site of the proposed facility located entirely within Brown County and the Groton School District, together with the area in which the proposed gas supply pipeline will be located, which will include areas in southern Brown and northern Spink Counties and the Groton and Conde School Districts; and it is

FURTHER ORDERED, that the local review committee shall be comprised of the above referenced individuals, serving ex officio, and that any person on the committee who ceases to hold such office or appointment shall be replaced on the committee by his/her successor, who shall promptly notify the Commission of such succession.

Dated at Pierre, South Dakota, this 11th day of June, 2004.

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| CERTIFICATE OF SERVICE | |
| The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon. | |
| By: | <u>Alaine Kaelo</u> |
| Date: | <u>6/14/04</u> |
| (OFFICIAL SEAL) | |

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman *sk*

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner