

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

IN THE MATTER OF THE APPLICATION OF)	ORDER APPROVING
BASIN ELECTRIC POWER COOPERATIVE,)	INDEPENDENT THIRD
INC. FOR AN ENERGY CONVERSION)	PARTY
FACILITY PERMIT FOR THE CONSTRUCTION)	
OF A COMBUSTION TURBINE GENERATOR)	EL04-041
NEAR GROTON, SOUTH DAKOTA)	
)	

On December 22, 2004, Basin Electric Power Cooperative, Inc. (Basin Electric) submitted to the Public Utilities Commission (Commission) an application for a permit for an energy conversion facility from Basin Electric Power Cooperative, Inc. 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.

On December 23, 2004, the Commission electronically transmitted notice of the filing to interested individuals and entities. A public input hearing was held as scheduled on February 3, 2005, in Groton, South Dakota. Applications for party status were due by February 21, 2005. On February 22, 2005, the Commission received an Application for Party Status from Northern Natural Gas Company. By order dated March 17, 2005, the Commission granted party status to Northern Natural Gas Company. On March 31, 2005, pursuant to SDCL 49-41B-10, the Local Review Committee that was appointed in EL04-018 to review this matter filed its report. On May 16, 2005, the Commission received replacement Exhibits 9 and 9A to the application from Basin Electric and a Stipulation entered into by Basin Electric and Commission Staff. The Stipulation set forth Findings of Fact, Conclusions of Law and Terms and Conditions and incorporated the Local Review Committee's report. On May 25, 2005, the Commission received a Notice of Withdrawal of Intervention from Northern Natural Gas Company.

At its June 1, 2005, meeting, the Commission considered this matter. The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-41B, specifically 49-41B-1, 49-41B-2, 49-41B-2.1, 49-41B-4, 49-41B-6, 49-41B-7, 49-41B-8, 49-41B-9, 49-41B-10, 49-41B-11, 49-41B-12, 49-41B-13, 49-41B-14, 49-41B-15, 49-41B-16, 49-41B-17, 49-41B-17.1, 49-41B-19, 49-41B-20, 49-41B-21, 49-41B-22, 49-41B-24, 49-41B-26, 49-41B-33, 49-41B-35, 49-41B-36, 49-41B-38, and ARSD Chapter 20:10:22. The Commission voted to approve the Stipulation and accept the Findings of Fact, Conclusions of Law, and Terms and Conditions. By approving the Stipulation, the Commission grants Basin Electric's application for a permit to construct a combustion turbine generator near Groton, South Dakota, subject to the Findings of Fact, Conclusions of Law, and Terms and Conditions listed in the Stipulation.

On July 10, 2006, the Commission received a Residential Compliance Testing Protocol from Basin Electric which was prepared by Burns & McDonnell Engineering Company. On August 4, 2006, the Commission received an updated Residential Compliance Testing Protocol from Basin Electric.

At its August 8, 2006, the Commission considered the Residential Compliance Testing Protocol. Commission Staff recommended approval of an independent third party to test the noise level of the generation facility using the protocol submitted. It is therefore

ORDERED, that the request for an independent third party to test the noise level of the generation facility using the protocol submitted is hereby granted.

Dated at Pierre, South Dakota, this 24th day of August, 2006.

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>Debra Kalls</u>
Date:	<u>8/25/06</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Dustin M. Johnson
DUSTIN M. JOHNSON, Commissioner

Gary Hanson
GARY HANSON, Commissioner