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Chris Nelson, Vice Chairperson
Kristie Fiegen, Commissioner

South Dakota

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Transmission line receives PUC approval

Pierre, S.D. – The South Dakota Public Utilities Commission this week approved a settlement stipulation allowing Montana-Dakota Utilities Co. and Otter Tail Power Co. to construct a 345-kilovolt transmission line in northeastern South Dakota. The approximate 160-mile line will stretch between new substations near Big Stone City, S.D., and Ellendale, N.D., crossing portions of Brown, Day and Grant counties.

The settlement, which contained 33 conditions, was presented to the commission by the joint owners, Otter Tail Power Co. and Montana-Dakota, and the PUC staff. PUC Commissioners Gary Hanson, Chris Nelson and Kristie Fiegen considered the settlement for approval at the PUC's regular meeting on Aug. 6, 2014, but deferred final action. An ad hoc meeting was held in Pierre on Aug. 13 during which Commissioner Nelson presented an amendment to the settlement, specific to minimizing the spread of soybean cyst nematodes. The commission unanimously approved the amended settlement.

Throughout the year-long review process, the parties and commission focused on a number of issues including regional electric reliability, landowner and company relations, and agricultural concerns.

PUC Chairman Hanson addressed the importance of the South Dakota project. "The entire economy runs on electricity," he said. "Electricity needs a reliable transmission system and our state needs to participate to ensure our regional and national economies continue to have strength and vitality. The result of this challenging docket is very good," Hanson concluded.

Commission Vice Chairman Nelson commented on the coordination between the line owners and landowners in determining the route. "I believe that the applicant has worked with landowners to make as many adjustments, changes and concessions as they could to resolve issues," Nelson stated. "As construction and operation move forward, we are looking to the company to make this work for them and the landowners. You will be partners in the project for perpetuity," he said.

Commissioner Fiegen said the construction of the new high-voltage transmission line is reminiscent of the creation of the interstate highway system. "Important infrastructure is being built, in South Dakota and in our region. Our electric grid doesn't have state boundaries," she said. "This is a landmark situation that is certainly impacting our future and our economy."

The joint owners anticipate construction will begin in 2016 and the line will be in service in 2019.

The line has been designated as a multi-value project (MVP) by MISO. MISO is a membership-based regional transmission organization responsible for maintaining transmission reliability, operating the transmission grid and administering wholesale electricity markets in all or parts of 15 states and one Canadian province. Transmission lines with MVP status have been identified as providing regional reliability, economic value and supporting renewable energy public policy objectives. The benefits and costs of MVP lines are shared more broadly across the MISO market than those of traditional transmission projects.

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View the complete docket on the PUC's website. Go to www.puc.sd.gov . Click on "Commission Actions," "Commission Dockets," "Electric Dockets," "2013 Electric Dockets." The docket is titled "[EL13-028](#) - In the Matter of the Application of Montana-Dakota Utilities Co. and Otter Tail Power Company for a Permit to Construct the Big Stone South to Ellendale 345 kV Transmission Line."