

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

<b>IN THE MATTER OF THE APPLICATION OF )</b>	<b>DECISION AND ORDER</b>
<b>BASIN ELECTRIC POWER COOPERATIVE, )</b>	<b>APPROVING STIPULATION</b>
<b>INC. FOR AN ENERGY CONVERSION )</b>	<b>AND GRANTING PERMIT TO</b>
<b>FACILITY PERMIT FOR THE CONSTRUCTION )</b>	<b>CONSTRUCT THE GROTON</b>
<b>OF THE GROTON GENERATION STATION )</b>	<b>GENERATION STATION</b>
<b>UNIT 2 PROJECT NEAR GROTON, SOUTH )</b>	<b>UNIT 2 PROJECT</b>
<b>DAKOTA )</b>	<b>EL07-002</b>

On January 5, 2007, Basin Electric Power Cooperative, Inc. (Basin Electric) filed an application with the Public Utilities Commission (Commission) seeking an energy conversion facility permit to construct a second peaking resource generator at the existing Groton Generation Station near Groton, South Dakota. The project is proposed to serve projected member load growth and is known as the Groton Generation Station Unit 2 Project. The proposed project will include a second 80 to 100 megawatt simple cycle natural gas combustion turbine generator.

On January 11, 2007, the Commission electronically transmitted notice of the filing to interested individuals and entities. A public input hearing was held as scheduled on February 5, 2007, in Groton, South Dakota. Applications for party status were due by March 6, 2007. No parties sought intervention. On February 28, 2007, pursuant to SDCL 49-41B-10, the Local Review Committee that was appointed in EL06-025 to review this matter filed its report. On March 6, 2007, the Commission received a Stipulation entered into by Basin Electric and Commission Staff. The Stipulation sets forth Findings of Fact, Conclusions of Law and Terms and Conditions and incorporated the Local Review Committee's report.

At its March 13, 2007, 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 grant Basin Electric's application for a permit to construct the Groton generation station Unit 2 project near Groton, South Dakota, subject to the Terms and Conditions set forth in the Stipulation.

It is therefore

ORDERED, that the Stipulation entered into by Basin Electric and Commission Staff on March 6, 2007, shall be approved and shall be incorporated by reference into this Decision and Order the same as if it had been set forth in its entirety herein; and it is

FURTHER ORDERED, that Basin Electric is granted a permit to construct the Groton generation station Unit 2 project near Groton, South Dakota, subject to the Findings of Fact, Conclusions of Law and Terms and Conditions listed in the Stipulation.

Dated at Pierre, South Dakota, this 30<sup>th</sup> day of March, 2007.

<b>CERTIFICATE OF SERVICE</b>
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, electronically.
By: <u>Delaine Kolbo</u>
Date: <u>3/30/07</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson  
DUSTIN M. JOHNSON, Chairman

Gary Hanson  
GARY HANSON, Commissioner

Steve Kolbeck  
STEVE KOLBECK, Commissioner