



Department of Energy
Western Area Power Administration
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MEMORANDUM FOR CAROL M. BORGSTROM, GC-20
DIRECTOR, OFFICE OF NEPA POLICY AND COMPLIANCE

FROM: TIMOTHY J. MEEKS
ADMINISTRATOR

SUBJECT: Environmental Impact Statement Determination for South Dakota
PrairieWinds Project

In accordance with my responsibilities under section 5.a.(8) of the Department of Energy (DOE) Order 451.1B, National Environmental Policy Act Compliance Program, I have determined that the subject proposal will require the preparation of an environmental impact statement (EIS). Basin Electric Power Cooperative (Basin Electric) proposes to interconnect a 151.5-megawatt (MW) nameplate capacity wind power generating station to Western Area Power Administration's (Western) transmission system at either its Wessington Springs Substation in Jerauld County, South Dakota or its Winner Substation in Tripp County, South Dakota.

Western's proposed Federal action is to consider Basin Electric's interconnection request under Western's Open Access Transmission Service Tariff and make a decision whether to approve or deny the interconnection request. If the decision is to approve the request, Western's action will include making necessary system modifications to accommodate the interconnection of Basin Electric's proposed project.

PrairieWinds, SD1, Incorporated (PrairieWinds), a wholly owned subsidiary of Basin Electric, proposes to construct, own, operate, and maintain the South Dakota PrairieWinds Project (Project). The Project includes a 151.5-MW nameplate capacity wind generation facility, which would consist of wind turbines, electrical collector systems, collector substation(s), transmission line(s), a communication network, and service roads to access the turbine sites. The proposed Project would be located in portions of Brule, Aurora, and Jerauld counties or in Tripp County, South Dakota.

PrairieWinds has requested financial assistance for the proposed Project from the U.S. Department of Agriculture, Rural Utilities Service (RUS). RUS' proposed Federal action is whether or not to provide financial assistance; accordingly, completing the EIS is one requirement along with other technical and financial considerations in processing PrairieWinds' application. RUS will serve as a co-lead agency with Western in the preparation of the EIS. Other agencies will be invited to participate as cooperating agencies.

While Western's proposed Federal action will be limited to the approval or denial of the interconnection request, and any system modifications Western might need to make to accommodate the interconnection, the EIS will identify and review the environmental impacts of

PrairieWinds' proposed Project. The proposed Project is subject to the jurisdiction of the South Dakota Public Utilities Commission (SDPUC). PrairieWinds will submit an application for an Energy Conversion Facility Permit to the SDPUC. The SDPUC permit would authorize construction of the proposed Project under South Dakota rules and regulations.

Appendix D of Section 1021.400 (subpart D) of the DOE NEPA implementing procedures lists classes of action that normally require the preparation of an EIS. Specifically, provision D6 under Appendix D is applicable: "Integrating transmission facilities (that is, transmission system additions for integrating major new sources of generation into a Power Marketing Administration's main grid)." The 151.5-MW nameplate capacity proposed Project exceeds the 50 average MW threshold for a major new generation resource defined in the DOE NEPA implementing procedures.

Based on the provisions in 10 CFR Part 1021.400(a)(3) and (c) of the DOE NEPA implementing procedures, and since the proposed action would involve the integration of a major new source of generation into Western's power system, I have determined that an EIS is required for the interconnection of the South Dakota PrairieWinds Project. Please assign a DOE EIS number for this project. Ms. Liana Reilly will be the NEPA Document Manager for the EIS. She may be reached at (720) 962-7253 or reilly@wapa.gov.

cc:

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