

Brian R. Bjella
100 West Broadway, Suite 250
P.O. Box 2798
Bismarck, ND 58502-2798
701.223.6585
bbjella@crowleyfleck.com

November 18, 2014

Mr. Darrell Nitschke
Executive Director
NORTH DAKOTA PUBLIC
SERVICE COMMISSION
600 E. Boulevard Avenue, Dept. 408
Bismarck, ND 58505-0480



Dear Mr. Nitschke:

In re: Antelope Hills Wind Project, LLC
Antelope Hills Wind Energy Project
Mercer County, North Dakota
Case No. PU-14-678

Enclosed for filing are the original and one copy of Late File Exhibit No. 7 for the Antelope Hills Wind Energy Project.

Please call should you have any questions.

Very truly yours,

A handwritten signature in blue ink, appearing to read "BJELLA".

BRIAN R. BJELLA

bw
Enc.

**BASIN ELECTRIC
POWER COOPERATIVE**

1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58503
PHONE: 701-223-0441 FAX: 701-557-5336



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Mr. Darrell Nitschke
Executive Director
North Dakota Public Service Commission
600 E. Boulevard Avenue, Dept. 408
Bismarck, ND 58505-0480

Re: Antelope Hills Wind Project, LLC
Antelope Hills Wind Energy Project
Mercer County, North Dakota
Case No. PU-14-678

Dear Mr. Nitschke:

On October 23, 2014, the ND Public Service Commission held a hearing in the above mentioned docket. I understand one of the topics that came up during this hearing was the possibility of Antelope Hills double circuiting their proposed transmission line with Basin Electric Power Cooperatives' AVS-Neset Transmission Project which was approved by the Commission earlier this year (PU-11-696) as well as the possibility of double circuiting with other Basin Electric transmission lines that interconnect at the AVS substation. While there are instances where the double circuiting of transmission lines is preferable, this instance is not one of them for several reasons. This letter will explain some of these reasons.

First, at the time Basin Electric began discussions with Antelope Hills regarding routing of Antelope Hill's transmission line near and around the AVS Substation, Basin Electric was very close to the final Draft Record of Decision for the Environmental Impact Statement ("EIS") for the AVS-Neset Project. As the PSC knows, EIS's are a decision making tool which describes the positive and negative environmental effects of a proposed action, and alternative actions. The proposed action for the AVS-Neset EIS did not include a description of double circuiting with Antelope Hills and thus, Basin Electric was not interested in the risk that presented in terms of potential delay to the AVS-Neset Project for the double circuiting to be included in the EIS.

Next, at the time of discussion between Antelope Hills and Basin Electric regarding routing of the Antelope Hill's transmission line, Antelope Hills had yet to have a completed Large Generator Interconnection Agreement with Western. Thus it was not certain whether Antelope Hills would in fact be moving forward with their project. Basin Electric did not want to take on additional cost and risk, and potentially a delay with its AVS-Neset Project, on the chances that Antelope Hills might not move forward with their Project.

Further, Basin Electric's easements for any of the double circuiting portions would need to be renegotiated with approximately twenty landowners as the terms of the easements on that portion of the Project do not allow for double circuiting. This would have added additional time and expense for Basin Electric.

Additionally, Basin Electric had already engineered and purchased the transmission structures for this segment of the AVS-Neset Project. Double circuiting with Antelope Hills would have caused delay for the Project as those structures would not be able to be used at their current location.

Also, there are limitations on the current transmission lines that interconnect into the AVS Substation that prevent Antelope Hills from double circuiting with Basin Electric. The AVS-Broadland runs south from the AVS site so this line is not an option due to the direction Antelope Valley's line is coming from as well as limitations on adding additional infrastructure due to unique cultural features in Section 22 near AVS. The only other transmission line would be Basin Electric's existing AVS - Charlie Creek line, and Basin Electric will be moving this line once the AVS-Neset 345 kV line is in-service and it will be double circuited with the AVS-Broadland line into the AVS substation.

Lastly, the double circuiting of transmission lines with non-members creates complications and issues for financing, liability and maintenance activities.

For the above reasons, Basin Electric does not think it's in the best interests of our members to double circuit the AVS-Neset Project or other Basin Electric transmission lines with the Antelope Hills Project. Basin Electric urges the Commission to approve the Certificate of Site Compatibility for the Antelope Hills Project as proposed. If you have additional questions related to these points, please don't hesitate to contact me.

Very truly yours,



Claire M. Olson
Senior Vice President & General Counsel

cmo/cjj/ds