

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Basin Electric Power Cooperative :
Roundup-Kummer Ridge 345-kV : Case No. PU-23-361
Trans-Dunn & McKenzie :
Siting Application :

TRANSCRIPT OF
HEARING

Taken At
High Plains Community Center
100 Fifth Avenue Southwest
Killdeer, North Dakota
February 16, 2024

BEFORE HOPE L. HOGAN
-- ADMINISTRATIVE LAW JUDGE --

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A P P E A R A N C E S

COMMISSIONERS PRESENT:

COMMISSIONER RANDY CHRISTMANN, Chair
COMMISSIONER JULIE FEDORCHAK
COMMISSIONER SHERI HAUGEN-HOFFART

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FOR THE PUBLIC SERVICE
COMMISSION.

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1 (The following proceedings were had and
2 made of record herein, commencing at 8:32 a.m., MT,
3 Friday, the 16th day of February, 2024:)

4 JUDGE HOGAN: All right. Good morning.
5 It is February 16, 2024, at 8:30 a.m., Mountain
6 time. This is the time and date set for -- by the
7 notice of filing and notice of public hearing
8 issued by the North Dakota Public Service
9 Commission on January 4, 2024, for Case Number
10 PU-23-361.

11 My name is Hope Hogan, and I have been
12 designated as the hearing officer for today's
13 hearing. I am an independent administrative law
14 judge designated by the Office of Administrative
15 Hearings upon the request of the Public Service
16 Commission.

17 This hearing is being held today at the
18 High Plains Community Center in Killdeer, North
19 Dakota.

20 As we would -- as we begin our hearing
21 today, I'd ask that you please check your cell
22 phones to make sure they're either silenced or
23 turned off so that we don't have cell phone noises
24 interrupting our hearing as we go.

25 Also, I believe there's an attendance

1 sheet by the front door. The Commission would ask
2 that everybody please sign in so that they have a
3 record of all who attended our hearing today.

4 This is the hearing on an application of
5 Basin Electric Power Cooperative. The application
6 is a combined application for a corridor
7 certificate and route permit to construct
8 approximately 32.5 miles of 345 kilovolt
9 transmission line and associated facilities
10 extending from the existing Kummer Ridge Substation
11 in McKenzie County to the existing Roundup
12 Substation in Dunn County, North Dakota.

13 The notice of filing and notice of public
14 hearing specified the following issues to be
15 considered and determined at this hearing:

16 Number 1, will the location and operation
17 of the proposed facility produce minimal adverse
18 effects on the environment and upon the welfare of
19 the citizens of North Dakota?

20 Number 2, is the proposed facility
21 compatible with the environmental preservation and
22 the efficient use of resources?

23 And, number 3, will the proposed facility
24 location minimize adverse human and environmental
25 impact while ensuring continuing system reliability

1 and integrity and ensuring that energy needs are
2 met and fulfilled in an orderly and timely fashion?

3 I am now going to ask the parties to make
4 their appearance for the record. Ms. Merkens,
5 would you please state your appearance for the
6 record and introduce the witnesses you intend to
7 call today.

8 MS. MERKENS: Yes, Your Honor. My name is
9 Anine Merkens, staff counsel for Basin Electric
10 Power Cooperative. Today I will call four
11 witnesses: Mr. Bobby Nasset, Mr. Philip Westby,
12 Ms. Erin Fox Dukart and Mr. Mike Murray.

13 JUDGE HOGAN: Thank you.

14 And, Mr. Johnson, would you please note
15 your appearance for the record and introduce
16 Commission staff who will be participating in this
17 hearing.

18 MR. JOHNSON: Sure. Brian Johnson. I'm
19 assigned to advisory counsel. With me is Victor
20 Schock, and I do ask that, if needed, he be able to
21 ask questions.

22 JUDGE HOGAN: All right. And does the --
23 do you intend to call any witnesses for today's
24 hearing?

25 MR. JOHNSON: I don't have any witnesses,

1 no.

2 JUDGE HOGAN: All right. Thank you.
3 Testimony from the public will be taken after the
4 completion of Basin witness testimony. If you do
5 wish to testify today, I would ask that you please
6 note that on the attendance sheet so that I have an
7 idea of the amount of people that wish to testify.

8 I do encourage you to take this
9 opportunity to tell the commissioners anything you
10 think the commissioners should know about this
11 matter, and I assure you that what you have to say
12 is important to the Commission and will be
13 considered.

14 If you have any questions about providing
15 information or public testimony, feel free to ask
16 me those during our morning break.

17 It's now time for opening comments from
18 the commissioners. I'll start with you,
19 Commissioner Fedorchak.

20 COMMISSIONER FEDORCHAK: Good morning,
21 everyone. It's great to be in Killdeer this
22 morning in your High Plains Center here. I
23 remember a number of years ago -- it feels like
24 just the other day that this center was being
25 complicated -- or contemplated and I think it was

1 probably now eight or so years ago that that
2 happened, and, wow, what a beautiful facility it
3 is. What a great resource for the community.

4 The last time we were here, at least that
5 I recall, Randy -- maybe we were here one other
6 time in between, but we -- we were at the City Hall
7 and also a nice facility, but much smaller than
8 this, and it was pretty cramped because there was a
9 lot of people interested in what we were talking
10 about that day. So this is really wonderful to be
11 in such a nice place.

12 I'm really proud of the Commission's
13 siting process, and a lot of that credit goes to
14 the legislature for creating the process that we
15 follow. So thank you to our legislators who are
16 here. They do great work.

17 And North Dakota's process is as good or
18 better than any in the country. We actually can
19 permit energy infrastructure in this state, and
20 it's because of a process like this that we can.
21 It's not always pretty and it's not always easy,
22 but it's really, I think, one of the most efficient
23 ways to do it. We're the -- the lead agency and we
24 consult with all kinds of other agencies throughout
25 state government who have the actual expertise we

1 need to consider and they file information and
2 question the company, and it's just a
3 back-and-forth that is very thorough and efficient
4 because we don't recreate all that expertise in our
5 agency. We rely on those who have it.

6 And then we think about it and go through
7 it, we come out, listen to the public. We want to
8 hear your concerns. That always has a huge impact
9 because what you say, then we can take back or the
10 company can hear. Sometimes it's for the first
11 time the company hears from folks who are concerned
12 or their specific concerns what they are, and then
13 it can be addressed and we can move forward. And
14 in the end we come up with a result that helps the
15 infrastructure that we all need and depend on every
16 day for our energy needs to be constructed in an
17 orderly manner.

18 So really wonderful process that we all
19 can be proud of. And thank you for being here
20 today to participate in it, and we'll definitely
21 use all that you have to say to make our final
22 decision. So thanks so much.

23 JUDGE HOGAN: Thank you. Commissioner
24 Christmann.

25 COMMISSIONER CHRISTMANN: Also welcome,

1 everyone. It's good to be out for these kinds of
2 things. You know, it would be much more convenient
3 since us and Basin Electric are only about a mile
4 apart in Bismarck to have these hearings there, but
5 it is important for us to get out and -- because we
6 want to hear from people. And so rather than make
7 you all drive all the way to Bismarck, I guess I
8 always feel it's much more convenient for you for
9 us to come out here and -- because we're trying to
10 make sure we don't miss things.

11 Some things are obvious, we can figure it
12 out from a distance. There's things on the ground
13 that you all may know about, and that's what we're
14 really here to hear.

15 A good example occurred a few years ago on
16 a gas processing plant where it involved not only
17 making the plant -- they had to upgrade a section
18 line so there was an alternative route in case
19 there was emergency action needed, but also it
20 included a significant upgrade to pavement on a
21 rural road. And because of the terrain, that was
22 really the only road that went out there and that
23 was going to be done late in the fall, and it turns
24 out that's where the scale is that the ranchers use
25 when it's time to wean calves. And we -- we not

1 being from here, we didn't know that. The company
2 didn't know that. It was out here in public
3 testimony that we became aware of that and the
4 company committed to starting their road
5 construction phase much earlier so it would be done
6 well before weaning time and not be interfering
7 with people trying to traverse that road with stock
8 trailers and semis during the middle of
9 construction. So I do think this is important. We
10 welcome you.

11 One thing that I know probably gets
12 irritating, especially being a cattle guy myself
13 before coming to the Commission, in the wintertime
14 like this, even though this isn't really normal
15 winter weather, but the fact that you come here and
16 we don't let you testify right away. It's -- you
17 know, I can imagine the thoughts of just let me
18 testify and go home and make sure the cows are fed.

19 But, really, you commenting on what you've
20 heard about the project at the cafe or something
21 doesn't do us as much good as when you hear the
22 details of the project as it is proposed today and
23 then you responding to that. That's when we get
24 the beneficial testimony in the record. So that's
25 why the company goes first and -- and the public

1 testimony is delayed.

2 But please be patient. Listen to the
3 testimony. It may have -- there may be things
4 about the project that have changed from what
5 you've heard in recent weeks or months, and -- and
6 then we look forward to hearing your testimony.

7 I do appreciate legislators showing up. I
8 talked to Dale Patten for a little bit earlier.
9 Jeremy Olson or -- I thought I saw Kelby here, but
10 are Jeremy or Kelby here.

11 MR. TIMMONS: Kelby is here.

12 COMMISSIONER CHRISTMANN: Kelby. So we've
13 got two of the three. Appreciate you being here.
14 It's important that you know what you're -- what's
15 going on for your constituents. Thanks for your
16 activity.

17 JUDGE HOGAN: All right. Thank you.

18 Commissioner Haugen-Hoffart.

19 COMMISSIONER HAUGEN-HOFFART: Good
20 morning, everyone. I'll just say ditto to what
21 Julie and Randy said, and I have nothing else
22 really to add to that except we do appreciate your
23 participation here, being here, and wish you a
24 great day.

25 JUDGE HOGAN: All right. Thank you.

1 I received copies of six prefiled exhibits
2 from Basin and then this morning there was a
3 certification relating to order provisions which
4 I've marked as Exhibit 7. I also marked the
5 prefiled testimony with Exhibit Nos. 8 through 11.
6 Did I cover all the prefiled exhibits, Ms. Merkens?

7 MS. MERKENS: Yes, Your Honor.

8 JUDGE HOGAN: All right. And,
9 Mr. Johnson, any objection to admitting the
10 exhibits?

11 MR. JOHNSON: No objection.

12 JUDGE HOGAN: All right. So I will admit
13 into the record Exhibits 1 through 11.

14 COMMISSIONER FEDORCHAK: Judge --

15 JUDGE HOGAN: Yep.

16 COMMISSIONER FEDORCHAK: -- I have one
17 quick question.

18 JUDGE HOGAN: Sure.

19 COMMISSIONER FEDORCHAK: Could Ms. Merkens
20 go through her witnesses again and what subject
21 they're going to cover just so in questioning I can
22 better direct things to the appropriate witness?

23 MS. MERKENS: Sure. Yes, Your Honor. The
24 first witness I'll call is Mr. Bobby Nasset. He is
25 the project manager. He'll discuss the routing and

1 the -- the design.

2 The second witness I will call is
3 Mr. Philip Westby. He is in our transmission
4 services department and will describe the need for
5 this project.

6 The third witness I plan to call is
7 Ms. Erin Fox Dukart. She is our manager of
8 environmental services and will describe how this
9 project will not adversely affect the environment.

10 And the final witness is Mr. Michael --
11 Mr. Mike Murray -- excuse me -- and he is our
12 manager of right-of-way, so he will discuss
13 landowner contacts and that aspect of the routing.

14 COMMISSIONER FEDORCHAK: Thank you.

15 MS. MERKENS: You bet.

16 JUDGE HOGAN: All right. Any other
17 preliminary matters we need to discuss before we
18 move to testimony? Ms. Merkens, did you have
19 anything?

20 MS. MERKENS: No, Your Honor.

21 JUDGE HOGAN: Mr. Johnson?

22 MR. JOHNSON: No, Your Honor.

23 JUDGE HOGAN: All right. Then you can
24 call your first witness.

25 MS. MERKENS: Your Honor, I'd like to call

1 Mr. Bobby Nasset to the stand, please.

2 JUDGE HOGAN: Good morning, Mr. Nasset.

3 THE WITNESS: Good morning, Your Honor.

4 JUDGE HOGAN: I'll have you start by
5 stating your full name and spelling your last name
6 for the record.

7 THE WITNESS: My name is Bobby Nasset. My
8 last name is spelled N-a-s-s-e-t.

9 JUDGE HOGAN: And, Mr. Nasset, before you
10 testify this morning, I'm required by law to advise
11 you on the penalties for perjury in the state of
12 North Dakota. Perjury is a Class C felony,
13 punishable by a maximum fine of \$10,000, a maximum
14 five years imprisonment, or both. Do you
15 understand what perjury is?

16 THE WITNESS: I do.

17 (Witness sworn.)

18 JUDGE HOGAN: All right. Thank you. Go
19 ahead, Ms. Merkens.

20 MS. MERKENS: Thank you, Your Honor.

21 **BOBBY NASSET,**

22 being first duly sworn, was examined and testified
23 as follows:

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DIRECT EXAMINATION

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BY MS. MERKENS:

Q. Mr. Nasset, would you please provide your name, business address and occupation?

A. My name is Bobby Nasset. I'm a senior civil engineer with Basin Electric Power Cooperative, and our business address is 1717 East Interstate Avenue in Bismarck.

Q. Would you please state your educational background?

A. I received a bachelor's degree in civil engineering from North Dakota State in 2005. And I'm also a licensed professional engineer in North Dakota.

Q. Please describe your employment history and work experience.

A. I've been employed with Basin Electric for the last 8 years and 18 years total as a civil engineer. The majority of my experience has been in design, routing and construction administration for high voltage transmission lines.

Q. Okay. What have been your responsibilities in connection with the project?

A. I'm serving as the project coordinator for this project as well as a member of the design

1 team. So I'm mainly responsible for managing the
2 project budget and schedule, as well as
3 coordinating the activities between routing and
4 design with our right-of-way acquisition,
5 environmental and permitting, as well as material
6 procurement and construction.

7 Q. Thank you. And what will you discuss in
8 your testimony today?

9 A. I'll describe the project as well as the
10 policy criteria that we used in designing the
11 project and plan to use for the construction.

12 Q. Thank you. We'll start with the project
13 description. Would you please provide a general
14 description of the project including its location?

15 A. So we've included a map here in Exhibit 1.
16 It's also the exhibit by the entry here of the
17 project route. So it's 32 and a half miles of
18 345-kV transmission from our existing Roundup
19 Substation, which is here in Dunn County just north
20 of Killdeer, up to our existing Kummer Ridge
21 Substation in McKenzie County just east of
22 Johnson's Corner.

23 The transmission line route includes about
24 22 miles in Dunn County and 11 miles in McKenzie
25 County. Approximately 6 and a half miles of the

1 project route are within Fort Berthold Indian
2 Reservation Trust Land, and we also have
3 approximately a quarter mile on Bureau of Land
4 Management and just over 3 miles of North Dakota
5 State Trust Lands.

6 Q. Would you -- or will the project be owned
7 by Basin Electric, Mr. Nasset?

8 A. Yes.

9 Q. Thank you. And would you please describe
10 the schedule for the project?

11 A. We plan to start construction this spring
12 upon pending approval of all permits. Our goal is
13 to complete the construction by November 30 and
14 energize the line this fall, and then we'll likely
15 have post-construction activities, such as
16 reclamation, extending into 2025.

17 Q. What is the estimated cost of the project?

18 A. The total estimated cost is around 74
19 million.

20 Q. As we start the discussion of the route
21 selection, would you please describe Basin
22 Electric's philosophy when routing a project?

23 A. When we start a project, we start with
24 basically the Commission criteria for -- for
25 routing and plans for avoidance and exclusion

1 areas, and then we spend a lot of time working with
2 the area stakeholders, landowners and making sure
3 that we're finding locations that can minimize
4 impacts to their planned land use. We really rely
5 on landowner feedback to help select a final route
6 that we believe are minimizing impacts.

7 We're also looking for safe structure
8 locations for access both for construction and the
9 long-term maintenance and operation of the project.

10 Q. Mr. Nasset, would you please describe the
11 general characteristics of the project route and
12 corridor?

13 A. So this project does have some unique and
14 challenging terrain that presented some challenges
15 for us when we were coming up with our final route,
16 particularly the area around the Little Missouri
17 River Valley. So just to access the proposed
18 structure locations that we're looking at here, we
19 have around 88 miles of off-right-of-way access
20 that's needed. So that's pretty unusual for a
21 transmission project.

22 And as we analyzed our different route
23 options to basically connect these two substations,
24 to find suitable structure locations and reasonable
25 access to them, we ended up following closely with

1 an existing infrastructure corridor in the area.
2 So there's an existing 115-kV transmission line as
3 well as several major pipelines. We -- we cross
4 the Little Missouri River Valley in a similar
5 location that they do, and fortunately because of
6 that activity, there's already really
7 well-established access in that area which will
8 help us minimize our disturbance and impacts to
9 that area.

10 Q. Thank you. Would you please describe why
11 Basin Electric has selected a 125-foot to 350-foot
12 corridor?

13 A. So typically for a 345-kV project, our
14 standard right-of-way width is 150 feet, and that's
15 the dimension that we need to contain the energized
16 conductor under all operating conditions, so we
17 model the conductor under high-wind conditions to
18 maximize whatever its horizontal displacement is
19 and make sure that that right-of-way width can
20 contain that -- that conductor in that
21 circumstance.

22 So when we have optimized span lengths
23 from, say, 800 to 1200 feet, that can all fit
24 within a 150-foot corridor. However, on this
25 project, again due to the terrain, we have several

1 very long spans where we're crossing valleys. We
2 have spans up to 2300 feet, and for that long of
3 span, the conductor is just going to get displaced
4 that much further under high wind conditions, so we
5 have a maximum width of 350 feet for some spans.

6 So we changed the spans on a
7 span-by-span -- or the right-of-way width on a
8 span-by-span basis. The majority of the project is
9 still 150 feet wide right-of-way.

10 We also have, on the BLM property at their
11 request, reduced the right-of-way width to 125 feet
12 by reducing our structure spans.

13 Q. Do you expect the project will have any
14 impacts to the operation of airports?

15 A. So we submit all our structure locations
16 and the ground elevations and heights to the FAA.
17 They did identify that the first several structures
18 north of Roundup would have to be lit and marked
19 due to its proximity to the Dunn County airport.
20 So we took the information they provided to us and
21 performed a redesign of that area and resubmitted
22 the structures, and basically what we did there is
23 we changed from a single monopole structure to
24 H-frame structures so that they'd be 25 feet
25 shorter. And after the FAA reviewed those, we no

1 longer have to light the structures, but we still
2 have to mark them with aerial marker poles.

3 Q. Mr. Nasset, how has the design and
4 construction of the project mitigated routing
5 through avoidance areas?

6 A. So my colleague Erin Dukart will testify
7 on the routing and mitigation for the archeological
8 and biological sites, but I did want to touch on
9 the landslide deposits in this area.

10 So North Dakota Geological Survey has
11 extensive mapping of landslide deposits in this
12 area. So first as part of our analysis again in
13 trying to connect these two substations, we were
14 looking for a route where we could entirely avoid
15 those, but in this area it's not physically
16 possible. There's no route that can completely
17 avoid them. So the second option is really just to
18 minimize both our alignment and structure locations
19 in those, and that again led us to that existing
20 infrastructure corridor I mentioned. I think
21 that's the reason those structures and pipelines
22 are also there is because it's the most reasonable
23 terrain, already has good access there and probably
24 the best location to cross the river.

25 We also procured geotechnical

1 investigation and performed soil borings throughout
2 the entire project site at almost all or our angle
3 structures and periodically throughout that site,
4 and we used that to -- to develop site-specific
5 soil profiles to support our foundation design.

6 COMMISSIONER FEDORCHAK: Excuse me. I'm
7 sorry. I'm having a little bit of trouble hearing.
8 I'm wondering if you could just pull the mike a
9 little closer.

10 THE WITNESS: Sure.

11 COMMISSIONER FEDORCHAK: That would be
12 great.

13 THE WITNESS: Do you want me to repeat
14 that?

15 COMMISSIONER FEDORCHAK: I'm good with
16 that. It's just a little soft, for me anyway.

17 Q. (MS. MERKENS CONTINUING) Mr. Nasset, how
18 does Basin Electric consider the clearing of trees
19 in the route selection process?

20 A. We did extend considerable effort on this
21 project to try to minimize any tree clearing, and
22 so we did that first with our route selection,
23 selecting structure locations and alignment where
24 we could avoid that. But then in areas where trees
25 are, tree removal may be required.

1 We also conducted a LiDAR survey, so we
2 surveyed all of the vegetation in the area and then
3 modeled our transmission line against that to make
4 sure that we had clearance to vegetation. And by
5 doing that, we -- we greatly reduced the amount of
6 trees that we have to clear on the project. I
7 think from our biological assessment, we had over a
8 hundred acres with our right-of-way, and we were
9 able to reduce that down to 10 acres of trees that
10 have to be removed.

11 And so, for example, areas that we cross
12 large valleys, there's a significant -- significant
13 amount of vegetation underneath that that we don't
14 have to clear because we have sufficient clearance
15 over those.

16 So any trees and shrubs that will be
17 removed will be replaced consistent with the
18 Commission's policy. However, I did want to note
19 that there are some areas that we have to remove
20 wider than 50 feet, and the current Commission
21 policy is we need explicit approval from the PSC to
22 do that.

23 Q. Moving on to the project design, would you
24 please describe the proposed transmission structure
25 design?

1 A. So this project we're going to use both
2 our standard monopole delta configuration. We have
3 a figure of our tangent structure in Exhibit 3, and
4 we'll also use a horizontal conductor configuration
5 with H-frame-type structures. The H-frames are
6 much better suited for the challenging terrain. We
7 can do longer spans of those, and they have better
8 support for foundations.

9 So for the remainder of the line, both the
10 north and south side of the line, we'll be using
11 the delta configuration, which is a single pole
12 with three steel davit arms for the conductor, and
13 it has two steel davit arms at the top of the pole
14 for the overhead ground wire and the optical ground
15 wire.

16 Q. What factors determine the height of the
17 structures?

18 A. Once we -- we develop the structure
19 locations and the span lengths, we verify our
20 clearance with the National Electric Safety Code,
21 and so basically it's a combination of the
22 topography, the conductor sag. Again, we model
23 that under all conditions -- under heavy ice or
24 heavy electrical load -- to make sure that we meet
25 that ground clearance. Then we adjust the

1 structure heights to make sure that we can meet
2 that.

3 Q. Thank you. How many structures will Basin
4 Electric need for the project?

5 A. There are 170 total transmission
6 structures on the project, and so 109 of those
7 would be single-pole structures and 61 will be the
8 H-frame structures. The angle structures in that
9 horizontal configuration are -- some of those will
10 be three-pole structures, I wanted to note.

11 And I also wanted to note that in our
12 application, we list those quantities as 115 and
13 55. So the six structures that we changed to
14 H-frames right outside of Roundup at the FAA's
15 request and review, that's why those numbers are
16 updated. So six more H-frames and six fewer
17 single-pole structures.

18 Q. What conductor is Basin Electric proposing
19 to use for the project?

20 A. This project will have an aluminum
21 conductor with a carbon fiber conductor core, and
22 the conductor diameter is 1.72 inches.

23 Q. And what type of foundation will be used
24 for the structures?

25 A. We use drilled concrete piers for almost

1 all of the structures on the project. The pier
2 depth and diameter really vary depending on the
3 structure height and the structure loading
4 requirements as well as the site-specific soil
5 profile we got from the geotechnical investigation.
6 The exception would be the tangent H-frame
7 structures. Those will be directly embedded into
8 the ground.

9 Q. And what are the minimum clearances over
10 cultivated land, pastures, roads and other
11 utilities?

12 A. So we adhere to the National Electric
13 Safety Code clearance requirement, which is 26 feet
14 to this voltage class, and then Basin Electric adds
15 its own 4-foot buffer on top of that. So we'll
16 have a minimum of 30 feet clearance to all ground
17 surfaces under all operating conditions.

18 Q. Moving on to the construction period of
19 the project, would you please describe the
20 construction activities?

21 A. Sure. We'll begin the project with
22 structure staking and also access preparation.
23 We'd like to begin tree clearing on this project
24 right away as well, and then foundation
25 installation will begin. During foundation

1 installation, we'll start the structure delivery
2 and hauling to each site, and then a framing crew
3 will come to each of these locations and frame up
4 the structure with all the associated hardware.
5 That'll be followed by the structure setting and
6 erection crew.

7 Once the structures are set sufficiently,
8 they'll bring the conductor stringing crew and
9 they'll start stringing the wires, and that is the
10 last phase of the construction before energization.
11 Then we'll begin the reclamation phase of the
12 project.

13 Q. Would you please describe the labor force
14 that Basin Electric will need for the project?

15 A. Yeah. So transmission lines need fairly
16 specialized labor for most components of the
17 project, and this labor will be imported from other
18 areas of the state or other states.

19 Q. What steps has Basin Electric taken or
20 will take in order to be prepared for an emergency
21 situation that may arise during or after
22 construction?

23 A. So we provide GPS coordinates of each
24 structure location to the local emergency agencies
25 so first responders can get to any location on the

1 project. We also have 911 addresses for both
2 the -- the Roundup and Kummer Ridge Substations.

3 Q. And what efforts has Basin Electric
4 undertaken or will undertake to ensure the safety
5 of the workforce?

6 A. So during construction as well as the
7 maintenance and operation of the line, we'll be in
8 compliance with Basin's OSHA safety program, which
9 is also supported by the Energy Coalition for
10 Contractor Safety. And all of our contractors are
11 required to meet a prequalification process through
12 the ECCS.

13 Once we move into the operation of the
14 line, the worker health and safety will be
15 administered by Basin's transmission system
16 maintenance division which is a member of the
17 National Safety Council.

18 Q. Would you please describe the steps Basin
19 Electric will take when construction is complete?

20 A. As part of the commissioning process,
21 we'll conduct a final inspection of the corridor
22 and identify any items that need corrective action.
23 Once those have been verified and confirmed as
24 complete, the contractor is released from
25 responsibility. We usually hire a separate

1 contractor for all the reclamation work, and our
2 right-of-way division will oversee that.

3 Q. Mr. Nasset, what benefits does this
4 project provide to the local economy?

5 A. So during construction, wages and salaries
6 paid to contractors and workers will provide
7 personal income for residents and workers in this
8 area. Also our expenditures for equipment, energy
9 and fuel and operating supplies can benefit local
10 businesses, as well as amounts paid for state and
11 local taxes.

12 In addition, the project has -- has real
13 benefits, as Phil Westby will testify shortly, for
14 providing new critical load delivery to this
15 location and really important reliability
16 redundancy.

17 Q. Thank you.

18 Would you please describe the efforts that
19 Basin Electric has gone to to coordinate
20 facilities?

21 A. Yeah. There's a significant amount of
22 pipeline construction in this area, so we've worked
23 closely with the pipeline utilities to make sure
24 that we're meeting their crossing requirements, as
25 well as the rural electric cooperative, McKenzie

1 Electric. We've worked closely with them
2 coordinating our transmission line crossings as
3 well as making accommodations for their plans for
4 any distribution work as well.

5 Q. Thank you. Before you end your testimony,
6 I have one clarifying question on question 23 about
7 the number of structures. In your testimony you
8 state that there's 109 single poles and 64
9 H-frames. Would you please reiterate the change
10 that's occurred since this was submitted?

11 A. Sure. I think I meant to say 109
12 single-pole structures and 61 H-frame structures.
13 So it's a difference of 6 from what was submitted
14 in the application. We had 115 single poles and 55
15 H-frame structures.

16 Q. Will the total number of structures
17 change?

18 A. No, the total number did not change.

19 Q. Thank you. Mr. Nasset, based on your
20 knowledge of the project, do you believe the
21 location, construction and operation of the
22 proposed facilities produce minimal adverse effects
23 on the environment and upon the welfare of the
24 citizens of North Dakota?

25 A. Yes.

1 Q. Will the proposed project location ensure
2 continuing system reliability and integrity and
3 that the energy needs are met and fulfilled in an
4 orderly and timely fashion?

5 A. Yes.

6 MS. MERKENS: Thank you. No further
7 questions, Your Honor.

8 JUDGE HOGAN: Thank you. Mr. Johnson, any
9 questions?

10 MR. JOHNSON: Just a couple.

11 **EXAMINATION**

12 **BY MR. JOHNSON:**

13 Q. Did I hear you correctly that you do not
14 have all the permits yet?

15 A. We're still in -- Ms. Dukart will be able
16 to summarize where we're at with the permits, but
17 we are still working with the BLM to get their
18 environmental assessment completed, and the
19 conditional use permit has been submitted to
20 McKenzie County as well as a permit for our laydown
21 yard there.

22 Q. And I heard you correctly that you -- you
23 don't plan on starting any construction until you
24 have all those in hand?

25 A. Correct.

1 Q. Okay. And then on the clearing of the
2 trees greater than 50 feet, is there a particular
3 reason for that? Is it to like comply with the
4 National Electric Safety Code or is there a
5 different reason for it?

6 A. Correct. Yeah, we're legally obligated to
7 make sure that our conductor, again full range of
8 motion, keeps electric clearance to any vegetation.
9 And so just the nature of the size of the wires and
10 how far they can move, that goes beyond 50 feet.
11 So it could go as far as 150 feet where we have our
12 right-of-way, but where we've modeled the line, I
13 think the maximum width we'd have on this project
14 would be closer to 90 or 100 feet width that would
15 have to be removed.

16 MR. JOHNSON: Okay. Thank you. No
17 further questions.

18 THE WITNESS: And I guess I could add that
19 the -- our maps -- the detailed route maps do have
20 highlighted areas where we have tree removal.

21 JUDGE HOGAN: Mr. Schock, any questions?

22 MR. SCHOCK: Just a few.

23 **EXAMINATION**

24 **BY MR. SCHOCK:**

25 Q. So when we grant these kind of things for

1 tree clearing, we're usually very specific with
2 those where we're granting it to be greater than
3 50. Would you be -- and I don't need this this
4 moment, but would Basin be able to file something
5 that indicates the exact locations where you're
6 requesting great than 50 feet?

7 A. We could, yes. Yeah, we can provide it.

8 Q. That would be helpful. And your
9 explanation for why was also helpful on that.

10 Similarly, for the corridor width that
11 you're requesting, your explanation earlier made
12 very good sense as to the why. When I looked
13 through the application and the maps, it wasn't
14 very easy for me to discern where the corridor
15 would be a hundred and -- I think there's kind of a
16 range there. From the original application it said
17 150 to 350. Now you're saying 125 to 350. So I
18 think what I heard you say is the 350 is where you
19 have the longer spans through that rougher terrain?

20 A. That's correct.

21 Q. The majority would be 150, and then
22 there's some areas where you're necking down to the
23 125?

24 A. There's only one location where we're
25 going to 125 and that's on the BLM property, so

1 that's for around a quarter mile. Just a rough
2 guess, probably 90 percent of the project will be a
3 150-foot-wide easement.

4 It's shown in our route maps. There's a
5 right-of-way boundary on there that shows where
6 it's wider, but it might be difficult to see, so we
7 could provide a summary based on each of the spans
8 where that's different. And I think in the
9 application we have our -- all of our right-of-way
10 exhibits as well included that shows where it's
11 wider.

12 Q. Sure. And, yeah, I guess some of the maps
13 it's easier and more difficult, but if you'd be
14 able to similarly file something that just kind of
15 specifies this is where we're requesting this
16 corridor width or --

17 A. Sure.

18 Q. -- you know -- and maybe the easier way to
19 characterize it is a corridor width of 150 feet but
20 in this area we are requesting 350 and in this area
21 125, just so that when we write up our order, if
22 the Commission ultimately chooses to approve this,
23 we have it -- have specificity to it.

24 A. Yep. Perfect. We'll -- we can provide
25 that.

1 Q. Appreciate that.

2 One other kind of similar but slightly
3 different. Are you asking for any kind of a route
4 buffer for construction purposes? So --

5 A. No. I think we have all construction
6 within both the corridor and along the
7 off-right-of-way access that we've identified
8 included in the application. At each of the angle
9 structures we also secure a temporary disturbance
10 permit for stringing equipment, and so those are
11 also shown in I guess it would be Exhibit 6, for
12 example. If you go to any of those sheets and see
13 the angle points, there's a small gray box that
14 goes outside of what our easement would be, so
15 that's also surveyed for a temporary impacts
16 allocation.

17 Q. And I guess maybe I should clarify. So
18 what I meant by a route buffer is so we permit a
19 corridor and we permit a route and that route is
20 specific and finite.

21 A. Right.

22 Q. So historically we have just approved that
23 route and there's been challenges with that. You
24 know, as you get out there on the ground, there's
25 some things you might have to avoid or go around

1 when you really get out there to build the thing.
2 So as in recent past, we have allowed some buffer
3 zone for that. Sometimes very small. It just kind
4 of depends on needs. I guess I didn't see anything
5 specifically in the application, but particularly
6 considering the rougher terrain you're going over,
7 I'm curious if there's a particular number you're
8 looking at to just have a little bit of leeway
9 where you wouldn't necessarily have to file for
10 Commission approval for a route adjustment.

11 A. It's an interesting idea. I guess in the
12 past where we've had to make adjustments post
13 approval, we've resubmitted those -- those changes.
14 Typically structure moves during a project are very
15 small and still within the right-of-way corridor.
16 We haven't had any recent projects where we've had
17 to adjust the actual right-of-way boundaries for
18 that.

19 But if the Commission has some precedent
20 for that, we'd certainly be open to having
21 additional buffer for potential moves.

22 Q. Sure. So I guess we've had a number of
23 them used. I guess what seems reasonable to me is
24 somewhere in the 10- to 15-foot range. It's not --
25 you know, it doesn't unreasonably kind of vary your

1 corridor significantly.

2 A. Yeah. That would probably be an
3 appropriate number. I think we can in most
4 locations move the structures by 15 feet without
5 changing our right-of-way boundaries that we would
6 need. So, yeah, we'd appreciate that.

7 MR. SCHOCK: I don't think I have any more
8 questions for you. Thank you.

9 THE WITNESS: Thank you.

10 JUDGE HOGAN: Commissioner Fedorchak.

11 COMMISSIONER FEDORCHAK: Thank you.

12 **EXAMINATION**

13 **BY COMMISSIONER FEDORCHAK:**

14 Q. Thank you, Mr. Nasset. A few questions.
15 So -- and if you aren't the right witness, you can
16 divert me to the next one that is. So you talked a
17 little bit about the single pole versus the
18 H-frame, and it seemed like you -- in describing
19 where you're using the H-frame, it seemed like
20 there was some qualities about that particular
21 design that seemed more resilient.

22 A. Mm-hmm.

23 Q. So how do you guys decide where to use the
24 single pole versus the H-frame and why wouldn't
25 you -- what are the advantages of a single pole

1 that draw you to that over the H-frame?

2 A. Yeah. Thanks for the question,
3 Commissioner. If it was up to us engineers, we
4 would do H-frames everywhere. They're a better
5 structure, they're a more efficient structure.
6 We -- for our standard we've went now to a single
7 monopole more for landowner negotiations. It's a
8 smaller footprint. It can easily be on property
9 lines or field divisions, and so that's just become
10 our standard design.

11 We usually go to H-frames where we have
12 more challenging and longer spans, and there are
13 some technical advantages to that. When the
14 conductor moves, it moves more in a vertical
15 fashion, more like an ellipse basically, so you
16 have more movement in the vertical. So when we
17 have transmission lines that are stacked
18 vertically, when the circuit is stacked vertically,
19 you have more potential for clearance problems
20 between the phases.

21 So the H-frame structure or the horizontal
22 configuration, a conductor solves for that, which
23 is why a lot of the original transmission lines
24 were built with H-frames and all our original ones
25 that used the lattice towers were all horizontally

1 configured as well.

2 So in this area you could do the longer
3 spans, so that's fewer structures, and in some
4 areas it was a necessity just because of the
5 terrain constraints to use the H-frame. So that
6 was conveyed to the landowners as well as the tribe
7 where we're going to use those H-frame. They'll
8 also be a weathering steel versus a galvanized, so
9 it'll have more of the rusted look to match the
10 environment a little bit better in that area.

11 Q. Are the H-frame also that type of steel,
12 the weathering steel, or are they different?

13 A. The H-frames will be the weathering steel.

14 Q. Oh.

15 A. The -- the ones outside of the canyon will
16 be a galvanized steel. Yep.

17 Q. And what about the single pole? What'll
18 they look like?

19 A. They'll be like a gray galvanized steel.

20 Q. Okay. Do landowners have a choice of what
21 color they are with the weathering versus the
22 galvanized?

23 A. We -- we proposed it to -- both options to
24 the Three Affiliated Tribes to get their preference
25 on that and they selected the weathering steel.

1 It's also consistent with the line that we
2 constructed eight years ago west of this location
3 where we were going through similar Badland terrain
4 near Highway 85. We used a weathering steel there.
5 Most landowners don't seem to have a strong
6 preference one way or the other. TSM would just
7 prefer galvanized if we can otherwise, so --

8 Q. Okay. So when you were describing the
9 H-frame design and some of the advantages it had
10 from a technical standpoint, can you go through
11 that again. The conductors are in a line versus
12 stacked. So in a -- in an operation's standpoint
13 or from an operation's standpoint, what does that
14 do? How does that help in sort of a normal
15 person's terms --

16 A. Sure.

17 Q. -- not engineering. Why does it matter?
18 I guess why should we care?

19 A. No. Thanks for the question, too, and
20 I'll see -- I can make it a really long answer too.
21 But there was a phenomenon called wire galloping
22 where a little bit of ice builds up on a conductor,
23 and then with the right wind speed, like a laminar
24 wind, it can start to put the conductor into motion
25 and it almost looks like a jump rope. So the

1 conductor will be in this -- this elliptical motion
2 in a vertical direction. And what we found when we
3 have our conductor stacked vertically, if you see
4 Exhibit 3A, the side where there's two phases on
5 the same side, once we get above, say, 900-foot to
6 our 1,000-foot spans, we start to have flashover
7 between the phases.

8 So we have had this problem on other
9 lines, and we went back -- there's some
10 post-construction mitigation you can do for that,
11 but the best mitigation is having enough space
12 between the conductors to make sure that you're
13 keeping clearance.

14 So having them horizontally configured,
15 they mostly move in the up-and-down direction. We
16 have plenty of clearance between the phases. We
17 don't ever have, to my knowledge, galloping issues
18 on our horizontally configured transmission lines.

19 Q. And when you have galloping issues, what
20 is the result to the power across the line?

21 A. It can usually be a temporary outage or
22 flashover. Yep.

23 Q. All right. Interesting.

24 On a totally different subject, what is
25 the status of your permits with the tribe? I know

1 that the -- I think the BIA has approved it with
2 the FONSI; right? Is that all you need or what
3 other permitting processes are you still working
4 through with the tribes?

5 A. Yeah. Thanks for the question. And I
6 think both Erin and Mike will discuss this --

7 Q. Okay.

8 A. -- in more detail. But the executive
9 council at MHA has approved the project and it has
10 now been sent to the BIA for formal signature. So
11 I believe we're still waiting for that to get
12 administratively approved by the BIA, but you're
13 correct that the BIA has approved the environmental
14 assessment.

15 Q. Okay. And then I think I noticed in a
16 letter from the State -- or DEQ that you had to get
17 an EPA permit from the -- for the tribal land.
18 Is -- is that true or was that a misunderstanding?
19 Because I thought the FONSI from the BIA is what
20 you --

21 A. That's my understanding as well, and I'd
22 like to defer to Erin on that.

23 Q. Okay.

24 A. But I think we have an environmental
25 assessment with both the BIA and the BLM on this

1 project.

2 Q. Yep. Lucky you.

3 A. Yep.

4 Q. The geological survey had identified some
5 landslides and I see them on -- or landslide areas
6 and I see them on the map, but I haven't found any
7 kind of description from the company on how you're
8 dealing with those areas or additional filings. I
9 might have missed it, but is somebody going to
10 address that down the line in your other witnesses?

11 A. Yeah. I think our -- the way we addressed
12 it was first just with minimizing our structures in
13 those locations. There is other infrastructure in
14 the same landslide locations.

15 It's another benefit of using H-frame
16 structures. They have a much more lightly loaded
17 foundation than a single-pole structure would. We
18 also got soil borings in those areas, too, so we
19 have a detailed soil profile to -- to support the
20 foundation design for those structures.

21 It's also just an area that -- you know,
22 Basin has over 3,000 miles of transmission lines.
23 We have structures in landslide deposits in other
24 areas or in riverbank areas where we just have to
25 monitor that for erosion and be proactive about any

1 potential problems too. So part of it is a
2 long-term maintenance program and being proactive
3 with these locations.

4 But when we design the line, we're being
5 careful about where the structure locations are.
6 We're not putting them right next to, you know, an
7 edge or in danger of erosion threatening the
8 structure either.

9 Q. Okay. I might have some follow-up
10 questions on that one with your -- would it be Erin
11 or would it be you? Who's best?

12 A. I think I'd be the best one to answer
13 those ones.

14 Q. Okay. So do you identify specific areas
15 where that's a concern or how did you go about
16 taking what the geological survey said and, you
17 know, kind of digging deeper in those areas?

18 A. I think the best way was to get
19 site-specific soil borings there --

20 Q. Okay.

21 A. -- for the structures is what we did
22 there.

23 Q. Have you narrowed it down to how many
24 poles or where those areas specifically are?

25 A. Yeah. It's close to the river. I can get

1 you an exact number of structures. I think if you
2 look at the -- let's see -- page 3 of 6.

3 Q. In which section?

4 A. In -- on the Exhibit 6.

5 COMMISSIONER FEDORCHAK: Exhibit 6. I
6 don't have it marked that way. Oh, I don't have
7 one of those books. Okay. Okay. I'm there.

8 COMMISSIONER CHRISTMANN: Which page?

9 THE WITNESS: If you could go to page 3 of
10 6. It might be a little bit hard to see with the
11 imagery background, but there is a hatched area, a
12 diagonally hatched area. So, for example, if you
13 see angle point 35, can you make out the
14 hatched area there in the background?

15 Q. (COMMISSIONER FEDORCHAK CONTINUING) Oh,
16 let's see here. 30 did you say?

17 A. Angle point 35, right next to Section 36
18 on the State property there.

19 Q. Okay. Yeah.

20 A. So that hatched area is what we get from
21 the North Dakota Geological Survey. That's their
22 GIS database of known landslide deposits. And so
23 you can see that structures 80, 81 and 82 would all
24 be within a landslide deposit area.

25 Q. Okay. So your -- your point, from a

1 technical standpoint, you do soil samples there and
2 make sure the foundations are built correctly?

3 A. Yeah. And I think a transmission line by
4 its nature is a flexible design too. So we do have
5 capacity for some settlement with our structures as
6 well. But similar to the DOT when they built
7 Highway 22 in this area, they go through the exact
8 same formation. It's just a risk in this type of
9 area that we've got to monitor and be careful with.

10 Q. Would these be the same type of areas
11 where you'd have trees and shrubs and -- perhaps
12 underneath the poles or near them or -- I know you
13 have to clear them, but you're trying to minimize
14 that so it sounds like you're --

15 A. If you're still looking at the same
16 figure, we have a green highlighted area between
17 structures 83 and 84. For example, that's an area
18 where we have to clear trees. We're not really
19 showing any within the landslide deposit for
20 clearing that location. There might be a little
21 bit for the access road --

22 Q. Okay.

23 A. -- just west of structure 81. So it's a
24 good point, though, and it's another reason why we
25 selected this location. There's already existing

1 access that was used for the construction of -- if
2 you'll notice the orange line on here, that's
3 existing 115-kV transmission line, and there's also
4 two or three major pipelines coming through this
5 area. So there's really good access. So a way of
6 really preventing disturbing these areas is not
7 cutting in new access or doing new cut slopes. So
8 our footprint is relatively light for what we're
9 installing here.

10 Q. Okay. That kind of leads to my next
11 question which is about wildfire mitigation. I
12 know that's not something that we have spent a lot
13 of time on in North Dakota because there aren't a
14 lot of trees, but there is a lot of brush and a lot
15 of dry areas, and in other parts of the country
16 utilities are really suffering from wildfires being
17 sort of the insurance of last resort for wildfire
18 damage. So is that something that Basin thinks
19 about and plans for and how -- what sort of
20 mitigation have you done here to account for your
21 wildfire risk?

22 A. Yeah. So both in the design of the
23 project, like I mentioned before, modeling all
24 vegetation against our conductor to make sure we
25 have safe clearance, but then also our transmission

1 service maintenance group will be doing aerial
2 inspections perhaps three times a year and annual
3 ground inspections once a year where they're always
4 looking for any new vegetation. We're required
5 to -- or federally and legally required to make
6 sure that we don't have vegetation risk near the
7 conductor.

8 Q. Okay. And has that -- have you gotten --
9 has anything changed in your approach to wildfires
10 in the last five or so years?

11 A. Not -- not specifically, no.

12 Q. So this issue nationally hasn't really
13 resonated with you guys in terms of making sure
14 your maintenance standards and everything are up to
15 speed? Because it is a huge risk for your
16 ratepayers if something -- if you end up being the
17 cause of a wildfire.

18 A. Yeah, definitely. You're correct. It did
19 require us to have like a published tree mitigation
20 plan for tree clearing with transmission lines. So
21 it's on our website and it's something that our
22 transmission maintenance group has to report on and
23 comply with.

24 Q. Okay.

25 A. We're somewhat fortunate in our area.

1 It's less vegetation, but still definitely a
2 concern here.

3 Q. Yeah. But, you know, prairie fires, too,
4 can cause it. It's not forest --

5 A. Mm-hmm.

6 Q. -- but still can cause a lot of damage.
7 And I think we run the risk of being complacent
8 because we don't have forests and we don't think it
9 affects us, but it really could. So I'm glad to
10 hear that you guys are talking about it.

11 Let's see. What's the latest status on
12 the landowner easements? Is that coming up with
13 somebody else?

14 A. Yep. My -- my colleague Mike Murray will
15 address the right-of-way. Yep.

16 Q. What's the closest occupied structure and
17 what -- I see a few of them within the -- within
18 500 feet. What -- what are you doing with those?

19 A. I -- I don't believe we have any within
20 500 feet --

21 Q. Oh, really?

22 A. -- on the project.

23 Q. Okay. I thought I saw some on one of
24 these maps here. Potentially occupied structures
25 within 500 feet. I know I saw some, unless I was

1 misreading the map. Well, I'll look through and
2 maybe come back to that or maybe one of my
3 colleagues has flagged that too. Okay. Let's see.

4 A. We can double-check and find what the
5 closest dimension is to the nearest dwelling unit,
6 but it's well over 500 feet.

7 Q. Okay. And then on the road access issue
8 you mentioned at the beginning, that also is an
9 interesting challenge in this project. There's a
10 number of areas marked with unimproved access
11 roads. Can you -- what is that?

12 A. Yeah. Good question. And so we have --
13 there's like oil pipeline service roads that are
14 already surfaced with aggregate and maintained
15 roads that are private roads that we're working
16 with MDU and with the landowners. We also have
17 like two-track paths that have been used for access
18 to some of these lines. So it's a two-track path
19 that's not a surfaced road. We're calling that an
20 unimproved access.

21 Q. I see. And do you have to negotiate
22 special agreements with the oil companies or the
23 pipelines or the landowners for using those roads?

24 A. Correct. Yeah, we're working with the
25 landowners on getting an easement to use those --

1 those access roads. Then we'll have to set up like
2 a joint use maintenance agreement with some of
3 them.

4 COMMISSIONER FEDORCHAK: Okay. All right.
5 I think that's it for me. Thank you.

6 JUDGE HOGAN: Commissioner Christmann.

7 **EXAMINATION**

8 **BY COMMISSIONER CHRISTMANN:**

9 Q. I don't have too many left, actually, but
10 Commissioner Fedorchak asked something about the
11 tribal agreement and I think you said that it
12 was -- it would be better for Mr. Murray or --

13 A. I think so. He could probably --

14 Q. -- Ms. Dukart, but --

15 A. -- summarize that best. Yep.

16 Q. But what about the North Dakota Indian
17 Affairs Commission? Is that question for them too?

18 A. Correct.

19 Q. For Mike?

20 A. Yes, for Mike.

21 Q. Okay. Then a couple of these I kind of
22 think I know the answer to, but I'd like to have it
23 on the record. And so Basin Electric's a member of
24 Southwest Power Pool; correct?

25 A. Correct.

1 Q. And Southwest Power Pool is a balancing
2 authority for transmission services that covers
3 members in parts of 12 states from North Dakota
4 down to north Texas and then either side of that
5 corridor; correct?

6 A. Correct. They are the regional
7 transmission organization that we're a member of.
8 Yes.

9 Q. Okay. And they have issued a notice to
10 construct for this project; correct?

11 A. That's correct.

12 Q. And the reason that they would be -- and
13 so member companies like Basin Electric put their
14 transmission assets into the membership and -- and
15 Southwest Power Pool kind of organizes that to make
16 sure that the proper amount of energy is getting to
17 where it's needed at every moment; correct?

18 A. And I think Mr. Phil Westby is -- will
19 testify next and go through a lot of the SPP
20 process as well. Yeah, they -- they help with our
21 input to identify constraints in the system. So
22 Basin Electric might propose a transmission
23 solution which would be one of -- a project like
24 this, and then the SPP board ultimately, if they
25 agree with that solution, approves that and through

1 that process issues a formal notice to construct to
2 the transmission owner, which will be Basin here.

3 Q. This is more Mr. Westby's line?

4 A. He'll -- he'll address a lot of that in
5 his testimony. Yep.

6 Q. Okay. Just in case it's missed, one more
7 thing on that. This area, basically the oil patch,
8 is having a lot of congestion issues currently
9 because of lack of transmission that is costing
10 customers a great deal of money --

11 A. Correct.

12 Q. -- at the end; right?

13 A. Correct.

14 Q. I'm sorry, Mr. Westby, if that stole any
15 of your thunder, but we still wanted it in the
16 record.

17 I think the only other one comes back to
18 that Exhibit 6 on page 3 and it was a good example
19 of something I kind of noticed. Let me know when
20 you're there. One of the things in reviewing this
21 that I thought was very positive was to the extent
22 possible following existing corridors of pipelines
23 and the one kV line.

24 Toward the bottom of this map -- toward
25 the top half of it you're staying very close to

1 that 115-kV, but then down on the bottom you're
2 kind of veering away to the east. So why not
3 follow that line, that corridor down there too?

4 A. Yeah. That's I think a good question.
5 It's just a balance between trying to optimize the
6 line for -- also for cost. So at 345, the best
7 thing we can do for optimizing cost is make it as
8 short as possible and as few angles as possible.
9 So if in this case we're able to negotiate with a
10 landowner an alignment here that saves basically a
11 couple of angles, at 345-kV voltage that's over a
12 million dollars in savings in the project, that
13 example.

14 Q. Okay. And so -- and that would be the
15 reason in other places where you kind of veered
16 away from that corridor?

17 A. Correct.

18 Q. It's cost savings but that landowners
19 weren't --

20 A. Yeah, and just really the final optimized
21 alignment based on our feedback with the
22 landowners.

23 Q. Okay. Oh, and on -- I know Mr. Murray
24 does the right-of-way things. Does that also
25 include like local and county permits?

1 foundations, but the tandem H structures will be
2 directly embedded in the ground. Why aren't they
3 concreted? I mean, explain that a little bit about
4 the difference.

5 A. So for those structures they're very
6 lightly loaded --

7 Q. Mm-hmm.

8 A. -- and so basically we order the
9 structures. There's 22 feet of extra structure is
10 what we end up embedding into the ground. And so
11 when we analyze, again, all those site-specific
12 profiles, that dimension more than compensated the
13 amount of ground resistance that we needed to
14 support that structure. So it's really for
15 economies and also it does help minimize impacts.

16 The area that we're using H-frames is the
17 most difficult area for access, so minimizing and
18 trying to get concrete trucks to all those
19 locations also really helps to reduce our footprint
20 in that area.

21 COMMISSIONER HAUGEN-HOFFART: Okay. Thank
22 you. I have no further questions.

23 JUDGE HOGAN: Any redirect, Ms. Merkens?

24 MS. MERKENS: No, Your Honor.

25 JUDGE HOGAN: Any further questions,

1 Mr. Johnson?

2 MR. JOHNSON: No, Your Honor.

3 JUDGE HOGAN: Mr. Schock?

4 MR. SCHOCK: (Shakes head.)

5 JUDGE HOGAN: Any other commissioner
6 questions?

7 COMMISSIONER FEDORCHAK: Judge, I'll just
8 say, just so the company doesn't spend their time
9 looking for what I was seeing as the occupied
10 residences, I mistook some small parcels of the
11 Dakota skipper habitat for being occupied
12 residences. So thank you.

13 JUDGE HOGAN: All right. Well, thank you,
14 Mr. Nasset.

15 THE WITNESS: Thanks so much.

16 JUDGE HOGAN: Ms. Merkens, you can call
17 your next witness.

18 MS. MERKENS: Your Honor, I'd like to call
19 Mr. Philip Westby to the stand.

20 JUDGE HOGAN: Good morning, Mr. Westby.
21 I'll have you start by stating your full name for
22 the record and spelling your last name.

23 THE WITNESS: Good morning. My name is
24 Philip Westby. It's W-e-s-t-b-y.

25 JUDGE HOGAN: And, Mr. Westby, were you in

1 the room earlier when I went through the penalties
2 for perjury?

3 THE WITNESS: Yeah. Yes, I was.

4 JUDGE HOGAN: And do you understand what
5 perjury is?

6 THE WITNESS: Yes, I do.

7 (Witness sworn.)

8 JUDGE HOGAN: All right. Thank you. Go
9 ahead, Ms. Merkens.

10 MS. MERKENS: Thank you, Your Honor.

11 **PHILIP WESTBY,**

12 being first duly sworn, was examined and testified
13 as follows:

14 **DIRECT EXAMINATION**

15 **BY MS. MERKENS:**

16 Q. Would you please state your name, business
17 address and your occupation?

18 A. My name is Philip Westby. I'm employed as
19 the manager of transmission services at Basin
20 Electric Power Cooperative. My business address is
21 1717 East Interstate Avenue, Bismarck, North
22 Dakota.

23 Q. Mr. Westby, would you please state your
24 educational background?

25 A. I earned a bachelor of science degree in

1 computer engineering from North Dakota State
2 University in 2008, and I am a licensed
3 professional engineer in the state of North Dakota.

4 Q. Would you please describe your employment
5 history and work experience?

6 A. I have been employed by Basin Electric
7 Power Cooperative since 2009 in the transmission
8 planning division. I was hired as an electrical
9 engineer and was promoted to manager of
10 transmission services in April of 2023.

11 My responsibilities include the
12 supervision of transmission studies that affect
13 Basin Electric and its customers. This includes
14 completing and/or reviewing any study that would
15 affect existing and new facilities for Basin
16 Electric.

17 Q. What have been your responsibilities in
18 connection with this project?

19 A. I have been involved in the Southwest
20 Power Pool transmission planning process. I
21 submitted the Roundup to Kummer Ridge 345-kV
22 transmission line project proposal for
23 consideration in the SPP integrated transmission
24 planning process.

25 Q. Thank you. And what information will you

1 provide today in your testimony?

2 A. I will provide general information on the
3 SPP transmission planning process and how it
4 applies to the project as well as Basin Electric's
5 needs analysis.

6 Q. Thank you. As far as the transmission
7 planning process, would you please generally
8 explain how SPP goes about their transmission
9 planning?

10 A. As the regional transmission organization,
11 the RTO, SPP is responsible for transmission
12 planning and expansion within the SPP region.
13 During the SPP transmission planning process, SPP
14 performs reliability, economic and public policy
15 assessments of the transmission system for its
16 region, and it works with stakeholders to identify
17 solutions to the identified transmission needs.

18 SPP performs its planning process in
19 accordance with requirements contained in the North
20 American Electric Reliability Corporation, NERC,
21 Reliability Standards, the SPP tariff and SPP
22 criteria.

23 Q. Thank you. Which SPP transmission
24 planning process did the project arise from?

25 A. The project was developed through the

1 annual SPP integrated transmission planning
2 process, the ITP, and specifically ITP 2021.

3 Q. Would you please describe the ITP process?

4 A. The ITP is an annual planning cycle that
5 assesses near- and long-term economic and
6 reliability transmission needs. The ITP produces a
7 ten-year transmission expansion plan each year,
8 combining near-term, ten-year and NERC transmission
9 planning assessments into one study.

10 The process seeks to target a reasonable
11 balance between long-term transmission investment
12 and congestion costs to customers. The ITP works
13 in concert with SPP's existing subregional planning
14 stakeholder process and continues in parallel with
15 the NERC TPL-001-5 compliance process.

16 Q. Thank you. Would you please describe
17 Basin Electric's role in that ITP process and any
18 other studies conducted?

19 A. Basin Electric conducts reliability
20 studies on its system, specifically the annual NERC
21 TPL-001-5 assessment. We also conduct two seasonal
22 studies each year which include a summer and winter
23 assessment specifically related to the Bakken area.

24 In addition to these compliance and
25 operating studies, Basin Electric works closely

1 with SPP to verify needs and constraints across the
2 transmission system.

3 Q. What happens once SPP identifies that a
4 transmission project needs to be constructed?

5 A. Once a transmission project has been
6 identified through SPP's transmission planning
7 process, SPP issues a notice to construct, an NTC,
8 to a designated transmission owner, a DTO, for an
9 approved transmission expansion project that
10 requires a financial commitment in the near future.

11 A designated transmission owner under the
12 SPP tariff that receives a notice to construct from
13 SPP is required to build the transmission project
14 specified in the notice to construct. In this
15 case, Basin Electric received a notice to construct
16 and therefore as a designated transmission owner is
17 required to build this project.

18 Q. As far as the need for the project, what
19 did the 2021 ITP study conclude?

20 A. The 2021 ITP study had a specific target
21 area focusing on the Bakken area. That target area
22 analysis concluded that the most critical
23 contingency in the area is the Charlie Creek to
24 Patent Gate 345-kV line. This line segment is the
25 only extra high-voltage corridor that feeds into

1 the city of Williston from the south and is
2 critical to support voltage in the Watford City and
3 Williston areas.

4 The 2021 ITP study showed that the loss of
5 this line segment results in thermal overloads in
6 the summer peak -- in the summer and potential
7 voltage collapse in the winter peak periods. It
8 concluded an ideal solution for the Bakken target
9 area would provide a parallel path to this critical
10 contingency in order to lessen the severity of an
11 unexpected outage of this facility.

12 The SPP study concluded that the Roundup
13 to Kummer Ridge 345-kV line provides an alternate
14 345-kV south-to-north pathway to the McKenzie
15 County area for system flows if the Charlie Creek
16 substation experiences bus faults. SPP issued NTC
17 220720 to Basin Electric directing us to build this
18 project.

19 Q. Thank you. Does the project provide other
20 benefits besides providing a parallel path for
21 Charlie Creek to Patent Gate?

22 A. Yes. There is upwards of 300 megawatts of
23 radial load at the Kummer Ridge Substation today.
24 This load is served via the Patent Gate to Kummer
25 Ridge 345-kV line. Today there would not be -- if

1 there was an outage on this radial line today,
2 there would not be capability to restore all the
3 load to alternative deliveries.

4 Portions of that load would have to remain
5 offline until the Patent Gate to Kummer Ridge
6 345-kV line could safely be reenergized. The
7 project provides a network path to this Kummer
8 Ridge load and ensures that the Kummer Ridge load
9 can continue to be served in the event of the loss
10 of the Patent Gate to Kummer Ridge 345-kV line.

11 Q. Have Basin Electric's transmission studies
12 shown issues in the area of the proposed project?

13 A. Yes. We have seen issues in this area.
14 As part of our annual NERC TPL-001-5 assessment
15 process, we have identified this area as an at-risk
16 area in the transmission system. Basin Electric's
17 recent load forecast continues to show growth in
18 this region which causes stress to the existing
19 infrastructure.

20 Basin Electric worked with the Southwest
21 Power Pool as their reliability coordinator to
22 install a remedial action scheme in the region.
23 This scheme is being installed to ensure we can
24 continue to serve load until the Roundup to Kummer
25 Ridge line is placed in service.

1 The RAS, or remedial action scheme, is
2 designed to immediately disconnect electrical load
3 during the critical contingency of the Charlie
4 Creek to Patent Gate 345-kV line. Essentially the
5 transmission system in the area today is being
6 stressed beyond its capability.

7 Q. Thank you. How would this project affect
8 the reliability of the transmission system in this
9 area of northwestern North Dakota?

10 A. Firstly, the addition of the Roundup to
11 Kummer Ridge line ensures a second redundant feed
12 to the upwards of 300 megawatts being served at the
13 Kummer Ridge Substation. And, secondly, it
14 provides the parallel path during the critical
15 outage of the Charlie Creek to Patent Gate 345-kV
16 line.

17 The transmission analysis indicates the
18 transmission system will not be able to accommodate
19 any more load growth if more transmission is not
20 built into the area.

21 Q. Thank you.

22 A. The project will meet the needs of the
23 northwestern North Dakota area for the foreseeable
24 future and will increase the load-serving limits in
25 the area.

1 Q. If the project is not built, what would
2 happen to the electrical transmission system in
3 this area?

4 A. The existing transmission capacity in this
5 region is insufficient, and unless the project is
6 constructed, future load growth will be restricted.

7 Q. All right. I'd now like to discuss
8 alternatives that Basin Electric considered. Would
9 you please describe what alternatives were
10 considered to meet this need?

11 A. We considered a no-action alternative and
12 transmission system alternatives. A no-action
13 alternative will leave the region constrained by
14 limited transmission capacity and does not serve
15 the load growth in the area, jeopardizing
16 reliability. For these reasons, Basin Electric --
17 Basin Electric rejected the no-action alternative.

18 Q. Would you please describe the system
19 alternatives that Basin Electric considered?

20 A. Basin Electric considered a 115-kV
21 solution to tie between Roundup and Kummer Ridge
22 345-kV substations. Placing this 115-kV line
23 directly in parallel with the critical Charlie
24 Creek to Patent Gate 345-kV line will result in
25 this new 115-kV line being overloaded during the

1 outage of the Charlie Creek to Patent Gate 345-kV
2 line. Because of this, the 115-kV option would not
3 meet the planned or immediate system needs and it
4 was rejected.

5 Q. Thank you. Did Basin Electric consider a
6 230-kV option?

7 A. Basin Electric did not consider a 230-kV
8 line as a viable option as there are no 230-kV
9 facilities in the Roundup to Kummer Ridge area. To
10 add, 230-kV facilities for a line in the area would
11 not be cost effective or practical as there is no
12 specific need for that voltage class in the area.

13 Q. Thank you. Would you please describe how
14 Basin Electric's typical 115-kV capacity compares
15 to its 345 capacity?

16 A. Basin Electric's typical 115-kV
17 construction can handle roughly 1200 amps or
18 240 megawatts; whereas, our typical 345-kV
19 construction can handle 3,000 amps or upwards of
20 1800 megawatts or roughly seven and a half times
21 the capacity of the 115-kV line.

22 This extra capacity ensures the system
23 will remain reliable now and into the future as oil
24 and gas development and other loads continue to
25 grow in the region.

1 It also ensures that we are building the
2 least impactful project by not requiring multiple
3 transmission lines to meet the system needs when
4 one larger extra high-voltage line can better meet
5 the system needs and requirements.

6 Q. Thank you. Mr. Westby, is the proposed
7 location, construction and operation of the project
8 such that it will ensure continued system
9 reliability and integrity?

10 A. Yes. The project will support existing
11 needs and increase transmission system capacity to
12 support the forecasted load growth over the
13 ten-year transmission planning horizon while
14 meeting -- while continuing to meet NERC TPL-001-5
15 reliability criteria.

16 Q. Does the project ensure that the energy
17 needs of the area will be fulfilled in an orderly
18 and timely fashion?

19 A. Yes.

20 Q. Will the proposed project benefit the area
21 through which Basin Electric is proposing to
22 construct?

23 A. Yes. This transmission line will provide
24 a direct benefit for service into the area by
25 continuing reliable service to all area consumers.

1 It will provide a backup source to the Kummer Ridge
2 electrical load which today is served via a radial
3 345-kV line, and it will provide a parallel path to
4 the most critical contingency in the area.

5 Q. Thank you. Are there any plans for
6 expansion of this proposed transmission line?

7 A. There are no plans to expand this
8 transmission line beyond this project. However,
9 the 2021 ITP study also identified a need for
10 another 345-kV line that goes around the east side
11 of Lake Sakakawea, the Leland Olds to Tande
12 transmission project. With these two projects, the
13 system can reliably accommodate the forecasted load
14 growth over the ten-year planning horizon.

15 MS. MERKENS: Thank you, Mr. Westby. I
16 have no further questions.

17 JUDGE HOGAN: Mr. Johnson, any questions?

18 MR. JOHNSON: No questions, Your Honor.

19 JUDGE HOGAN: Mr. Schock?

20 MR. SCHOCK: No questions.

21 JUDGE HOGAN: Commissioner Fedorchak?

22 COMMISSIONER FEDORCHAK: I'm chuckling
23 because we're probably some of the only people that
24 actually are on the edge of our seats on this
25 particular conversation. This is -- I love this

1 and what you were just talking about is super
2 interesting to me, but when I even spend 30 seconds
3 talking about this with my family, they're like
4 zoned-out sleeping because it's so technical and
5 complicated. But I do actually -- so when I see
6 the audience, it just kind of -- I'm sorry. Okay.
7 Seriously, though, I have some follow-up questions
8 for you.

9 **EXAMINATION**

10 **BY COMMISSIONER FEDORCHAK:**

11 Q. When did the constraint first show up in
12 the studies? Was it 2019, did you say, or 2021?

13 A. The 2021 ITP. I mean, the constraint I
14 think had showed up in previous ITPs, but it was
15 right below the benefit-to-cost threshold that
16 would allow them to issue the project for an NTC.
17 So the project NTC was issued out of the 2021 ITP
18 assessment.

19 Q. Okay. And then how -- when does the 20 --
20 I'm curious why it took so long because we're
21 already in 2024.

22 A. Well, the 2021 ITP assessment finishes at
23 the end of 2021, and we don't -- you get a notice
24 to construct. We didn't get that signed until like
25 the middle of 2022. So I think we've made very

1 good progress on this project.

2 Q. And I'm looking at the -- in Exhibit 4,
3 the letter from SPP, notification to construct,
4 where it said like -- do you have that up?

5 A. Yep.

6 Q. The third paragraph, October 25, 2022, it
7 looks like there was a delay there.

8 A. Yeah. So I can -- I can add some color
9 around that. So the Patent Gate to Kummer Ridge
10 line is radial and it was not part of the SPP
11 tariff. So in order for SPP to issue an NTC, they
12 can't issue an NTC to facilities that aren't in the
13 tariff.

14 So we had to administratively suspend this
15 initial NTC. We gave functional control to SPP of
16 the Patent Gate to Kummer Ridge line and then they
17 could reissue this NTC is kind of why this was
18 reissued.

19 Q. Okay.

20 A. So -- and in doing that, we're also
21 bringing in the Patent Gate to Kummer Ridge line
22 into the tariff as well.

23 Q. So when it first showed up in 2021 -- or
24 2019 you said you started to notice but it was like
25 under the cost-benefit ratio?

1 A. Right.

2 Q. So when did Basin start looking at
3 developing, you know, and coming up with the plans,
4 routing, all of that, because you knew it was
5 probably coming? Did you wait another couple years
6 or --

7 A. Yeah. I --

8 Q. I mean, I -- it is -- like we're in this
9 situation now, we've got to get it going, but this
10 is a really serious problem and a substantial
11 constraint and it's pretty urgent at this point, so
12 I'm trying to get a handle on it.

13 A. I have a little bit I can probably add on
14 the history of the project. You know, prior to --
15 this project has -- was kind of started back in
16 2014. Initially we started doing some work on the
17 project. And that was right kind of at the time
18 frame when Basin Electric joined SPP. We joined in
19 2015.

20 So we didn't quite have -- when we joined,
21 we hadn't negotiated this line being included in
22 the tariff. So as we joined SPP, we didn't have an
23 NTC. We had to basically suspend work on the
24 project and let it come through an SPP process
25 essentially so we could get tariff cost recovery.

1 Q. Otherwise you would have had to pay for it
2 yourself?

3 A. Right.

4 Q. Which you could have -- could have done?

5 A. Yeah. Anybody can do a sponsor upgrade at
6 any time in the SPP tariff.

7 Q. So -- but you waited then?

8 A. So we waited for the SPP processes to play
9 out to see if we could get an NTC through that, and
10 we did get an NTC in 2016 for this project out of
11 the ITP 2016. Right in the 2016, 2017 time frame
12 there was a downturn in the economy, the load
13 forecasts went down, so we updated SPP with our
14 updated load forecast and they did a reevaluation
15 of that NTC and then they withdrew that NTC. So
16 there was another time we started the project and
17 stopped.

18 Q. Okay.

19 A. So now it took another couple years to
20 update load forecasts and get the official NTC in
21 the 2021 ITP. So while the forecast went down, the
22 actual development out here did not. It continued
23 to go up, so --

24 Q. So then you get the notice to construct in
25 2022 and then you start getting serious about the

1 siting of it?

2 A. Yes.

3 COMMISSIONER FEDORCHAK: Okay. All right.

4 I think that's all my questions. Thank you.

5 JUDGE HOGAN: Commissioner Christmann.

6 **EXAMINATION**

7 **BY COMMISSIONER CHRISTMANN:**

8 Q. Well, Your Honor, as Commissioner
9 Fedorchak pointed out, there's kind of a limited
10 pool that we run into with whom to talk about
11 regional transmission organizations and integrated
12 transmission planning, so we get kind of excited.
13 That's why I jumped the gun and so I apologize for
14 asking some of your questions to --

15 A. Bobby.

16 Q. -- Mr. Nasset.

17 A. Bobby did good, so --

18 Q. So you did a nice job here of explaining
19 the reliability issues involving this. I want to
20 talk just a little more about the costs of the line
21 but -- to customers. So when -- when there are
22 constraints through the regional transmission
23 organizations, there are congestion costs to
24 getting electricity up to the oil patch; correct?

25 A. That's correct. Yep.

1 Q. And those are ultimately passed down to
2 all the -- all the ratepayers, all the members of
3 the cooperatives that are served up there; right?

4 A. Yep.

5 Q. And for people living in the communities
6 who are served by Montana-Dakota Utilities, please
7 confirm for me if I'm right, that Montana-Dakota
8 Utilities acquires transmission services through
9 these same lines so those people are currently
10 paying additional costs for the congestion that
11 this is meant to solve as well; right?

12 A. Yes. Per the tariff, SPP's open access
13 transmission tariff, everybody pays their share.

14 COMMISSIONER CHRISTMANN: Okay. Thank you
15 for clarifying that. I don't have any more
16 questions.

17 JUDGE HOGAN: Commissioner Haugen-Hoffart.

18 COMMISSIONER HAUGEN-HOFFART: Thank you.

19 **EXAMINATION**

20 **BY COMMISSIONER HAUGEN-HOFFART:**

21 Q. I'm getting more excited about getting
22 into the RTO, so -- but I'm going to ask you a
23 couple questions. You went through a great
24 timeline. So thank you for doing that. And you
25 talked about potentially future load growth would

1 be restricted. Prior to -- regarding your
2 timeline, you mentioned something about load
3 forecasts went down in 2016. Did anything come
4 into the area regarding when you had to redo your
5 load growth? What were some of the contributing
6 factors that increased that load growth during,
7 let's say, from 2016 to 2022?

8 A. I think it's just changes in the oil price
9 assumptions and natural gas price assumptions, and
10 the need to reduce flaring is creating a lot of
11 load on the gas processing plants, so --

12 Q. So oil development or that --

13 A. Yes.

14 Q. -- were the only updates to the load
15 forecast in that area?

16 A. Yes. Prior to the 2021 ITP assessment.

17 Q. Okay. Thanks for that clarification.

18 If future development comes in which
19 requires a large load demand or capacity, what do
20 they go through? What would a company go through
21 to make sure that they're not providing additional
22 congestion or there's capacity there?

23 A. So a new large load addition goes through
24 the SPP attachment AQ process which is a -- SPP's
25 section of the tariff that tells them how to look

1 at these new loads, and they effectively started
2 that new load, and kind of since that is going
3 through a separate process, not this integrated
4 transmission planning, it's kind of a -- let's say
5 it's not a transparent process, so, therefore, they
6 are trying to look at kind of the least-cost
7 upgrades and they don't want to build regional
8 projects out of that AQ process. So they're going
9 to come up with kind of a minimum project fix for
10 that. And then you build those projects, and then
11 you roll that big new load and those projects into
12 the ITP and then the ITP process may or may not
13 develop regional projects.

14 COMMISSIONER HAUGEN-HOFFART: Okay. Thank
15 you. I have no further questions.

16 JUDGE HOGAN: Ms. Merkens, any redirect?

17 MS. MERKENS: No, Your Honor.

18 JUDGE HOGAN: Mr. Johnson or Mr. Schock,
19 any other questions?

20 MR. JOHNSON: (Shakes head.)

21 JUDGE HOGAN: Any further commissioner
22 questions? All right. Thank you, Mr. Westby.

23 THE WITNESS: Thank you.

24 JUDGE HOGAN: I think we'll take our
25 morning break. We'll shoot for a 15-minute break,

1 so we'll try to reconvene around 10:20.

2 (Recessed at 10:01 a.m. and reconvened at
3 10:17 a.m.)

4 JUDGE HOGAN: All right. Ms. Merkens, do
5 you want to call your next witness or I hear you
6 would like to recall Mr. Westby?

7 MS. MERKENS: Yes, Your Honor. I'd like
8 to recall Mr. Philip Westby.

9 JUDGE HOGAN: Welcome back, Mr. Westby.

10 THE WITNESS: Thank you.

11 JUDGE HOGAN: Ms. Merkens, you can go
12 ahead.

13 MS. MERKENS: Your Honor, I have no direct
14 questions.

15 JUDGE HOGAN: Okay. Mr. Johnson or
16 Mr. Schock -- I'm not sure who's asking.
17 Mr. Schock, go ahead.

18 **EXAMINATION**

19 **BY MR. SCHOCK:**

20 Q. Okay. Just to kind of follow up on --
21 Commissioner Haugen-Hoffart had asked you a
22 question about interconnecting large loads. So
23 you're hooking up a new residential house.
24 There's -- it's probably not a big deal as far as
25 the RTO is concerned. But if you're hooking up a

1 large -- let's say it's a pipeline pumping station
2 or a bitcoin mine or something along those lines.
3 There's a different process you go through before
4 that new load is hooked up, and I'm imagining
5 there's some company policies as well as I know
6 there's some RTO policies. Can you kind of speak
7 to that a little bit and how that's managed for --
8 for a new large load?

9 A. Yeah. So typically our member
10 cooperatives would -- they're the ones who
11 interface with the consumers. They would come to
12 us with a, hey, we have a new large load, and then
13 we would submit to SPP an attachment AQ request.
14 And the reason we submit an attachment AQ request
15 is if there's a material modification to an SPP
16 transmission facility, so that's like a new line
17 terminal on a substation, a new breaker, a new
18 transformer, something's changing on the system,
19 they need to look at it through this attachment AQ
20 process.

21 And that attachment AQ process is really
22 just a reliability look. They look at thermal
23 overloads of transmission lines and voltage issues.
24 They do not look at economic analysis in that AQ
25 assessment. So they're not going to capture

1 congestion-related issues in that analysis.

2 Q. Okay. So when -- when the -- I think the
3 large load -- we're all kind of thinking about the
4 bitcoin mining facility or the data center -- that
5 would not have been looked at from a -- what
6 congestion it's going to cause?

7 A. Right. That's right. It -- that would be
8 captured in the subsequent ITP analysis after --
9 after it gets through the AQ process and we're able
10 to add it to the models.

11 Q. Do you think that's something that maybe
12 should be changed in the RTO study process?

13 A. I -- I don't know. The economic analysis
14 is very complicated and it takes a lot of work to
15 put that model together and to run that analysis;
16 whereas, these -- the purpose of the AQ is to just
17 kind of allow a load to interconnect quickly. As
18 part of the tariff, I believe it's a 60-day
19 timeline where SPP is expected to complete the
20 analysis to, you know, give direction to this
21 interconnecting customer if they -- you know, what
22 facilities they need to build to connect, so --

23 MR. SCHOCK: Sure. Okay.

24 COMMISSIONER HAUGEN-HOFFART: Yeah.

25 The -- do you want -- you can go first.

1 MR. SCHOCK: That's all I have. Thank
2 you.

3 JUDGE HOGAN: All right. Are there --
4 Commissioner Haugen-Hoffart.

5 **FURTHER EXAMINATION**

6 **BY COMMISSIONER HAUGEN-HOFFART:**

7 Q. Yeah, I just -- it seems like the system
8 is a little broken. I mean, if you get in a large
9 load like that and the AQ isn't -- it's just doing
10 a reliability, so you're saying that the -- I'm
11 going to use the word jurisdiction relies on the
12 IOU or the cooperative to determine if that is
13 going to have any negative impact?

14 A. I would -- I would say there's a lot of
15 probably room for improvement in some of the RTO
16 planning and tariff processes.

17 COMMISSIONER HAUGEN-HOFFART: Okay. Thank
18 you. Thanks for clarifying.

19 THE WITNESS: Thank you.

20 JUDGE HOGAN: Are there any other
21 commissioner questions?

22 COMMISSIONER CHRISTMANN: None for me.

23 JUDGE HOGAN: All right. Thank you,
24 Mr. Westby.

25 THE WITNESS: Thank you.

1 JUDGE HOGAN: Ms. Merkens, you can call
2 your next witness.

3 MS. MERKENS: Your Honor, I'd like to now
4 call Erin Fox Dukart to the stand, please.

5 JUDGE HOGAN: Good morning, Ms. Dukart.
6 I'll have you start by stating your full name for
7 the record and spelling your last name.

8 THE WITNESS: My name is Erin Fox Dukart.
9 My last name is spelled F-o-x, space, D-u-k-a-r-t.

10 JUDGE HOGAN: And were you in the room
11 earlier when I went through the penalties for
12 perjury?

13 THE WITNESS: I was, Your Honor.

14 JUDGE HOGAN: And do you understand what
15 perjury is?

16 THE WITNESS: I do.

17 (Witness sworn.)

18 JUDGE HOGAN: All right. Thank you. Go
19 ahead, Ms. Merkens.

20 MS. MERKENS: Thank you, Your Honor.

21 **ERIN FOX DUKART,**
22 being first duly sworn, was examined and testified
23 as follows:
24
25

DIRECT EXAMINATION

1
2 **BY MS. MERKENS:**

3 Q. Would you please state your name, address
4 and occupation?

5 A. My name is Erin Fox Dukart. My business
6 address is 1717 East Interstate Avenue in Bismarck.
7 I'm employed by Basin Electric Power Cooperative as
8 the director of environmental services.

9 Q. Ms. Fox Dukart, would you please state
10 your educational background and professional
11 experience?

12 A. I earned a bachelor of science degree from
13 the University of North Dakota in Grand Forks in
14 2002 with a major in biology. From 2002 to 2008, I
15 worked as an epidemiologist for the North Dakota
16 Department of Health, Division of Disease Control.

17 I was hired by Basin Electric in October
18 of 2008 and have worked on a variety of
19 transmission and energy conversion facility siting
20 applications.

21 Q. Thank you. What have been your
22 responsibilities in connection to the proposed
23 project?

24 A. I'm responsible for the overall
25 preparation and coordination of the environmental

1 analysis of this project within Basin Electric and
2 through our consultant, Western EcoSystems
3 Technology, in Bismarck.

4 This involved working with an
5 interdisciplinary consultant team, contacting and
6 meeting with public officials, coordinating
7 activities with other Basin Electric departments,
8 as well as reviewing and coordinating reports
9 supporting the Public Service Commission
10 application.

11 Q. What is the purpose of your testimony in
12 this proceeding?

13 A. I will describe the methodology used to
14 delineate the proposed corridor and route and to
15 demonstrate, with respect to environmental
16 considerations, that the corridor and route are in
17 accordance with the North Dakota Energy Conversion
18 and Transmission Facility Siting Act and the
19 Commission's rules and regulations.

20 Q. Thank you. I'd like to now go to a
21 discussion about exclusion and avoidance areas.
22 Would you please describe what an exclusion area
23 is?

24 A. An exclusion area is a geographical area
25 that must be excluded in the consideration of a

1 route for a transmission facility.

2 Q. Does the proposed corridor contain any
3 exclusion areas?

4 A. Yes.

5 Q. Would you please describe the exclusion
6 area present along the appropriate route?

7 A. The route includes suitable habitat for
8 the Dakota skipper and the northern long-eared bat.

9 Q. Why should the Commission approve a
10 project when it includes an exclusion area?

11 A. This project is outside the designated
12 critical habitat of the Dakota skipper, and there
13 is no designated critical habitat for the northern
14 long-eared bat.

15 Q. Thank you. Ms. Fox Dukart, would you
16 please describe what an avoidance area is?

17 A. An avoidance area is a geographical area
18 that may not be considered in the routing of a
19 transmission facility unless the applicant shows
20 that under the circumstances there is no reasonable
21 alternative.

22 Q. Does the proposed corridor contain any
23 avoidance areas?

24 A. Yes.

25 Q. Would you please provide some additional

1 details on that?

2 A. There are archeological sites present in
3 the project corridor as identified through a Class
4 I literature review and Class III cultural
5 resources inventory. The project will avoid all
6 significant cultural resources.

7 The project route also contains areas that
8 have been designated as geologically unstable.
9 However, the project route is the most viable route
10 alternative. It's the most direct route that also
11 minimizes impacts to the environment as described
12 in the Commission's exclusion, avoidance, selection
13 and policy criteria.

14 Q. Has the entire proposed route been
15 surveyed for cultural resources?

16 A. Yes.

17 Q. Has Basin Electric received approval from
18 the State Historical Preservation Office for the
19 cultural resources report?

20 A. I'd like to clarify my written testimony.
21 The State Historical Society of North Dakota, or
22 the SHPO, has reviewed and provided concurrence on
23 the original cultural resources report on
24 October 26, 2023. That concurrence was included in
25 the application.

1 A cultural resources report covering
2 additional areas has been prepared and has been
3 submitted to the SHPO for review and concurrence.
4 The additional report and future correspondence
5 with the State Historical Society of North Dakota
6 will be filed with the Commission to document that
7 the project will not adversely affect cultural
8 resources.

9 Q. Thank you. Did Basin Electric evaluate
10 the impacts to public health and welfare, natural
11 resources and the environment that could be
12 expected from the location, construction or
13 operation of the proposed project?

14 A. Yes. Basin Electric addresses these
15 issues in its application. Based on the careful
16 analyses presented in the application, the project
17 will not have any significant impacts to public
18 health and welfare, natural resources or the
19 environment.

20 Q. Would you please explain the alternatives
21 that Basin analyzed and rejected?

22 A. Basin Electric evaluated several
23 alternative routes in the area, including an option
24 approximately three miles west of the proposed
25 route. That alternative required more structures

1 and permanent impacts to the area including more
2 vegetation clearing and ground disturbance.

3 Q. Thank you. Would the proposed project
4 have a significant effect on scenic areas, historic
5 sites and structures, paleontological or
6 archeological sites?

7 A. There are no designated scenic areas,
8 historic sites and structures, or paleontological
9 sites that would be affected by the project. As
10 previously noted, all significant archeological
11 sites will be avoided.

12 Q. As far as endangered species, did the
13 environmental studies for the proposed project
14 address any concerns for threatened or endangered
15 species?

16 A. Yes. Of particular interest for this
17 project are the endangered whooping crane,
18 endangered northern long-eared bat and the
19 threatened Dakota skipper.

20 Q. Thank you. Would you please elaborate on
21 that?

22 A. The project is located within the
23 75 percent occurrence frequency band of the
24 whooping crane migration corridor as defined by the
25 United States Fish and Wildlife Service. This

1 entire corridor area includes a swath of the
2 central United States and extends from south
3 central North Dakota along the Missouri River to
4 northwest North Dakota through Mountrail County.

5 Power lines represent a documented
6 collision mortality risk for whooping cranes.
7 Standard measures to minimize avian collision risk
8 with overhead transmission lines, such as line
9 marking, will be utilized, which is an Avian Power
10 Line Interaction Committee, or APLIC, best
11 management practice employed by many utilities
12 constructing new transmission lines in the whooping
13 crane migration corridor.

14 Q. Thank you. Would you please describe the
15 measures Basin Electric will take to protect the
16 northern long-eared bat?

17 A. The project would require tree clearing
18 totaling 10.4 acres for structure placement. To
19 reduce the potential to impact the northern
20 long-eared bat at the tree clearing locations,
21 Basin Electric has committed to conducting tree
22 clearing activities from November 1 to March 31.

23 If localized tree clearing activities
24 could not be conducted during this window, presence
25 or absence surveys would occur and tree removal

1 would happen immediately following a negative
2 survey.

3 Q. Thank you. And would you please describe
4 the measures that will be taken to protect the
5 Dakota skipper?

6 A. The Dakota skipper is a small butterfly
7 that lives in high-quality mixed and tall grass
8 prairie characterized by rolling hills. Basin
9 Electric retained WEST to conduct a Dakota skipper
10 habitat assessment for the project.

11 The WEST study indicated that there are no
12 publicly available records of the Dakota skipper
13 occurring within the project area or immediate
14 vicinity and that the closest designated critical
15 habitat to the project area is 13 miles to the
16 southwest.

17 The WEST report concluded the temporary
18 impacts due to construction of the project are
19 unlikely to impact the species. The assessment of
20 habitat within the project corridor was used to
21 divide habitat into one of two basic habitat
22 groups: grassland habitat and unsuitable habitat.

23 To minimize the impacts to foraging or
24 dispersing adult Dakota skippers, a 500-meter
25 avoidance buffer will be placed around all suitable

1 habitat locations. Basin Electric has included
2 Exhibit 5 to illustrate the buffer areas.

3 Existing surfaced roads within the buffers
4 may be used for travel, but construction within the
5 buffers will not occur during the flight window.
6 Dust abatement will be done on gravel surfaced
7 roads during the flight window. The flight period
8 is typically 14 days long between the dates of
9 June 10 to July 25. These dates may be adjusted
10 based on annual observations by the U.S. Fish and
11 Wildlife Service.

12 Q. Does the project impact existing
13 development plans of the state, local governments,
14 private entities in the vicinity of the route?

15 A. No. Public and agency correspondence as
16 of November 2023 is included in the application as
17 Appendix G.

18 Q. Thank you. And, Ms. Fox Dukart, has the
19 project addressed issues raised by agencies?

20 A. Yes. Basin Electric contacted
21 jurisdictional federal, tribal, state and local
22 agencies for comment. The agencies' comments
23 varied according to function and jurisdiction, but
24 generally emphasized a desire to minimize impacts
25 to environmental resources, which Basin Electric

1 has done by incorporating the suggested mitigation
2 measures into the project.

3 No agency raised any specific problems
4 with the project. The route that is presented here
5 is a work product of input from multiple local,
6 county, state and federal offices as well as
7 multiple landowners.

8 Basin Electric believes that this route is
9 a balance between a viable, cost-effective project
10 and one that satisfactorily minimizes impacts.

11 Q. Thank you. And would you please describe
12 the consultation with federal agencies to date?

13 A. In compliance with the National
14 Environmental Policy Act, or NEPA, the Bureau of
15 Indian Affairs and the Bureau of Land Management
16 both require environmental assessments and findings
17 of no significant impact, or FONSI, prior to
18 issuing easements on parcels that they manage.

19 Originally, Basin Electric was working
20 with the BIA and the BLM on a joint EA for both
21 agencies. However, given the differences between
22 the NEPA implementation policies for the two
23 agencies, the BIA and the BLM ultimately decided
24 that it would be preferable for each agency to
25 develop their own EA and issue their own FONSI.

1 The BIA has issued its FONSI which is
2 included in the application. The BLM is in the
3 process of develop their EA and completing
4 consultation with area tribes. Basin Electric
5 anticipates the BLM to issue their FONSI in March
6 of this year.

7 A Section 7 consultation with the U.S.
8 Fish and Wildlife Service was also done. The
9 results of this consultation are also included in
10 the application. An eagle nest is located within
11 660 feet of the project corridor. Therefore, Basin
12 Electric has applied for an eagle nest disturbance
13 permit with the U.S. Fish and Wildlife Service.
14 This permit is anticipated later this month.

15 The project is planning to utilize a small
16 portion of an existing road on U.S. Army Corps of
17 Engineers land. The U.S. Army Corps of Engineers
18 is also in the process of drafting a real estate
19 license for the usage of this road.

20 Q. Thank you. Do you anticipate any
21 significant adverse effects on noise sensitive land
22 uses resulting from the location, construction or
23 maintenance of the line?

24 A. There may be temporary noise impacts that
25 would result from construction activities.

1 Temporary construction noise would be limited to no
2 more than a few days at any particular location
3 along the line and would be mitigated by scheduling
4 work to daylight hours, particularly when near
5 sensitive receptors.

6 Once the project is operational, there
7 will be a minimal amount of sound as a result of
8 corona effects which occur when air molecules near
9 conducting wire are ionized due to changes in the
10 electric field intensity at the conductor surface.
11 The sound may be noticeable when conductors are wet
12 as a result of precipitation.

13 Q. Will the project have any visual impacts
14 to the adjacent area?

15 A. The project will be visible to landowners
16 and travelers along the roadways. Existing
17 transmission lines, oil and gas well pads and roads
18 are already present in the viewshed.

19 Q. Thank you. Do you anticipate any
20 significant impacts on areas of extractive or
21 storage resources?

22 A. The project will not directly affect any
23 wells or drill rigs because the project has been
24 designed to avoid these areas and provide
25 sufficient clearance for well maintenance and

1 operation.

2 Q. Thank you. Ms. Fox Dukart, are there any
3 additional permits needed to begin construction of
4 the project?

5 A. The McKenzie County conditional use permit
6 application was submitted on January 12, 2024, and
7 is pending. An administrative permit application
8 for a laydown yard has also been submitted for a
9 pre-disturbed area that will be used as a laydown
10 area for the project in McKenzie County.

11 Basin Electric had begun receiving
12 materials at this location. However, upon
13 notification by the county that an administrative
14 permit is required, Basin Electric has directed all
15 deliveries to other Basin Electric facilities until
16 the permit is secured.

17 An environmental assessment is under
18 review by the Bureau of Land Management, and a
19 finding of no significant impact remains
20 outstanding as well as an eagle disturbance permit
21 from the U.S. Fish and Wildlife Service.

22 Additionally, a real estate license is
23 being drafted by the U.S. Army Corps of Engineers
24 for access along an existing road. Upon receipt,
25 all permits will be filed with the Commission.

1 MS. MERKENS: Thank you, Ms. Fox Dukart.
2 I have no further questions.

3 JUDGE HOGAN: Mr. Johnson, any questions?

4 MR. JOHNSON: I don't, Your Honor.

5 JUDGE HOGAN: Mr. Schock?

6 **EXAMINATION**

7 **BY MR. SCHOCK:**

8 Q. Geologically unstable areas. So there
9 appears based on the maps to be quite a bit of area
10 that has landslide deposits. How are you dealing
11 with those geologically unstable areas? Is it kind
12 of a number of different methods to avoid them or,
13 I guess, can you kind of speak more to that?

14 A. My colleagues may be able to address this
15 better, but with the routing, we -- we chose to go
16 to areas where there's existing infrastructure, and
17 then with the civil engineering, they did soil
18 borings. And Bobby could probably speak to it
19 better to determine exactly where the placement of
20 the poles should be.

21 MR. SCHOCK: Okay. I guess that's all I
22 have on that, so no further questions. Thank you.

23 JUDGE HOGAN: Commissioner Fedorchak.

24 COMMISSIONER FEDORCHAK: Thank you.

25

EXAMINATION

1
2 **BY COMMISSIONER FEDORCHAK:**

3 Q. Thank you, Erin. Just a couple questions.
4 Let's see here. Okay. First of all, it seems like
5 you guys did a really good job with the Dakota
6 skipper habitat. That's always tricky and
7 expensive for companies to have to deal with, but
8 you guys thread that needle pretty well on this
9 one. So good job. Congratulations.

10 The -- the -- tell me what's involved with
11 an eagle nest permit.

12 A. There's a few different kinds of eagle
13 nest permits. So in this particular instance, if
14 an eagle nest is within 660 feet of construction,
15 you need to have an eagle nest disturbance permit,
16 which means we aren't actually going to touch the
17 nest, but we are going to be closer than the U.S.
18 Fish and Wildlife Service likes us to be to a nest.

19 So we worked with our environmental
20 consultant as well as the U.S. Fish and Wildlife
21 Service themselves to submit an application with
22 mitigation measures as well as monitoring to ensure
23 that the nest is protected during construction and
24 that the eagles are not disturbed.

25 Q. Is there a fee included in getting an

1 eagle nest permit?

2 A. There's a fee for the application, and
3 then we also suggested mitigation measures as part
4 of that application.

5 Q. Just curious, how much -- how much is the
6 fee?

7 A. I -- I would have to double-check, but I
8 believe it is \$1,500.

9 Q. Okay.

10 A. But I will check.

11 Q. Then how much would you estimate the extra
12 mitigation measures are?

13 A. We haven't received the permit yet.

14 Q. Oh, how long does it take?

15 A. Eagle permits typically take three months.
16 Three to six months.

17 Q. Okay. All right. And then the Game &
18 Fish talked some about native prairie disturbance.
19 That's something they comment about a lot in all of
20 our siting applications. This is more minimal
21 because it's just where the poles are going, but is
22 there any -- do you have to quantify at all how
23 much native prairie you're disturbing in the
24 process or anything like that?

25 A. We do within the application. When we

1 site transmission lines, we prefer to put it on
2 cropland, and in this instance, you know, we -- we
3 minimize it where we can. I believe it's -- within
4 the application there's a table that --

5 Q. Lists the amount?

6 A. -- that breaks out how much of each
7 different type of --

8 Q. Okay.

9 A. -- land is disturbed.

10 Q. All righty. I just want to make sure.

11 Any sense from the SHPO when you'll get their
12 determination on the remaining -- the newer sites
13 that you had to apply?

14 A. They have 30 days to respond. I would
15 guess mid-March.

16 COMMISSIONER FEDORCHAK: Okay. All right.
17 That's it for me. Thank you, Erin.

18 JUDGE HOGAN: Commissioner Christmann.

19 **EXAMINATION**

20 **BY COMMISSIONER CHRISTMANN:**

21 Q. So first question is just a clarifier, but
22 on maps when it says DASK habitat, I assume that's
23 Dakota skipper; right?

24 A. It is, yes.

25 Q. Okay. Then would you repeat for me,

1 because I wasn't taking it down fast enough, the
2 status of the McKenzie County permit?

3 A. Yeah. So we submitted the McKenzie County
4 conditional use application on January 12. Earlier
5 this week staff and Basin Electric met with the
6 Planning and Zoning Commission from McKenzie
7 County, and final Commission approval is expected
8 later this month, so that is pending. And then we
9 have also applied for an administrative permit
10 application -- submitted an administrative permit
11 application for a laydown yard in McKenzie County.

12 Q. Nothing is needed from Dunn County?

13 A. This is all permitted uses within Dunn
14 County. That's correct.

15 Q. And then what about -- for each county,
16 what about weed boards or tell me more about your
17 weed control plan.

18 A. So both Dunn and McKenzie County weed
19 boards have reviewed our weed mitigation plan and
20 approved it for this project. And in McKenzie
21 County that is also a requirement as part of the
22 conditional use permit application.

23 Q. See, I'm stunned that that wasn't the very
24 first thing you said.

25 Now, here's what -- oh, would you repeat

1 for me the timelines of tree clearing activities.
2 Was it November 1 to March 31?

3 A. To protect the northern long-eared bat,
4 the U.S. Fish and Wildlife Service's window for
5 tree clearing is November 1 through March 31. If
6 tree clearing has to occur outside of that window,
7 we need to do presence/absence surveys to ensure
8 that the bat is not present and then immediately
9 remove trees after that.

10 Q. And so is that kind of the plan? Because
11 what's not falling together for me, it sounds like
12 the whole plan is to get a permit from us -- a
13 certificate from us, still get the McKenzie County
14 conditional use permit, the BIA and all that, and
15 then get these trees cleared by the end of March.
16 It seems --

17 A. It's a very tight --

18 Q. Otherwise you miss this year, or -- or --
19 so is the plan that some of this will just have to
20 be later? How long do you think it will take to do
21 the tree -- the tree removal once you can start?

22 A. It will all depend kind of on weather in
23 March. Ideally we would -- we would do as much
24 tree removal as possible before the end of March.
25 Some of the tree removal doesn't need to be done

1 immediately. It just needs to be done prior to
2 energization.

3 So, again, depending on weather, that may
4 be possible in November prior to energization. We
5 will -- if we are not able to clear all the trees
6 before the end of March, we'll have to do
7 presence/absence surveys for the bats prior to
8 removing any trees in those areas.

9 Q. And is that just an additional expense or
10 is it something that you worry about causing
11 problems for the success of getting this project
12 done in 2024?

13 A. We would not anticipate that there would
14 be northern long-eared bats there, but it is a risk
15 and it is certainly a cost to -- to do those
16 surveys.

17 Q. Of -- of the amount of tree removal, how
18 much of it as a percentage would you say needs to
19 be done ahead of construction and how much just
20 ahead of energization?

21 A. The majority of it -- Bobby may be able to
22 speak to this better, but the majority would need
23 to be done for construction purposes.

24 COMMISSIONER CHRISTMANN: Okay. Thank
25 you. I have no other questions.

1 JUDGE HOGAN: Commissioner Haugen-Hoffart.

2 COMMISSIONER HAUGEN-HOFFART: I think most
3 of them have been addressed, but there's one that
4 maybe I need clarification.

5 **EXAMINATION**

6 **BY COMMISSIONER HAUGEN-HOFFART:**

7 Q. You talked about -- you've been very good
8 about permits and anticipated receive dates. How
9 about -- the U.S. Army Corps of Engineers is in the
10 process of drafting a real estate license for the
11 usage of the road. When do you anticipate
12 receiving that?

13 A. They -- they told us they would likely
14 have it ready for us mid-March.

15 COMMISSIONER HAUGEN-HOFFART: Okay. I
16 have no further questions.

17 JUDGE HOGAN: Ms. Merkens, any redirect?

18 MS. MERKENS: No, Your Honor.

19 JUDGE HOGAN: Mr. Johnson or Mr. Schock,
20 any other questions?

21 MR. JOHNSON: No, Your Honor.

22 JUDGE HOGAN: Any other commissioner
23 questions? All right. Thank you, Ms. Fox Dukart.

24 Ms. Merkens, you can call your next
25 witness.

1 MS. MERKENS: Thank you, Your Honor. I'd
2 like to call Mike Murray to the stand, please.

3 JUDGE HOGAN: Good morning, Mr. Murray.
4 I'll have you start by stating your full name for
5 the record and if you could spell your last name.

6 THE WITNESS: Yes, Your Honor. So my full
7 name is Michael Murray. Last name is spelled
8 M-u-r-r-a-y.

9 JUDGE HOGAN: And, Mr. Murray, were you in
10 the room earlier when I went through the penalties
11 for perjury?

12 THE WITNESS: Yes, I was.

13 JUDGE HOGAN: And do you understand what
14 perjury is?

15 THE WITNESS: Yes, I do.

16 (Witness sworn.)

17 JUDGE HOGAN: All right. Thank you. Go
18 ahead, Ms. Merkens.

19 MS. MERKENS: Thank you, Your Honor.

20 **MIKE MURRAY,**
21 being first duly sworn, was examined and testified
22 as follows:

23 **EXAMINATION**

24 **BY MS. MERKENS:**

25 Q. Would you please provide your name,

1 address and occupation?

2 A. My name is Mike Murray. My business
3 address is 1717 East Interstate Avenue in Bismarck,
4 North Dakota. And I am employed by Basin Electric
5 Power Cooperative as the director of property and
6 right-of-way.

7 Q. Thank you. Mr. Murray, would you describe
8 your educational background and work experience?

9 A. Yes. So I have earned my associate's
10 degree in business administration from Bismarck
11 State College as well as a bachelor's degree in
12 management from Minot State University.

13 I've been employed by Basin Electric since
14 1990 and have worked in the right-of-way department
15 since 2000. In my role for Basin Electric, I have
16 acquired and/or overseen the acquisition of almost
17 600 miles of transmission lines.

18 Q. Thank you. Would you please describe your
19 role in connection with the proposed project?

20 A. Yes. So I've actually assigned one of our
21 Basin Electric right-of-way specialists to take the
22 lead on this project, as well as added a team of
23 contracted agents through our right-of-way
24 consultant. So my role is to oversee the activity
25 and the progress of these agents and provide

1 assistance where necessary; although, I also have
2 been directly involved in negotiations with several
3 landowners along this project.

4 I have also participated in our weekly
5 project status meetings and am regularly
6 communicating with our project manager, our routing
7 engineer and then other team members to stay
8 informed so I can provide the necessary guidance to
9 achieve the successful outcome of acquiring all of
10 the easement rights.

11 Q. Thank you. Moving to contact with
12 landowners, would you please summarize the extent
13 of contacts that Basin Electric's right-of-way team
14 has made with the landowners along the project
15 corridor?

16 A. Yes. So there are a total of 27
17 landowners -- private landowners, as well as Tribal
18 Trust Lands, one state agency and three federal
19 agencies for this project. The Tribal Trust Lands
20 are owned by MHA Nation. The state agency is the
21 North Dakota Department of Trust Lands. And then
22 the federal agencies are the Bureau of Land
23 Management, the Bureau of Indian Affairs and the
24 Corps of Engineers.

25 Our right-of-way team is responsible for

1 contacts with the private landowners, MHA Nation
2 and the North Dakota Department of Trust Lands.
3 Our environmental team handles all of the federal
4 agencies.

5 Starting in 2013, Basin Electric began
6 contacting landowners along the project corridor to
7 introduce Basin Electric as well as the project and
8 start seeking survey permissions. In early 2014,
9 we began acquiring easements for the project, but
10 then the project was put on hold in 2016 after we
11 had approximately 14 miles acquired at that time.

12 When SPP reissued its notice to construct,
13 landowner contacts resumed in the spring of 2022
14 for any new surveys needed and to continue easement
15 acquisition.

16 We have contacted each landowner on the
17 proposed route many times. Most of these contacts
18 are made in person. Some were contacted by phone
19 or letter out of necessity. Frequent landowner
20 contacts will continue throughout the construction,
21 reclamation and damage settlement phases of the
22 project.

23 Q. Thank you. As part of your contacts and
24 interactions with landowners, do you keep a record
25 of these conversations and interactions?

1 A. Yes, we do. We keep a very detailed
2 contact diary for each landowner with the various
3 contacts that have been made.

4 Q. Thank you. How does Basin Electric handle
5 landowner requests or comments?

6 A. So if the landowner has specific concerns
7 with the route or structure locations during our
8 meetings with them, we do let them know at the time
9 that the structure locations are only preliminary
10 and just there to open up the discussion on trying
11 to find the best route that works for both the
12 landowner and Basin Electric. So -- and we
13 discuss -- let them know why we chose the
14 preliminary sites that we did.

15 Should the landowner desire to shift one
16 or more of the specific structures or propose a
17 route adjustment, we discuss that request with
18 Basin Electric's engineering staff to see what is
19 feasible and share the results with the landowner.

20 Shifts in structure locations specific to
21 the route include accommodations to route the line
22 within or near existing utility corridors, along
23 property lines, within fence lines, spotting
24 structures within tree rows, and that's to minimize
25 the impact to the cropland that they may have,

1 which is minimizing cropland impacts. We also
2 accommodate spacing for farm equipment sizes which
3 seems to get larger all the time. And avoid
4 proposed oil and gas facilities. We had very
5 productive routing discussions with the landowners
6 with satisfactory outcomes.

7 Q. Thank you. Mr. Murray, are the easements
8 that will be obtained for the proposed project
9 limited to a specific purpose?

10 A. Yes. So the easements only allow Basin
11 Electric the right to install, repair, replace and
12 maintain a single-circuit transmission line and no
13 other purposes are included or allowed within that
14 easement.

15 Q. Thank you. What activities will be
16 restricted within the easement area?

17 A. So Basin Electric restricts placement of
18 permanent structures under transmission lines such
19 as planting of trees, stockpiling materials under
20 the line or any activity that would present a
21 safety concern for both the landowner or making --
22 operating the line a safety hazard.

23 There are, however, numerous compatible
24 uses of the corridor that do not interfere with the
25 safe and reliable operation of our facilities.

1 Uses such as farming and ranching require no
2 approval by Basin Electric.

3 Q. How many total landowners' properties
4 would the proposed project cross and what
5 percentage of the easements has Basin Electric
6 acquired?

7 A. So we cross 27 private landowners of which
8 we currently have easements with 26 of those or
9 96 percent acquisition success. We also acquired
10 two easements from the North Dakota Department of
11 Trust Lands. We still need a grant of easement
12 from the Bureau of Indian Affairs for the
13 100 percent Tribal Trust Lands where we cross MHA
14 Nation in which MHA Nation has approved our route
15 by resolution and it's just currently going through
16 the BIA approval process.

17 Lastly, we need a permit from the Bureau
18 of Land Management and a real estate license from
19 the Corps of Engineers which Erin Dukart previously
20 addressed in her testimony.

21 Q. Thank you. Mr. Murray, does Basin
22 Electric have the right of eminent domain in the
23 proposed project?

24 A. Yes. As a rural electric cooperative,
25 Basin Electric is a utility and has the right of

1 eminent domain.

2 Q. What is Basin Electric's position on the
3 use of eminent domain?

4 A. We prefer not to use it and it will only
5 be used as the absolute last resort.

6 Q. Thank you. Moving on to the route
7 selection, would you please describe the various
8 considerations Basin Electric used to determine the
9 proposed route?

10 A. Yes. So there were many considerations
11 that were taken into account in routing the line.
12 The Commission's criteria, including the avoidance
13 and exclusion areas, topographic features,
14 farmsteads, oil well pads including existing
15 permitted and planned, various land uses, existing
16 utility corridors, engineering constraints, access
17 issues and landowner acceptance as well as stated
18 concerns were all part of the process. Where
19 feasible, many reroutes did take place along this
20 line to minimize landowner concerns.

21 Q. Thank you. Would you please describe the
22 efforts Basin Electric has made to avoid impacts to
23 oil and gas activities during the siting of the
24 project?

25 A. Yes. So throughout the permitting and

1 planning process for this project, we have been in
2 contact with the pipeline and oil pad operators to
3 ensure that there are no conflicts with existing or
4 planned pads or pipelines. These discussions
5 resulted in numerous route and structure siting
6 modifications as well as providing AC mitigation
7 studies for pipelines where requested.

8 Basin Electric has applied with each known
9 operator in the project area for crossing permits
10 to avoid construction conflicts with oil and gas
11 activities.

12 Q. Thank you. Next, would you please
13 describe the route for the project and alternate
14 route segments which were considered? You may
15 summarize where applicable.

16 A. Yes. I can do that. And it may be
17 helpful for the Commission and staff to follow
18 along through Exhibit 6 as I'm going through
19 because I'm going to go angle point to angle point.

20 Segment 1 is the Roundup Substation
21 takeoff structure to angle point 13. This segment
22 is approximately 7.4 miles in length. The existing
23 Roundup Substation is the starting point for this
24 segment. The Roundup Substation is located in the
25 northeast quarter of Section 3, Township 145 North,

1 Range 95 West, which is approximately 2.25 miles
2 north of Killdeer, North Dakota, in Dunn County.

3 Segment 1 begins at the takeoff structure
4 of this Roundup Substation and then heads in a
5 slight northwesterly direction for approximately
6 four-tenths of a mile to angle point 2 located in
7 the south half of Section 34, Township 146 North,
8 Range 95 West, to align with the north to south
9 quarter line in Section 34.

10 The route then proceeds due north along
11 the quarter line for approximately seven-tenths of
12 a mile to angle point 3. The route then heads in a
13 northwesterly direction for approximately
14 six-tenths of a mile to angle point 5 located in
15 the southwest quarter of Section 27, Township 146
16 North, Range 95 West.

17 The route then proceeds due north along
18 the east side of the section line for approximately
19 1.8 miles to angle point 6 located in the northwest
20 quarter of Section 22, Township 146 North, Range 95
21 West.

22 The route then heads in a northwesterly
23 direction for approximately 3.8 miles to angle
24 point 13 located in the southwest quarter of
25 Section 6, Township 146 North, Range 95 West.

1 This segment of the transmission line was
2 routed to accommodate landowner requests, minimize
3 cropland impacts, avoid well sites, avoid
4 archeological sites and align with North Dakota
5 Highway 22 corridor.

6 We did evaluate potentially routing a
7 little further north before we headed west coming
8 out of the substation to Highway 22 in order to
9 address a landowner's concern, but access would
10 have been very challenging in that area.

11 For Segment 2, that will be from angle
12 point 13 to angle point 23. This segment is
13 approximately 3.4 miles in length. From angle
14 point 13 the route heads due north along the east
15 side of North Dakota Highway 22 for approximately
16 3.4 miles to angle point 23 located in the
17 northwest quarter of Section 19, Township 147
18 North, Range 95 West.

19 This segment of the transmission line was
20 routed to accommodate landowner requests and take
21 advantage of the North Dakota Highway 22. The
22 North Dakota DOT permit was acquired which included
23 the rights for some minor overlap with the North
24 Dakota DOT right-of-way as well as crossing the
25 highway.

1 No other alternate routes were evaluated
2 as this was the only feasible route available, and
3 all landowners were very supportive of this
4 segment.

5 Segment 3 is from angle point 23 to angle
6 point 36. This segment is approximately 5.4 miles
7 in length. For angle point 23 the route heads
8 generally in a northwesterly direction for
9 approximately 3.5 miles to angle point 30 located
10 in the northeast quarter of Section 2, Township 147
11 North, Range 96 West.

12 The route then heads back in a
13 northeasterly direction for approximately 1.8 miles
14 to angle point 36 located in the southwest quarter
15 of Section 25, Township 148 North, Range 96 West.

16 This line segment was routed in a manner
17 to take advantage of an existing utility corridor,
18 the limited access roads and trails due to the very
19 rugged terrain, and to align for an appropriate
20 crossing of the Little Missouri River. This took a
21 lot of coordination with area landowners to come up
22 with the best route.

23 Multiple alternate routes were evaluated
24 to the west of the proposed route. Due to
25 landowner opposition to those alternate routes,

1 limited accesses, higher density of trees and more
2 significant areas of instability of the soil, these
3 alternate routes were dropped from consideration.

4 Segment 4, will be from angle point 36 to
5 angle point 48. This segment is approximately
6 6.3 miles in length and is the crossing of the MHA
7 Nation Tribal Trust Lands. From angle point 36 the
8 route moves in a zigzag motion in a northerly
9 direction for approximately 1.4 miles to angle
10 point 41 located in the southwest quarter of
11 Section 24, Township 148 North, Range 96 West.

12 The purpose of this zigzag was to climb
13 out of the river bottoms through the rugged terrain
14 to get to higher ground.

15 From angle point 41, the route takes a
16 couple diagonals to the northeast for approximately
17 2.4 miles to angle point 45 located in the
18 southwest quarter of Section 7, Township 148 North,
19 Range 95 West. The route then heads in a
20 northwesterly direction for 1.46 miles and then
21 northeasterly for approximately 1 mile to angle
22 point 48 located in the southwest quarter of
23 Section 34, Township 149 North, Range 95 West.

24 This segment of line was routed in close
25 coordination with the MHA Nation in an attempt to

1 follow an existing utility corridor, take advantage
2 of the existing access roads and trails and avoid
3 well sites. This is also the segment of line that
4 crosses out of Dunn County and into McKenzie
5 County.

6 An alternate route to the west of the
7 proposed route was evaluated but dropped from
8 consideration due to landowner resistance, access
9 difficulties, higher density of trees and more
10 significant areas of soil instability. Also, the
11 MHA Nation was open to working with us on a route
12 through their Tribal Trust Lands.

13 Segment 5 will be from angle point 48 to
14 angle point 51. This segment is approximately
15 3.4 miles in length. From angle point 48, the
16 route heads in a slight northwesterly direction for
17 eight-tenths of a mile to angle point 50 located in
18 the southwest quarter of Section 27, Township 149
19 North, Range 95 West.

20 Then the route takes a sharp diagonal to
21 the northwest for approximately 2.6 miles to angle
22 point 51 located in the northeast quarter of
23 Section 19, Township 149 North, Range 95 West.

24 This segment was routed to avoid oil and
25 gas facilities, utilize gentler topography and

1 generally follow the Bear Den Road to provide more
2 access options.

3 An alternate route to the west of the
4 proposed route was evaluated but dropped from
5 consideration due to landowner resistance,
6 challenging terrain, access issues, well site
7 congestion and instability of the soils.

8 Segment 6 is the final segment and it goes
9 from angle point 51 to the Kummer Ridge Substation.
10 This segment is approximately 6.6 miles in length.
11 From angle point 51, the route heads in a northerly
12 direction for approximately 1.3 miles, then
13 northwesterly for approximately 1.6 miles, then due
14 north for approximately 1 mile, then northwesterly
15 for approximately 2.3 miles, then due north for
16 approximately a half a mile terminating at the
17 Kummer Ridge Substation, which is located in the
18 north half of Section 23, Township 150 North, Range
19 96 West, which is a half mile southeast of the
20 Johnson's Corner in McKenzie County.

21 This segment was routed in an attempt to
22 avoid most of the cropland, oil and gas facilities
23 and accommodate landowner concerns and feedback
24 regarding the route.

25 An alternate route to the west was

1 proposed and evaluated, but it was dropped from
2 consideration due to existing and proposed well
3 sites.

4 Q. Thank you. Mr. Murray, I'd like to now --
5 or I'd like now to discuss after construction.
6 What is the role of the property and right-of-way
7 department in reclaiming the corridor at the
8 completion of construction?

9 A. So our property and right-of-way
10 department will oversee the entire reclamation
11 process. A licensed and certified reclamation
12 contractor will report directly to our property and
13 right-of-way team, and we will be on site on a
14 regular basis to monitor progress and make sure
15 that reclamation is completed to both the
16 landowners' and Basin Electric's satisfaction.

17 Q. Thank you. Would you please describe
18 Basin Electric's reclamation practices for
19 transmission line corridors?

20 A. So the construction contractor will
21 actually be responsible for regrading all the
22 disturbed easement and access areas after their
23 use. Basin Electric will then retain a licensed
24 local contractor who specializes in the reclamation
25 techniques required to stabilize the soils and

1 reestablish the growth or cover of all the
2 disturbed areas of the project.

3 In cropland, compaction will be addressed
4 and landowners will be compensated for any damages
5 to any crops during construction as well as any
6 prevent plant situations due to the construction
7 activity.

8 In pastureland, our reclamation contractor
9 will reseed the same species of grasses that were
10 present prior to construction unless otherwise
11 directed by the owner.

12 In Conservation Reserve Program fields,
13 CRP fields, we will replant the cover based on the
14 local Dunn and McKenzie County USDA/FSA office
15 rules and guidance. Landowners will be consulted
16 with throughout the reclamation practice to make
17 sure that they are satisfied.

18 All damages associated with our activities
19 will be addressed with the landowner for settlement
20 at the completion of construction.

21 Surface soil erodibility is unique to this
22 project route, so efforts will be made to use
23 various techniques to stabilize the soils as we
24 reestablish any vegetation that was removed or
25 destroyed.

1 Basin Electric has reached out to North
2 Dakota State University and is currently consulting
3 with Professor DeSutter who is a professor of soils
4 science and is the head of the reclamation research
5 advisory group on how to properly reclaim any areas
6 of soil instability along the route, using
7 techniques that will include but not be limited to
8 straw wattles, mulches, matting, erosion control
9 blankets, water bars, riprap, et cetera.

10 Disturbed areas will be monitored for
11 erosion. Erosion may include the installation and
12 maintenance of necessary measures for temporary and
13 permanent erosion, sedimentation and dust control
14 as required by relevant agencies and the property
15 owner. Inspection and maintenance will be
16 completed by Basin Electric or a Basin Electric
17 representative to ensure compliance with project
18 reclamation specifications.

19 Basin Electric will work with landowners
20 regarding tree replacements. This will be done
21 according to the Commission's tree and shrub
22 mitigation plan. Basin Electric will be
23 responsible for weeds by providing weed control
24 within the easement area during construction and
25 reclamation as well as noxious weeds whenever

1 necessary during and after construction.

2 During operation of the transmission line,
3 Basin Electric will continue to reclaim the
4 corridor and settle any damages caused during our
5 maintenance activities.

6 MS. MERKENS: Thank you, Mr. Murray. I
7 have no further questions, Your Honor.

8 JUDGE HOGAN: Mr. Johnson, any questions?

9 MR. JOHNSON: I just have one.

10 **EXAMINATION**

11 **BY MR. JOHNSON:**

12 Q. You said you have just one remaining
13 private landowner easement to get?

14 A. That is correct.

15 Q. Is that negotiation still moving forward,
16 is it stalemated or what's the -- how would you
17 characterize that?

18 A. We were -- so they have retained legal
19 counsel and we have been in contact -- still
20 contacting them as recent as last week. We have an
21 email from their attorney stating that they are
22 okay with the route. It's just access issues now
23 that we're dealing with.

24 MR. JOHNSON: Oh, okay. Thank you.
25 That's all I have.

1 JUDGE HOGAN: Mr. Schock, any questions?

2 MR. SCHOCK: No questions.

3 JUDGE HOGAN: Commissioner Fedorchak.

4 **EXAMINATION**

5 **BY COMMISSIONER FEDORCHAK:**

6 Q. Thank you, Mike.

7 So you have one easement left to secure
8 from a landowner?

9 A. Yes.

10 Q. How long -- what percent of the route do
11 they have?

12 A. Very small. One structure. It's just a
13 corner of their property.

14 Q. Okay. And do you anticipate finalizing
15 that or --

16 A. We are hopeful.

17 Q. Okay.

18 A. We're currently trying to work out --
19 they're working with us on this project and they're
20 working with us through negotiations through their
21 attorney, but we're in a disagreement right now on
22 how short of a term the access easements are being
23 applied to.

24 Q. I see. Okay. Do you have an alternative
25 route if it doesn't work?

1 A. We have alternative options we can use
2 which can be more impactful to the ground.

3 Q. Okay. All right. And then you're still
4 waiting on the BIA easement?

5 A. Correct.

6 Q. When do you anticipate that?

7 A. So I personally have been working very
8 closely with my contacts with MHA Nation as well as
9 the BIA office, and the BIA office up there in New
10 Town just recently got a new commissioner. The
11 information I was provided is they were hopeful
12 they were going to have the BIA grant of easement
13 prior to this hearing. It did not happen, but that
14 tells me it's very close, so --

15 Q. Okay. Just curious, how long have you
16 been working on that easement with BIA?

17 A. We've been working on the easement with
18 MHA Nation for their approval for like about a
19 year, just because we wanted to make sure they were
20 very satisfied and they understood our process and
21 we understood their processes. And it was actually
22 very good for me to go through that because I was
23 educated on what it takes to get through a BIA --
24 or sorry -- a tribal process like that where
25 they're very organized. So I'd say it's been about

1 a year with them. The BIA application process has
2 been a matter of just a few weeks.

3 Q. So the BIA defers to the tribe and lets
4 them do their process first and then they follow
5 up; is that how it works?

6 A. That is correct. And this project is very
7 important to the tribe, so it's at the top of their
8 priority list.

9 Q. Mm-hmm. All right. What about the BLM
10 permit? When do you expect that?

11 A. I would have to defer to --

12 Q. Did you say mid-March?

13 A. -- Erin's testimony, but I think she
14 thought we'd have it by late March.

15 Q. Okay.

16 A. Have the EA completed anyway.

17 Q. How long is that process? Maybe I should
18 have asked her.

19 A. Yeah, that -- I would have to defer to
20 Erin.

21 Q. All right. Okay. And the same with the
22 real estate license with the Corps. All right.
23 And remind me -- and this I think Bobby talked
24 about at the beginning, but when do you guys hope
25 to start construction?

1 you.

2 JUDGE HOGAN: Ms. Merkens, any redirect?

3 MS. MERKENS: No, Your Honor.

4 JUDGE HOGAN: Mr. Johnson or Mr. Schock,
5 any other questions?

6 MR. JOHNSON: (Shakes head.)

7 JUDGE HOGAN: Any further commissioner
8 questions? All right. Thank you, Mr. Murray.

9 THE WITNESS: Thank you.

10 JUDGE HOGAN: Ms. Merkens, any other
11 witnesses?

12 MS. MERKENS: No, Your Honor.

13 JUDGE HOGAN: All right. Then we will
14 move to public testimony, and I noticed on the
15 sign-in sheet that there was a couple individuals
16 that marked that they would like to testify this
17 morning.

18 Even if you didn't so indicate on that and
19 you now would like to testify, you certainly can.
20 I'll have you come up one by one to testify and sit
21 at the witness table there, and I'll have you state
22 your name. If you're testifying on behalf of an
23 organization or a group, if you could note that for
24 our record, that would be appreciated. You will be
25 sworn in. And at the conclusion of your statement,

1 I will go around, like with our other witnesses,
2 and ask if there's any questions, just so you're
3 aware of that.

4 So if we have members of the public that
5 want to testify, I would ask -- whoever would like
6 to go first, if they could come forward.

7 Good morning.

8 MR. MAHOWALD: Good morning, Your Honor.

9 JUDGE HOGAN: Can I get your name for our
10 record?

11 MR. MAHOWALD: Jeremy Mahowald.

12 JUDGE HOGAN: Can you spell your last
13 name?

14 MR. MAHOWALD: M-a-h-o-w-a-l-d.

15 JUDGE HOGAN: And, Mr. Mahowald, were you
16 in the room earlier when I went through the
17 penalties for perjury?

18 MR. MAHOWALD: Yes, I was.

19 JUDGE HOGAN: And do you understand what
20 perjury is?

21 MR. MAHOWALD: Yes, I do.

22 (Witness sworn.)

23 JUDGE HOGAN: All right. Thank you. Go
24 ahead.

25

1 In January we set a record peak at Upper
2 Missouri of 2,030 megawatts. Our load forecasts
3 indicate major load growth into the late 2020s and
4 early 2030s, which includes continued Bakken oil
5 and gas development, along with new industrial and
6 technology growth in western North Dakota.

7 And to meet this growing demand, we must
8 continue to develop -- continue to efficiently
9 develop the transmission system along with power
10 production in this region. And this -- this
11 addition of this 345-kV line is a critical piece of
12 this -- Basin's commitment to the reliability of
13 our region.

14 So along with Basin and SPP, at least to
15 the extent that we can, we -- we continue to
16 support and work with Basin to plan for generation
17 and transmission needs to meet our growth. It's
18 important infrastructure additions and improvements
19 that meet the demands of our growth as well as
20 continuing -- continuing to add reliability to our
21 systems, to our residents, ranchers and all the
22 industry that's developed in our region.

23 So the -- the additional increment -- the
24 additional addition of transmission to our
25 electricity system helps us meet the demands of

1 those members. And for that, Upper Missouri
2 strongly supports the construction of this project.

3 JUDGE HOGAN: Thank you.

4 Ms. Merkens, any questions?

5 MS. MERKENS: Thank you, Mr. Mahowald. I
6 have no questions, Your Honor.

7 JUDGE HOGAN: Mr. Johnson?

8 MR. JOHNSON: No, Your Honor.

9 JUDGE HOGAN: Mr. Schock?

10 MR. SCHOCK: No, Your Honor.

11 JUDGE HOGAN: Commissioner Fedorchak.

12 COMMISSIONER FEDORCHAK: Thank you.

13 **EXAMINATION**

14 **BY COMMISSIONER FEDORCHAK:**

15 Q. Thank you, Jeremy, for being here.

16 Appreciate your testimony.

17 So you heard us talking earlier about the
18 timing of this -- this line and how we're behind
19 and there's this urgency. Help me understand your
20 company's involvement with Basin on load forecasts.

21 A. We -- the 11 cooperatives give -- work
22 with their own members to determine their load --
23 their load needs for the coming -- for the coming
24 years, and we aggregate it together and provide
25 that load forecast to Basin.

1 So we're very -- Upper Missouri just helps
2 monitor all the load growth we have coming, and I
3 spend a lot of my time just communicating with
4 Basin on the urgency we have for all the load we
5 have coming.

6 Q. And when did you see the -- the need for
7 this line first come and what was your involvement
8 in trying to, you know, expedite getting this
9 process through SPP?

10 A. Yeah. I guess like others have mentioned,
11 we -- you know, we had a more aggressive load
12 forecast that got weakened with the falling prices
13 of oil and gas which -- which then kind of took
14 away the need for this project. But as it stands
15 today, the way our load has been growing and is
16 anticipated to grow, it will be a challenge to keep
17 up with it.

18 Q. So in your -- are you -- is your company
19 out recruiting new businesses to the area?

20 A. Upper Missouri does not. Some of our
21 members have sought diversification beyond oil and
22 gas. With all of -- all of our eggs essentially in
23 oil, gas and agriculture, there has been a desire
24 by some to diversify and attract other industries
25 here, along with the counties in this region also

1 trying to diversify their economy.

2 Q. And how do those efforts go into your
3 long-term planning?

4 A. When we have a commitment from -- I mean,
5 we use different measures of likelihood for all
6 these industries that wish to be in our region, but
7 we -- we keep track of what we think is likely and
8 those loads go into the load forecast. So every --
9 every industry or business that wants to be here
10 and has made it known they want to be here, we put
11 that in the forecast.

12 Q. And then if there's new industry with, you
13 know, extensive demand --

14 A. Mm-hmm.

15 Q. -- are -- in your conversations with
16 them -- and I don't know, maybe it's not you, maybe
17 it's your co-op members, maybe it's both, but are
18 you accounting for any additional costs that
19 they're going to cause in the rates that you're
20 quoting to them or how are those things --

21 A. That is the biggest question of all, I
22 mean, and that's -- that's a big concern of our
23 membership just because of how much our region is
24 growing. It's very impactful to all of Basin and
25 its membership.

1 One of the ways it's going to be addressed
2 is in -- in a -- in a FERC filing that we'll be
3 doing along with Basin is a new market based rate.
4 So crypto loads, for example, and large-load --
5 large-load facilities over 75 megawatts will be
6 subject to market rates as one method of trying to
7 capture their costs better than, you know, just
8 having them all get the same rate as everyone else
9 does, but --

10 Q. Sure. And would that then -- the market
11 rate would capture the congestion costs?

12 A. Yes.

13 Q. Would it prevent others from paying
14 congestion costs?

15 A. Yes, it would. I mean, if these -- if
16 these larger loads and crypto loads pay their way
17 or pay those congestion costs, otherwise those
18 costs would be distributed amongst everyone, so --

19 Q. Okay. All right. Well, there's -- you
20 know with the -- this is a challenge everywhere in
21 the country, not just here, but it's more acute
22 here because you have a very high load factor
23 industry here already.

24 A. Yes, we do.

25 Q. So, you know, oil and gas doesn't go up

1 and down. It's steady all the time, so there isn't
2 kind of peaks and valleys like others can capture
3 and add these big loads and then have them
4 curtailed. So it's a challenge for you guys in
5 diversifying into this particular type of load that
6 is really high demand and very fungible. You know,
7 they can be here today and gone tomorrow.

8 A. Right.

9 Q. So I think it's -- I hope your board
10 members are very cautious and aware of that
11 strategy.

12 A. Yes. This is -- this is the top focus.
13 It has been for the last couple of years and it
14 will be for time to come. We are fortunate that
15 the crypto loads, for example, all seem to want to
16 be demand response and will shed their load as
17 needed, which will help us.

18 Q. Yeah. Well, you're aware of our concerns
19 over some of the costs that are spilling over to
20 other customers, so --

21 A. Yes.

22 COMMISSIONER FEDORCHAK: All right. I
23 think that's it for now. Thank you, Jeremy.

24 JUDGE HOGAN: Commissioner Christmann.

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EXAMINATION1
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25**BY COMMISSIONER CHRISTMANN:**

Q. Well, thank you for being here, Jeremy. And I just -- I'm curious how you would describe the extent to which the -- the large crypto center near Trenton increased the need for this project?

A. It greatly increased the need for this project. I mean, that -- I think it was mentioned before that perhaps this process is a little broken. I think that quickly identified -- I mean, that quickly caused the congestion and constraints in our region. And so this 345 project will do much to alleviate that or at least move the problem north, to my understanding, until the other projects are completed.

Q. And so with your expertise, am I understanding right -- a lot of times I've heard people refer to like bitcoin manufacturers as data processors, but data processors like Google or something like that as opposed to actual crypto currency processors, am I right that the crypto places are more likely to be willing to shed load than the data processors?

A. That's our understanding as well. That the crypto miners all seem to be interested in

1 demand response, where we do have some data center
2 interest in our area that wants to be firm.

3 Q. Okay. And when -- when you talk about
4 willingness to shed load or -- or demand response,
5 I assume that's limited, though. It's not just
6 whenever you have a congestion problem. Most of
7 the ones I've seen are limited to a certain number
8 of hours per year. Is that what you're seeing out
9 there?

10 A. Yeah. We know that from the one in -- the
11 ones we work with that they have -- they have
12 certain contracts they want to meet for the --
13 their own output, but they're very sensitive to
14 price. There are prices they don't want to pay in
15 the market, so I think they will -- they'll be
16 willing to curtail more if the prices are high
17 enough.

18 COMMISSIONER CHRISTMANN: No other
19 questions. Thank you.

20 JUDGE HOGAN: Commissioner Haugen-Hoffart?

21 COMMISSIONER HAUGEN-HOFFART: Maybe just a
22 clarification.

23 **EXAMINATION**

24 **BY COMMISSIONER HAUGEN-HOFFART:**

25 Q. We've really hit the large load pretty

1 hard or addressed it, but you talked about large
2 load and the market rates, looking for market
3 rates. Would that make you guys competitive out
4 there with the other companies or what impact would
5 that have on -- pros, cons?

6 A. No. I guess they're still buying their
7 power through the cooperatives. They're just
8 paying the market cost of those market costs.
9 Perhaps I didn't understand your question.

10 Q. Well, you're trying to solve a problem
11 here; right?

12 A. Yes.

13 Q. So looking at solving the problem for the
14 individual, let's say the cooperative or you as a
15 Class A member, to solve the problem will it still
16 make you competitive out there or are you just
17 trying to really get a handle on your congestion
18 and the load?

19 A. Yeah. Thank you. I -- I -- I'm afraid
20 like in the Bakken or right -- you know, right in
21 the areas of high congestion, at least until this
22 line is built, the costs are going to be very
23 expensive over the course of this year. We hope
24 this line will lower those costs. So
25 competitiveness for technology companies that could

1 be anywhere in the country, this probably isn't the
2 best place to be. Yet, we find they want to be
3 here. So I guess, you know, their price -- they
4 will pay more here than they would in other places,
5 so competitively I guess I'm not saying we would
6 compete. We're hoping that on -- you know, by the
7 time these lines get built, when these other large
8 industrial loads that are tied to oil and gas, the
9 prices are much better and we won't have to worry
10 about that.

11 COMMISSIONER HAUGEN-HOFFART: Okay. Thank
12 you. I have no further questions.

13 JUDGE HOGAN: All right. Thank you.

14 MR. MAHOWALD: Thank you.

15 JUDGE HOGAN: Is there others that would
16 like to testify? Come on up. Good morning.

17 MR. HANSON: Good morning.

18 JUDGE HOGAN: Can I get your name?

19 MR. HANSON: Sure. It's Matt Hanson,
20 H-a-n-s-o-n.

21 JUDGE HOGAN: Mr. Hanson, were you in the
22 room when I went through the penalties for perjury?

23 MR. HANSON: I was.

24 JUDGE HOGAN: And do you understand what
25 perjury is?

1 MR. HANSON: I do.

2 (Witness sworn.)

3 JUDGE HOGAN: All right. Thank you. Go
4 ahead.

5 **MATT HANSON,**

6 being first duly sworn, was examined and testified
7 as follows:

8 **STATEMENT**

9 **BY MR. HANSON:**

10 MR. HANSON: All right. Well, good
11 afternoon. My name is Matt Hanson. I'm the CEO of
12 McKenzie Electric Cooperative.

13 McKenzie Electric Cooperative is in
14 support of the new 345 transmission line from
15 Roundup Substation to the Kummer Ridge Substation.

16 McKenzie Electric is the rural electric
17 distribution cooperative that takes delivery of
18 electricity from both substations to provide
19 service to our members. The new transmission line
20 will provide multiple benefits to the area boosting
21 reliability and future growth that is planned.

22 Over the past year, McKenzie Electric has
23 been impacted by limited reliable transmission
24 capacity in the area requiring operations that
25 reduce the reliability of the electric system to

1 maintain certain contingencies and to keep the
2 system intact. This transmission line will improve
3 the reliable transmission capacity.

4 The Kummer Ridge delivery which supplies
5 electricity to approximately half of McKenzie
6 Electric members has no redundant feed. Connecting
7 Kummer Ridge to Roundup with the proposed 345-kV
8 transmission line will provide additional
9 redundancy to the local transmission system and an
10 alternative feed for this critical delivery.

11 The members of McKenzie Electric rely on
12 electricity to heat their homes, run their
13 businesses and carry out their daily life. The
14 demand for electricity is continuing to increase.
15 Having a reliable and resilient electric system in
16 northwest North Dakota is important for both
17 quality of life and for the economy.

18 The proposed 345-kV transmission line is
19 essential for meeting these needs.

20 JUDGE HOGAN: All right. Thank you.

21 Ms. Merkens, any questions?

22 MS. MERKENS: Thank you, Mr. Hanson. I
23 have no questions, Your Honor.

24 JUDGE HOGAN: Mr. Johnson?

25 MR. JOHNSON: No, Your Honor.

1 JUDGE HOGAN: Mr. Schock?

2 MR. SCHOCK: No questions.

3 JUDGE HOGAN: Commissioner Fedorchak?

4 COMMISSIONER FEDORCHAK: Thank you.

5 **EXAMINATION**

6 **BY COMMISSIONER FEDORCHAK:**

7 Q. Thank you, Matt, for being here.

8 So how -- how does your co-op work with
9 Basin on load forecasts?

10 A. So we provide an annual load forecast
11 through Upper Missouri that ends up at Basin
12 Electric every year. That's part of the integrated
13 transmission process that you were already briefed
14 on. And then if there's any other significant
15 loads that would come outside of that annual load
16 forecast, we're communicating through Upper
17 Missouri to make them aware of those potential
18 loads.

19 Q. And is an annual load forecast -- do you
20 also provide like a longer-look forecast?

21 A. Oh, that annual load forecast looks out
22 multiple years.

23 Q. I see.

24 A. Yes.

25 Q. And so you update it every year?

1 A. Right. Yep.

2 Q. Are you guys recruiting -- out there
3 recruiting new industrial or data center-type
4 businesses too?

5 A. McKenzie Electric has not historically
6 been an active player in recruiting new loads or
7 active in economic development activities. We
8 predominantly just take the stance that we're here
9 to serve everybody the same and treat everybody.

10 So we serve folks that come for what
11 interest they have. We stay very in tune with
12 what's going on, but we're not out actively trying
13 to find new loads to -- to bring to the area.

14 Q. And are you getting demand or interest
15 from some of these large tech companies?

16 A. We get a lot of calls from a variety of
17 loads, including the crypto data center-type loads,
18 but, again, we do not treat them any different than
19 our other members, and to date they have not taken
20 any interest in McKenzie Electric, at least that
21 we're aware of, to develop in our territory.

22 COMMISSIONER FEDORCHAK: Okay. All right.
23 Thank you. Appreciate it.

24 JUDGE HOGAN: Commissioner Christmann.

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EXAMINATION1
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25**BY COMMISSIONER CHRISTMANN:**

Q. How much interest do you hear from your customers in, you know, getting some kind of a discounted rate in exchange for accepting load sheds when -- when you're in need?

A. We've had a little bit of interest in that, but, again, to what Commissioner Fedorchak said earlier, we're predominantly in a very high load factor environment, and our member base at least on a commercial and industrial side has not desired to sacrifice production for maybe a lower, you know, demand management-type approach. But it's something we always keep in mind because there's other parts of the membership that may benefit from ability to control demand costs that come through.

But we've had a little bit of interest, but, again, given predominant type of membership that we have in our particular system, it hasn't grown a lot of legs yet.

COMMISSIONER CHRISTMANN: No other questions. Thanks for spending your day with us today.

JUDGE HOGAN: Commissioner Haugen-Hoffart.

EXAMINATION

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2 **BY COMMISSIONER HAUGEN-HOFFART:**

3 Q. Hi, Matt. Thanks for being here.

4 Do you want to talk a little bit about the
5 communication plan in the cooperative model? Like
6 if you've got a high load interest and there was
7 something that you were looking at, you don't go
8 directly to Basin. You go through Upper Missouri;
9 correct? Do you want to talk a little bit about
10 that process, the communication model?

11 A. Yeah. And, you know, for us we're -- we
12 look long-term and McKenzie Electric has its own
13 sub transmission system. So we have just a few
14 delivery points off of the main bulk electric
15 system, two being both Roundup and Kummer Ridge.
16 And so we coordinate and communicate closely
17 between our cooperative as well as our G&T of those
18 additional potential loads that are coming. And
19 it's generally almost, I would say, at least once a
20 quarter that we are looking through and
21 communicating those load forecasts, those other
22 anomalies.

23 Outside of that, there are monthly board
24 meetings that take place. Which is the culmination
25 of all of the members of each respective group to

1 share and exchange information on other future
2 loads or other future anomalies that impact the
3 cooperative. So it's a very close, solid line of
4 communication.

5 I would also say that, in general, there's
6 a lot of parallel communication between the
7 distribution cooperative all the way to the power
8 supplier, Basin Electric.

9 COMMISSIONER HAUGEN-HOFFART: Okay. I
10 have no further questions. Thank you.

11 JUDGE HOGAN: All right. Thank you.

12 MR. HANSON: You bet.

13 JUDGE HOGAN: Is there anybody else that
14 wishes to make public -- or provide public
15 testimony?

16 All right. That'll conclude the public
17 testimony portion of our hearing, and we will move
18 to closing remarks.

19 Ms. Merkens did you want to give any
20 closing remarks or comments?

21 MS. MERKENS: No, Your Honor.

22 JUDGE HOGAN: Mr. Johnson?

23 MR. JOHNSON: No, Your Honor.

24 JUDGE HOGAN: Commissioner Fedorchak.

25 COMMISSIONER FEDORCHAK: Well, this was a

1 really well put-together hearing, I think. Thank
2 you, Basin, for the clarity in your application and
3 all the outstanding materials or permits. It
4 really helps us get through things in an efficient
5 way.

6 Appreciate the members of the public being
7 here, local leaders as well, and hearing from the
8 local electric providers is also really, really
9 helpful.

10 So I think we all understand the urgency
11 of this and are going to move as quickly as we can
12 to reach a decision on this case so we aren't
13 holding you up in any way.

14 So thank you.

15 JUDGE HOGAN: Commissioner Christmann.

16 COMMISSIONER CHRISTMANN: I will also say
17 to Basin that this was a well put-together
18 application, provided us most of the information we
19 need for the public that's here.

20 The law is laid out with a lot of detail
21 the things with a project like this that are
22 jurisdictional to us and what isn't, and so those
23 are -- those are the factors that we weigh in.
24 There are other outside factors that we may each
25 have that would concern us, but they're just not

1 jurisdictional to us.

2 So they're -- Basin Electric is clearly,
3 you know, understanding the law here and provided
4 much of the information and causes a hearing to be
5 much shorter than some other developers sometimes
6 have.

7 So thank you for -- for the clarity and
8 for the public that was here to learn our process
9 as well as about Basin's application. Thank you
10 for your time.

11 JUDGE HOGAN: Commissioner Haugen-Hoffart.

12 COMMISSIONER HAUGEN-HOFFART: Well, I
13 guess being last, you can't really add anything
14 else except, you know, again, the application was
15 very easy to read, a lot of information was there.
16 So, Basin, as always, we thank you for submitting a
17 good application.

18 To the public, those who didn't
19 participate, you actually did by being here and
20 learning about our process and what we do, so we
21 thank you for attending. So wishing you all safe
22 travels home.

23 JUDGE HOGAN: All right. Thank you.

24 I believe there was going to be some
25 late-filed information. Are we clear on what's

1 being filed?

2 MR. SCHOCK: I just have it as the
3 specifics for the corridor width, the majority at
4 150, and then kind of the two specifications for
5 some -- where it would be outside of that. And
6 then which locations specifically of tree clearing
7 the company is requesting more than 50 feet.

8 JUDGE HOGAN: Do we want to set a deadline
9 for submitting that information?

10 MS. MERKENS: Two weeks?

11 MR. SCHOCK: That's -- that's fine.
12 That's fine. Will you be --

13 JUDGE HOGAN: So two weeks would be
14 March 1.

15 And then is Basin planning to file
16 proposed findings of fact, proposed conclusions, a
17 proposed order?

18 MS. MERKENS: Yes, Your Honor.

19 JUDGE HOGAN: And deadline for that?

20 MS. MERKENS: Two weeks?

21 JUDGE HOGAN: Same deadline. Is that
22 acceptable?

23 MR. SCHOCK: Yes.

24 JUDGE HOGAN: Okay. We'll set that as
25 March 1 as well.

1 CERTIFICATE OF COURT REPORTER

2
3 I, Stephanie A. Smith, a Registered
4 Professional Reporter,

5 DO HEREBY CERTIFY that I recorded in
6 shorthand the foregoing proceedings had and made of
7 record at the time and place hereinbefore
8 indicated.

9 I DO HEREBY FURTHER CERTIFY that the
10 foregoing typewritten pages contain an accurate
11 transcript of my shorthand notes then and there
12 taken.

13 Dated at Bismarck, North Dakota, this 15th
14 day of March, 2024.

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Stephanie A. Smith
Registered Professional Reporter

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