CROWNED RIDGE ENERGY STORAGE I - SOCIAL AND ECONOMIC IMPACT STUDY

Prepared by the First District Association of Local Governments

ADOPTED BY THE LOCAL REVIEW COMMITTEE ON DATE, 2026

Table of Contents

Executive Summary 2
1 – Housing Supplies 6
2 – Educational Facilities and Workforce 8
3 – Water Supply and Distribution 10
4 – Wastewater treatment and collection 10
5 – Solid Waste Disposal and Collection 11
6 – Law Enforcement 12
7 – Transportation 13
8 – Fire Protection 15
9 – Health 16
10 – Recreation 17
11 – Government 17
12 – Energy 19
List of Appendices 21

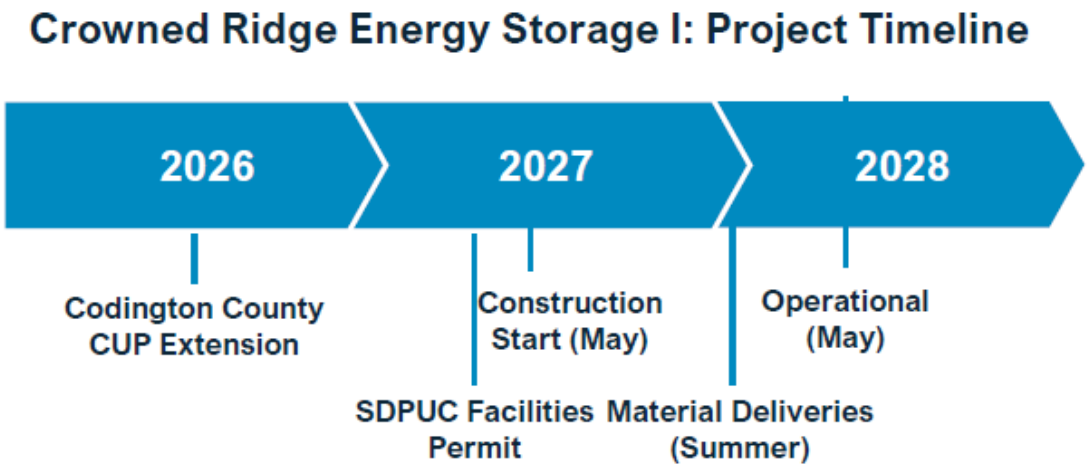
Executive Summary

The following project description is taken from the Introduction section of the Crowned Ridge Battery Energy Storage System Application to the Public Utilities Commission of the State of South Dakota for a Facility Permit to Construct a 120-Megawatt Battery Energy Storage System (Appendix A).

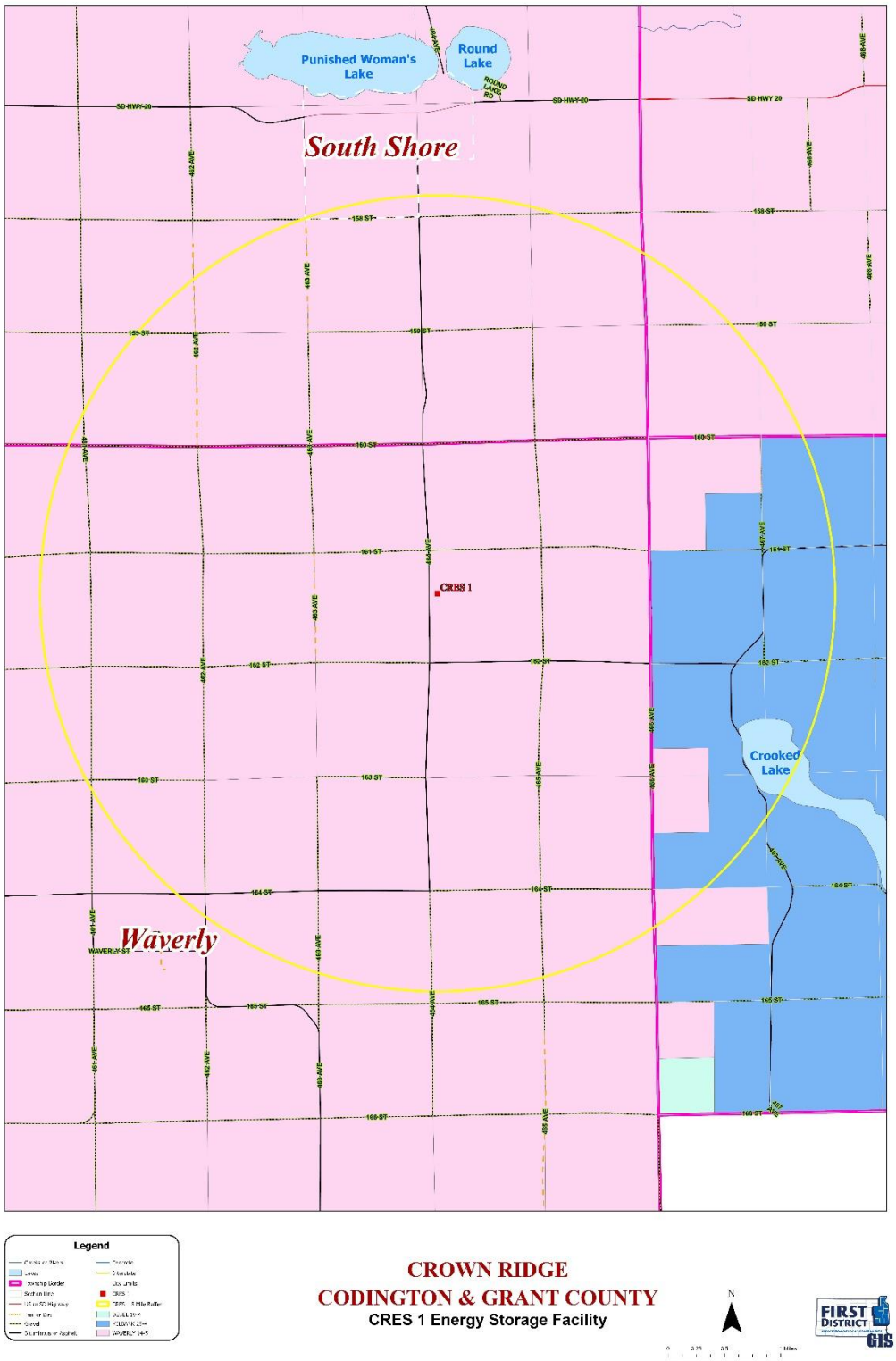
"Crowned Ridge Energy Storage I, LLC (CRES), a wholly owned, indirect subsidiary of NextEra Energy Resources, LLC (NextEra Energy Resources), submits this application for a facility permit to construct and operate a 120-megawatt (MW) battery energy storage system (BESS) (Project) to store excess energy available on the grid. The Project is proposed to be located within the existing Crowned Ridge Wind Energy Facility (CRW) project area, which is owned and operated by CRES's affiliate, Crowned Ridge Wind, LLC, in Codington County, South Dakota.

The Project includes a 120-MW, 4-hour duration BESS facility with associated inverters; transformers; medium voltage (mV) collection cables; and other ancillary facilities, such as fencing, roads, and a supervisory control and data acquisition (SCADA) system. The Project will connect to the existing CRW Collector Substation via approximately 2,215-foot-long mV collection cables. The Project Area encompasses all areas of both temporary and permanent impacts and comprises approximately 52.7 acres of property for which CRES has executed a voluntary lease with purchase option agreement. CRES expects to start construction in May 2027 with commercial operation anticipated in May 2028. The BESS is expected to occupy approximately 7.8 acres within this Project Area following construction. The Project's anticipated lifespan is 35 years.

The Project will be capable of storing excess power from the grid when production exceeds system demand (oversupply). If the grid has excess energy (e.g., during periods of low demand), this energy will be absorbed by the Project for later release. The Project will provide additional reliability for and deliverability to the grid by having the ability to store low-cost, excess generation (relative to load) and inject it into the grid at times of increased demand."



Map 1 – Crowned Ridge Energy Storage Facility Location and 5-Mile Study Area



Source: First District Association of Local Governments

The purpose of this Social and Economic Impact Study is to aid the Local Review Committee in addressing the impact the proposed Project will have in the 12 areas identified in South Dakota Codified Law 49-41B-7 within the 5-mile study area as defined by the South Dakota Public Utilities Commission and shown in Map 1.

++++++++++

49-41B-7. Assessment by local review committee--Factors considered--Applicant to provide information.

The local review committee shall meet to assess potential social and economic effects of the proposed facility and the affected area's capacity to absorb those effects at various stages of construction, and to formulate mitigation measures. The committee's assessment must also include consideration of temporary and permanent alternatives in the following areas:

(1) Housing supplies;
(2) Educational facilities and manpower;
(3) Water supply and distribution;
(4) Waste water treatment and collection;
(5) Solid waste disposal and collection;
(6) Law enforcement;
(7) Transportation;
(8) Fire protection;
(9) Health;
(10) Recreation;
(11) Government; and
(12) Energy.

The applicant shall provide to the members of the committee copies of the application and any other information the commission determines necessary for the committee's assessment pursuant to this section.

++++++++++

Local governments included in the 5-mile study area include: Codington County, Grant County, Town of South Shore, Waverly School District, and Milbank School District

Operational staffing is expected to consist of 1-2 new employees while construction staffing is expected to peak at about 60 employees. Construction is expected to last approximately from May of 2027 to April of 2028. Commercial operation is expected to begin in May of 2028.

The methodology for this study includes a description of existing conditions within a study area, assessing future conditions during project construction and operation, and identifying any measures that may need to be implemented to mitigate negative impacts. Impacts are based upon construction activities and the number of additional workers that the study area will likely need to serve and whether the existing conditions can absorb the anticipated demand created by the Project.

If the existing conditions can absorb the anticipated demand created by the Project, then a determination of 'no significant impact' is made and no mitigation measures are proposed. If the existing conditions cannot absorb the anticipated demand created by the Project, then a determination of 'mitigation recommended' is made and mitigation measures are proposed.

While mitigation measures have been proposed in 7 of the 12 study areas, the recommended mitigation measures will not create a significant adverse impact within the study area. Table 1 summarizes the determinations made for each study area.

Table 1 - Determinations

Study Area	Determination
1 – Housing Supplies	No Significant Impact
2 – Educational Facilities and Manpower	Mitigation Recommended – Safety Coordination with Bus Drivers and Student Traffic
3 – Water Supply and Distribution	No Significant Impact
4 – Wastewater Treatment and Collection	Mitigation Recommended – temporary restrooms or toilets during construction and the acquisition of wastewater permits from the DANR before construction begins.
5 – Solid Waste Disposal and Collection	No Significant Impact
6 – Law Enforcement	Mitigation Recommended – Informational meetings between law enforcement and project representatives prior to the start of construction and during construction as needed to address traffic-related concerns and any other issues that may arise.
7 – Transportation	Mitigation Recommended – Dust mitigation, complying with the Codington County Haul Road Agreement, and acquiring necessary SD DOT Transportation Permits
8 – Fire Protection	Mitigation Recommended – Fire department training and equipment, if needed
9 – Health	Mitigation Recommended – Responder Training for Ambulance Services
10 – Recreation	No Significant Impact
11 – Government	Mitigation Recommended – Adhere to the Conditional Use Permit requirements issued by the Codington County Board of Adjustment.
12 - Energy	No Significant Impact

Based upon the contents of this Social and Economic Impact Study, it is the professional opinion of the First District Association of Local Governments that the construction and operation of the Project will have no significant impact on the social and economic environment within the SDPUC defined 5-mile study area after recommended mitigation measures are implemented.

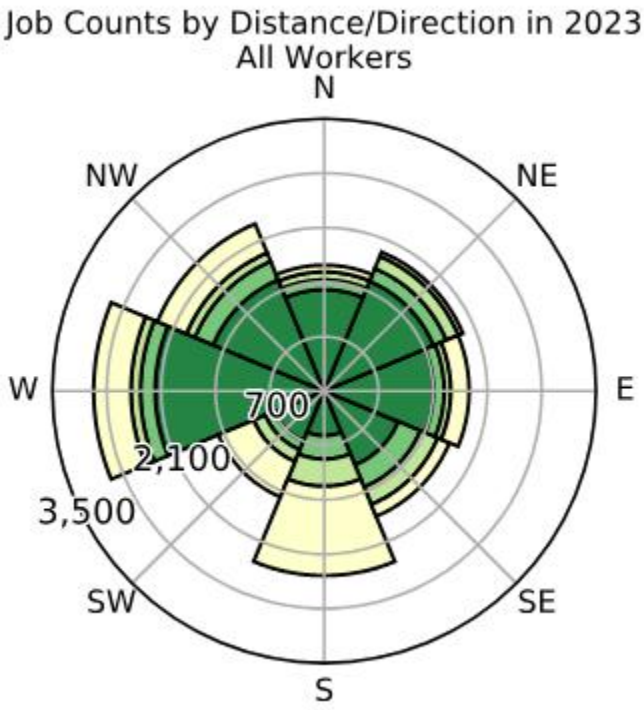
1 – Housing Supplies

While it is reasonable to assume that some of the Project's employees and construction workers will seek housing within the 5-mile study area, it is highly unlikely that all of the estimated 1-2 operational employees and 60 construction workers needed during peak construction will seek housing only within the 5-mile study area. Therefore, a larger commuting area will be used to determine the impact on housing supplies for operational and construction workers. This analysis is based on U.S. Census data for Codington County.

According to 2023 U.S. Census data, 5,198 of the 16,302 employees working in Codington County commute to work from another county and 3,070 employees experience a commuting distance greater than 50 miles. Based upon this information, the City of Watertown (21,482 population – 2020 Census) is within commuting distance of the project site.

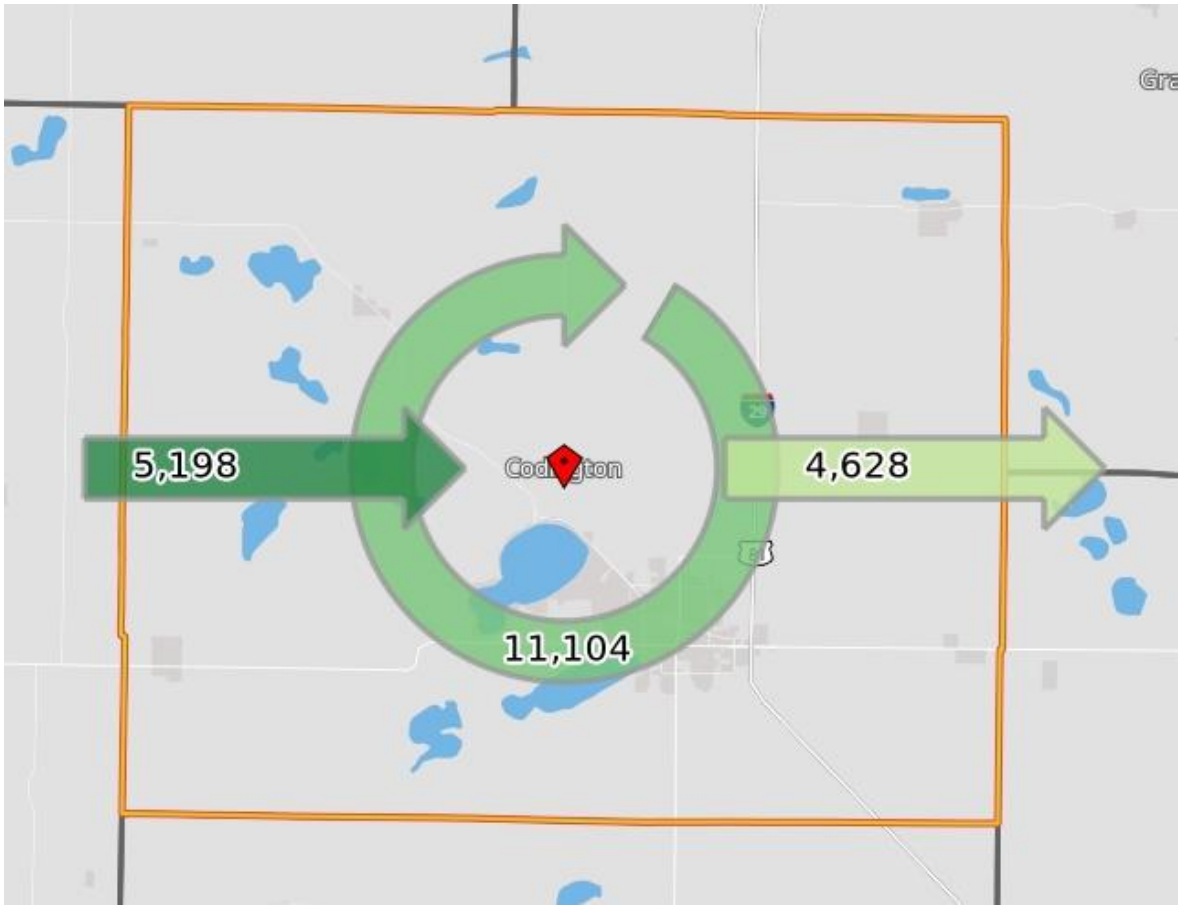
The following data analysis will identify where the Project's workers are likely to seek housing, how many homes and rental units are available within the Project's commuting area, and if the existing inventory of available homes and rental units can absorb the increased demand created by approximately 60 workers required during peak construction and 1-2 permanent operational workers moving into the area.

Chart 1 – Job Counts by Distance/Direction – Codington County



Source: https://onthemap.ces.census.gov/

Map 2 – Codington County Employee Inflow/Outflow Map



Source: https://onthemap.ces.census.gov/

To address the housing inventory issue for construction and operational workers, housing supplies in Codington County have been examined to include the following communities: Florence, Henry, Kranzburg, South Shore, Wallace, Watertown, and Waverly. The following charts track owner-occupied and renter-occupied information within Codington County.

Table 2 – Available Vacant Housing Units

Location	Occupied Housing Units	Vacant Housing Units
Town of Florence	124	12
Town of Henry	156	53
Town of Kranzburg	89	3
Town of South Shore	90	34
Town of Wallace	24	15
Town of Waverly	70	13
City of Watertown	10,394	716
Totals	**10,947**	**846**

Source: https://data.census.gov/

The 2 municipalities within the six-mile study area (Waverly and South Shore) have 47 vacant housing units. A total of 846 vacant housing units within Codington County. This existing supply of available housing units is more than sufficient to meet the demands of 60 temporary construction workers and 1-2 new operational workers.

Labor Force

Table 3 – June 2026 Codington County Labor Force

Area	Labor Force	Employment	Unemployment	Rate
Codington County	16,677	16,374	303	1.8%

Source: http://dlr.sd.gov/lmic/lbtables/countylf.aspx

Table 4 – June 2026 Codington County Labor Supply

Area	Unemployed	Underemployed	Discouraged Workers	Total Labor Supply
Codington County	305	1,105	45	1,450

Source: http://dlr.sd.gov/lmic/lbtables/laborsupply.aspx

The labor force in Codington County consists of 16,677 workers and includes 744 construction, extraction, and maintenance workers as well as 1,848 management, professional, and related workers. Approximately 60 construction workers (8.1% of area construction, extraction, and maintenance workers) are expected to be working at the project site during peak construction. Approximately 1-2 operational workers (0.001% of area management, professional, and related workers) are expected to work at the Project's facility after construction is complete and operation of the facility commences.

Based upon current labor force and resident occupations, there appears to be a sufficient number of workers within the area to meet the construction and operational workforce demands created by the Project. Construction will require a workforce with a variety of skills including, but not limited to, general carpenters, iron workers, millwrights, and electricians. It is expected that a portion of the construction work force will be hired locally. Recruitment of additional construction personnel from outside the affected area will usually include specialists and supervisory personnel who will temporarily relocate to the area.

Determination: No Significant Impact

2 – Educational Facilities and Workforce

The Milbank and Waverly-South Shore School Districts are located within the study area:

The 2024-2025 enrollment in the Milbank School District was 971 students and their previous peak enrollment 1,016 in 2022-2023. 45 new students would need to be added to the district to reach previous peak enrollment numbers. The 2024-2025 enrollment in the Waverly-South Shore School District was 263 students which is also their peak enrollment since 2017-2018.

Table 4 – Milbank School District Enrollment by Year

School Year	Milbank K-12 Enrollment	Waverly-South Shore K-12 Enrollment
2024-2025	971	263
2023-2024	1,012	256
2022-2023	1,016	254
2021-2022	981	256
2020-2021	987	252
2019-2020	997	250
2018-2019	996	233
2017-2018	957	245

Source: https://doe.sd.gov/ofm/statdigest.aspx

Total additional student capacity of the school districts within the study area: 45.

According to the 2020 Census, the average size of the U.S. household unit is approximately 2.53 members per household unit. The .53 represents the average number of children per household.

Based upon the assumption that each member of the projected construction labor force peak of approximately 60 new workers would fall within the parameter of .53 children per household unit, the projected maximum number of additional new students would peak at approximately 32 new students during the construction phase of this project.

Based upon the assumption that each member of the operational labor force peak of 1-2 new workers would fall within the parameter of .53 children per household unit, the projected maximum number of additional new students would be approximately 1 new student after the construction phase of this project is complete and the operational stage begins.

Both figures are below the additional student capacity of 45 new students identified to reach peak enrollment of the Milbank School District.

According to Justin Downes, Milbank School District Superintendent, the Project would create no adverse impact on the Milbank School District during construction or operational phases.

According to Jon Meyer, Waverly School District Superintendent, the Project would create no adverse impact on the Waverly School District during construction or operational phases.

Increased construction traffic may interact with school bus routes and students driving themselves to or from school. Stressing the importance of safety coordination with construction workers, bus drivers, and students driving themselves to and from school can be an effective way to reduce the number of traffic-related incidents that may occur.

Determination: Mitigation Recommended – Safety Coordination with Bus Drivers and Student Traffic

3 – Water Supply and Distribution

Construction and operation of the Project will utilize water supply and distribution infrastructure already in place at the site. In addition to utilizing existing infrastructure, construction workers will bring in their own drinking water or other drinks and will utilize temporary portable toilets during construction of the Project. Operational workers will utilize existing infrastructure at the site currently being utilized by Crowned Ridge Wind operational workers for drinking water and restroom facilities. No additional water supply or distribution capacity will be needed for operation of the Project as the facility will not require additional water beyond what is consumed by the operational staff at the facility.

Determination: No Significant Impact

4 – Wastewater treatment and collection

The Project's operational workers are anticipated to utilize the existing source of potable water at the site and it is anticipated to have sufficient water supply and distributional capacities to meet the projected potable water usage needs. The existing on site wastewater treatment and collection system is also anticipated to have sufficient capacity to meet the increase associated with 1-2 additional workers once the Project is operational.

1-2 new operational workers are projected to work at the Project. The average family size in the U.S. is 2.53 persons (2020 Census). If 2 new operational employees move into the area with average sized families then 5 new inhabitants will increase water usage by approximately 15,000 gallons per month. This figure is calculated using the US Geological Survey estimate of 100 gallons per person per day as an average for individual water usage (source: https://water.usgs.gov/edu/qa-home-percapita.html).

Construction of the Project is anticipated to require additional facilities to accommodate the wastewater generated by construction workers which can be accommodated through the utilization of temporary restroom or toilet facilities until construction of the Project is complete.

Approximately 60 construction workers are projected to work at the site during peak construction. The average family size in the US is 2.53 persons (2020 Census). If 60 construction workers move into the area with average-sized families, then 152 new inhabitants will temporarily increase water usage by approximately 456,000 gallons per month. This figure is calculated using the U.S. Geological Survey estimate of 100 gallons per person per day as an average for individual water usage (source: https://water.usgs.gov/edu/qa-home-percapita.html).

Increases in residential water usage will result in corresponding increases in wastewater volumes where workers live during construction and operation of the Project. The community of Watertown (2020 Census Population 22,655) is within commuting distance of the project site, and an increase of 152 persons will increase their total populations by approximately 0.67%. This increase does not represent a significant population expansion that would adversely impact municipal wastewater collection and treatment systems at either location.

Wastewater generated by the Project's operation from potable water is anticipated to be treated entirely on-site. No process water is expected to be generated by the operation of the facility. Any off-site disposal of wastewater will be completed in accordance with state law. The following wastewater treatment and collection permits for the Project may be issued by the South Dakota Department of Agriculture and Natural Resources (DANR):

1. National Pollution Discharge Elimination System (NPDES)/Surface Water Discharge
2. On-site Septic System
3. Storm Water Discharge

NPDES/Surface Water Discharge

No process water is anticipated to be discharged by the Project. Should circumstances change such that the process water would be required to be disposed or discharged, the project would arrange for off-site disposal.

On-site Septic Systems

There is an existing on-site wastewater septic system that incorporates a drain field. The water flowing into this system originates from sinks, toilets etc… and no process water is projected to flow into this system.

Storm Water Discharge

There will be a storm water pond to collect rainfall/snowmelt etc. from the areas that are paved or impacted by the facility. A Storm Water Discharge Permit will be acquired prior to the construction of the pond. Should storm water accumulate in the pond, the water will be sampled, analyzed, and discharged according to the permit's parameters.

Determination: Mitigation Recommended – temporary restrooms or toilets during construction and the acquisition of wastewater permits from the DANR before construction begins.

5 – Solid Waste Disposal and Collection

Construction Waste

Waste generated during construction activities will be disposed of at a properly permitted municipal solid waste landfill site in accordance with the laws of South Dakota. Construction waste disposal will be the responsibility of the prime construction contractor responsible for construction of the Project under the direction of NextEra.

Operational Waste

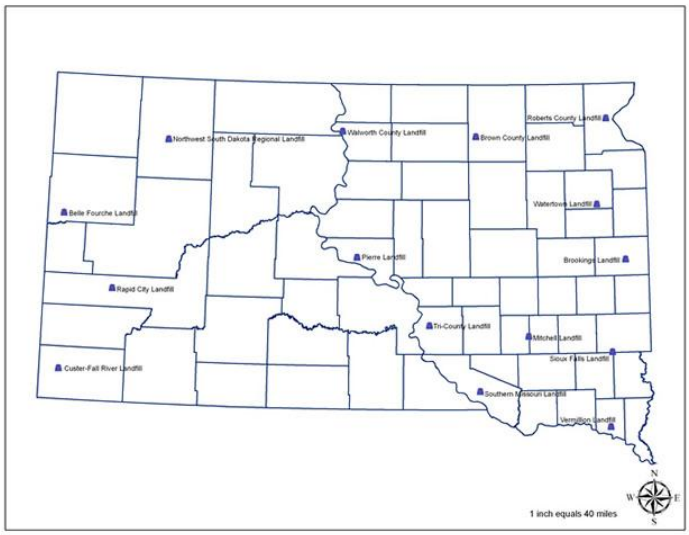
Waste generated during operational activities will be disposed of at a properly permitted solid waste landfill site in accordance with the laws of South Dakota. Arrangements for operational waste collection and disposal will be the responsibility of NextEra and will likely be handled by a private waste collection and disposal company.

Any solid waste associated with decommissioning the site shall be done in accordance with the Draft Decommissioning Plan identified as APPENDIX I as submitted with the Crowned Ridge Energy Storage Application to the SD PUC which can be found at the following link: https://puc.sd.gov/commission/dockets/electric/2026/el26-014/AppendI.pdf

Landfill Sites

While there are no properly permitted waste sites within the 5-mile project area there are two municipal solid waste landfill sites located nearby. The Brookings Landfill and the Watertown Landfill are both within approximately 60 minutes of the Project. Map 5 shows the locations of municipal solid waste landfill permitted by the State of South Dakota.

Map 3 – Permitted Municipal Solid Waste Landfills in South Dakota



Source: https://denr.sd.gov/des/wm/landfillmaps/lfstate.aspx

Determination: No Significant Impact

6 – Law Enforcement

The Project is located within the jurisdiction of the Codington County Sheriff's Department.

Brad Howell, Sheriff.....605-882-6280

Full Time Officers – 12
Part Time Officers – 3

24-hour protection – yes

Dispatch location – City of Watertown

Capacity to handle existing caseload – yes

Sheriff Howell was in office during the construction of the Crowned Ridge Wind Energy Facility that included the construction of infrastructure located adjacent to the Project site. He was contact to comment on impacts the Project may have on law enforcement and noted that his office received multiple traffic-related complaints from within the Crowned Ridge Wind Farm project area relating to construction workers either speeding or driving recklessly on rural roads.

While Sheriff Howell anticipated that similar traffic-related issues may arise during construction of the Project, he did not anticipate any other significant adverse impacts resulting from the construction or operation of the Project and noted that open communication between developers of the Project and law enforcement would be the most effective means to avoid potential issues before they arise. He suggested inviting law enforcement to participate in meetings with developers of the Project prior to the start of construction to facilitate communications between all parties would be the most effective means to prevent traffic-related issues from becoming an issue and that meetings could occur during construction, if needed, to address any other issues that may arise.

Determination: Mitigation Recommended – Informational meetings between law enforcement and project representatives prior to the start of construction and during construction as needed to address traffic-related concerns and any other issues that may arise.

7 – Transportation

Construction Traffic

The impact of construction traffic will be addressed in permits issued by the State of South Dakota and by the Haul Road Agreement issued by Codington County. The greatest impact of construction traffic will be experienced on Codington County roads because they are not designed for the amount of heavy traffic that will occur during the construction of the Project. This issue will be addressed in the Codington County Haul Road Agreement and will require pre-and post-construction inspections to be completed to determine what must be done to improve haul roads prior to construction and what must be done to return haul roads to preconstruction conditions.

Dust mitigation measures should also be implemented on 464th Avenue and 161st Street if dust resulting from construction traffic becomes an issue for residents. These measures could include applying water, calcium chloride, magnesium chloride, or another type of dust suppressant.

Operational Traffic

The impact of operational traffic will be minimal as it will consist largely of motor vehicle traffic to and from the facility. The expected 1-2 employees will have no significant impact on traffic patterns or traffic safety. No mitigation is recommended for operational traffic.

Codington County Roads

The primary mode of transportation used to bring shipments of construction equipment, workers and materials as well as operational workers to the Project's site will be via county roads.

Construction-related traffic to the site and operational-related traffic will travel to the site primarily on 464th Avenue and 161st Street

The Project will not be the first construction project within the study area to require a haul road agreement with Codington County. The County developed a previous haul road agreement for the Crowned Ridge Wind Project.

The Codington County Planning Board of Adjustment approved a conditional use permit (Appendix B) for the Project on May 20, 2024 that requires that the applicant apply existing haul road agreements used for the wind energy system to this facility, unless determined unnecessary by the road authority. The haul road agreement identifies haul roads, the condition of haul roads prior to construction, and sets forth the responsibilities of the contractor to make road-related improvements or to restore roadbeds and appurtenances to the condition they were in prior to the start of construction.

South Dakota Department of Motor Carrier Services Permits

Single-Trip Permits

Temporary Licensing - Single-trip commercial license, temporary fuel, or temporary (single state registration) permits.

Oversize / Overweight - Allows for the movement on state highways of a vehicle transporting a non-divisible load that exceeds size, weight, or size and weight limitations.

Over 80K on the interstate - Single-trip permits that allow a motor vehicle to exceed 80,000 pounds when traveling on the interstate highways. The permit does not allow a motor vehicle to exceed its legal axle weight, legal tire weight, or the weight as allowed by the Bridge Gross Weight Formula.

Movement to scale site - Single-trip permit to allow a motor vehicle to move to the nearest available public or private scale to determine whether a load is properly placed on the motor vehicle. Before a single-trip permit is requested, the operator moving a load in question must obtain approval from the private scale operator to weigh the vehicle and its load. A motor vehicle operator issued a permit to move to a weigh scale may not leave the scale site unless his load conforms to all legal weight limits or he obtains an overweight permit.

Books of 10 – Self-issue books of permits for over 80k on the interstate, single-trip commercial licensing, telephonic coupons, and construction plate permits.

Extended Length Permits

Booster Axle - Allows the movement on state trunk highways of a cement truck equipped with an overweight booster axle (not a variable load or lift axle) before July 1, 1996, whose loaded weight exceeds that allowed by SDCL 32-22-21 but does not exceed 600 pounds per inch of tire width.

Non-divisible Loads - Allows for the movement of a non-divisible oversize but not overweight load being hauled on a single unit or combination of two units up to a width of 14 feet 6 inches. Side overhang may not exceed 3 feet 3 inches. Total combined front and rear overhang may not exceed 30 feet. Total length of a single unit is limited to 60 feet, including load overhang. Total length for a two-unit combination is limited to 85 feet, including load overhang, and the second unit's wheelbase may not exceed 43 feet. The vehicle operator must keep a trip log. Trip authorization is required if the load exceeds a width of 12 feet.

Lift Axle/ Variable Load Axle - Allows a motor vehicle to be overweight when making a turn due to the lifting of a lift axle or variable load axle to make the turn. This permit allows the raising of the lift axle 100 feet before beginning a turn provided the axle is lowered within 100 feet after completing the turn. Not available for trailers.

Oversize Trailer - Allows for the movement of a semi-trailer manufactured for moving oversize equipment up to 10 feet wide and up to 110 feet long, but not over height or overweight. Can be assigned to a trailer or the power unit.

Overlength semi-trailer - Allows for the movement of a semitrailer manufactured before July 1, 1998, over 53 feet long but not longer than 60 feet. The overall length of the tractor and semitrailer may not exceed 80 feet.

Slow on Interstate - This permit is valid only when no parallel route is available. Allows the movement of a vehicle that cannot maintain a speed of 40 miles per hour on interstate highways. The vehicle must display flashing warning lights and must be driven as far to the right as possible.

Determination: Mitigation Recommended – Dust mitigation, complying with the Codington County Haul Road Agreement, and acquiring necessary SD DOT Transportation Permits

8 – Fire Protection

The primary fire protection service within the 5-mile study area is provided by the South Shore Fire Department, a department operated by approximately 20 volunteer firefighters. A mutual aid agreement with Watertown Fire Rescue allows cooperation between the departments when additional resources are needed to respond to an emergency call.

Milbank Fire & Rescue

Fire Chief – David Giesen (605) 237-1053

Fire Protection: Provided by volunteer members of the department

Ambulance Service: Provided through Grant-Roberts Ambulance, Milbank, SD

South Shore Fire Department

Fire Chief – Dustin Gottschalk (605) 237-6275

Fire Protection: Provided by volunteer members of the department

Ambulance Service: Provided through Watertown Fire Rescue, Watertown, SD

Stockholm Fire Department

Fire Chief – Ryan Heckelder (605) 949-0909

Fire Protection: Provided by volunteer members of the department

Ambulance Service: Provided through Grant-Roberts Ambulance, Milbank, SD

Watertown Fire Rescue

Fire Chief – Don Rowland (605) 882-5030

Fire Protection: Provided by employees of the department

Ambulance Service: Provided by employees of the department

Developers of the Project should establish contact with the South Shore Fire Department and Watertown Fire Rescue prior to the start of construction to provide early education and response training to first responders to determine the capacities of each department to respond to a fire or ambulance call at the Project's site.

If additional equipment is needed by the departments to provide adequate emergency response services to the Project, then that equipment should be provided to the departments at the expense of the developer of the Project.

Determination: Mitigation Recommended – Fire department training and equipment, if needed

9 – Health

No healthcare facilities are located within the 5-mile study area. The construction and operation of the Project will have no direct impact on area healthcare facilities. Responder training should be provided to ambulance services that may be dispatched to the site in the event of an emergency.

Determination: Mitigation Recommended – Responder Training for Ambulance Services

10 – Recreation

Existing recreational facilities that will be impacted by the construction and operation of the Project are located in South Shore and Waverly. A summary of those recreational facilities can be found below.

South Shore

- Fitness Center
- Punished Woman Lake

Waverly

- Waverly-South Shore School facilities

Construction and operational workers are unlikely to significantly increase utilization of existing recreational facilities withing the 5-mile study area. A portion of the Project's construction workers are likely to occupy camper hook-up sites for the duration of project construction. This will create a short-term increase in the demand for camper hook-up sites. As there are few camper hook-up sites within the 5-mile study area, the anticipated construction timeframe will not result in a significant impact to recreational facilities within the 5-mile study area.

Determination: No Significant Impact

11 – Government

Governmental entities located within the 5-mile study area

- Codington County
- Grant County
- Town of South Shore
- Town of Waverly
- Milbank School District 25-4
- Waverly School District 14-5

Governmental Entity Permits Summary

The Project is located outside of any municipal boundaries and Codington County will be the primary governmental entity impacted for local permitting purposes. Grant County is within the 5-mile project area but will not be issuing any permits for the Project. The Codington County Board of Adjustment approved a conditional use permit (Appendix B) for the Project on May 20, 2024 that contains the following language:

++++++++++

A conditional use permit from the Codington County Zoning Ordinance to operate a Substation with accessory operation & maintenance building/shop, and Battery Energy Storage Site has been granted by the Codington County Board of Adjustment

Property location:

o Zemlicka Addition in the North Half of Section 11, Township 118 North, Range 51 West of the 5th Prime Meridian, Codington County, South Dakota; &

o Zemlicka Second Addition in the North Half of Section 11, Township 118 North, Range 51 West of the 5th Prime Meridian, Codington County, South Dakota.

Conditions to be placed upon the conditional use permit issued to Crowned Ridge Wind, LLC and Crowned Ridge Energy Storage I, LLC on the above-described property, owned by Crowned Ridge Wind, LLC and Dewey Zemlicka, et. al. by the Codington County Board of Adjustment on May 20, 2024

1. The applicant apply existing/previously approved haul road agreements used for the wind energy system to this facility for the construction of the accessory batter storage site, unless determined unnecessary by the road authority.

2. Applicant is required to comply with all conditions and/or restrictions as applied by the SDPUC with applicable permits.

3. Applicant is required to prepare, implement, and maintain adherence to the emergency action plan referenced ln the application.

4. No batteries may be placed in an area over Zone C of the Aquifer Protection District.

5. The elevation of the battery site is shall be at a similar elevation to the existing grade, unless grading is determined necessary by the project engineer for drainage purposes or other relevant site plan considerations.

6. The applicant agrees to provide documentation that all battery components and facilities will meet or exceed applicable fire code requirements at the time of installation upon request by the Board-of Adjustment.

++++++++++

The Project will need to adhere to all of the conditions outlined in the conditional use permit issued by the Codington County Board of Adjustment.

Governmental Entity Taxation Summary

The governmental entities that the Project construction and operation impacted should experience either no impact or a positive impact to taxation within their jurisdiction. No perceived negative impacts on taxation are anticipated as a result of construction or operation of the Project.

Land Values

Land values within the platted property improved by the Project are expected to increase. It is expected that property taxes within the platted property improved by the Project will also increase once construction of the Project is complete and property taxes are being collected.

Records of property sales and assessed value histories from properties located near two energy production facilities, Deer Creek Station located in Brookings County and Astoria Station located in Deuel County, were reviewed to determine if an impact on land values of properties located near those facilities could be established.

Deer Creek Station is a combined-cycle natural gas-powered facility producing up to 297 MW that became operational in 2012 and is located in section 25 – township 111 north – range 48 west.

Astoria Station is a simple-cycle natural gas-powered facility producing up to 245 MW that became operational in 2021 and is located in section 22 – township 113 north – range 48 west.

Property sales in the areas surrounding both facilities have continued to occur since they became operational. Assessed value histories of surrounding properties appears to have remained steady since both facilities became operational. Based on the review of those property sales and assessed value histories, it is unclear what impact that Deer Creek Station and Astoria Station have had on nearby properties in terms of land values.

No definitive cause and effect conclusion can be established as to what impact the Project will have on land values of nearby properties based on the aforementioned reviews.

Determination: Mitigation Recommended – Adhere to the Conditional Use Permit requirements issued by the Codington County Board of Adjustment.

12 – Energy

The following language is copied from the Project's Application to the PUC that is linked in the Executive Summary portion of this document: "The Project will be capable of storing excess power from the grid when production exceeds system demand (oversupply). If the grid has excess energy (e.g., during periods of low demand), this energy will be absorbed by the Project for later release. The Project will provide additional reliability for and deliverability to the grid by having the ability to store low-cost, excess generation (relative to load) and inject it into the grid at times of increased demand."

Crowned Ridge Energy has chosen a project site that can be developed without significant additional electrical infrastructure development because the site is adjacent to existing electrical substation and distribution infrastructure.

Determination: No Significant Impact

List of Appendices

Appendix A – Crowned Ridge Battery Energy Storage System Application to the Public Utilities Commission of the State of South Dakota for a Facility Permit to Construct a 120-Megawatt Battery Energy Storage System

Appendix B – Codington County Conditional Use Permit

Appendix C – Local Review Committee Meeting Minutes

Appendix A – Crowned Ridge Battery Energy Storage System Application to the Public Utilities Commission of the State of South Dakota for a Facility Permit to Construct a 120-Megawatt Battery Energy Storage System

Appendix B –Codington County Conditional Use Permit

Appendix C – Local Review Committee Meeting Minutes