

## **Written Comment to the Codington County Board of Adjustment**

Public Hearing — Monday, June 15, 2026, 7:30 p.m.

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**To:** Luke Muller, Zoning Officer

Codington County Board of Adjustment

1910 West Kemp Avenue, Watertown, SD 57201

**Re:** Conditional Use Permit (Section 3.04.02.11, Substations) for Crowned Ridge Wind LLC and Crowned Ridge Energy Storage I, LLC — Request to Amend Permit Expiration Date; Zemlicka Addition and Zemlicka Second Addition, N1/2 Section 11-T118N-R51W

Mr. Muller,

I am a local resident of the Watertown area — a renter, not a property owner, and an interested citizen. I got involved after following the public commentary on this project online, and I want to weigh in constructively. I am submitting this written comment regarding the application by Crowned Ridge Wind LLC and Crowned Ridge Energy Storage I, LLC to amend the expiration date of the conditional use permit for a substation with accessory uses, including a battery energy storage facility, on voluntarily leased private land within the existing Crowned Ridge Wind footprint.

I want to be precise about what is before the Board. As I understand the notice, the applicant is requesting to amend the permit's expiration date for non-commencement of construction from September 17, 2026 to September 17, 2027, under Section 4.05.01.9.a. The original permit was approved on May 20, 2024. My comments are offered in that context.

### **Position**

The wind facility is already built and permitted. This storage project is an incremental addition on a small permanent footprint, on land voluntarily leased from local owners for their own economic benefit. I am not opposed to it. I support the project moving forward provided the county uses this extension request as the natural checkpoint to confirm that the original permit conditions still protect the public, and to attach rigorous, enforceable local conditions on safety, decommissioning, fiscal transparency, and supply chain disclosure.

Blanket opposition without specifics does not serve the county, and neither does approving a renewal automatically simply because the land is private. The conditional use process exists to police compatibility and external costs. That is all I am asking the Board to do.

### **Project Facts of Record**

For reference, the applicant's May 2026 filing with the South Dakota Public Utilities Commission (Docket EL26-014) describes a 120 MW / 480 MWh (four-hour) lithium-ion battery system, an estimated \$174 million capital investment, a development area of 52.7 acres with a permanent aboveground footprint of roughly 7.8 acres, a 15-year Energy Storage

Agreement with Northern States Power, and a projected 35-year operating life. Crowned Ridge Energy Storage I is identified as an indirect subsidiary of NextEra Energy Resources, LLC. These details frame why the conditions below matter even though the immediate request is only a timeline extension.

## **Key Points and Specific Requests**

### **1. Reason for the Delay and Status of the Original Approval**

The permit was approved over two years ago and construction has not commenced. Before granting an extension, I ask the Board to put on the record what has caused the delay, and whether anything material has changed since May 2024 — project scope, ownership, financing, or the safety and decommissioning assumptions the original approval relied on. If the project is sound, a one-year extension is reasonable. But the extension is the proper moment to verify the original conditions still hold, rather than renewing them without review.

### **2. Voluntary Land Use and Property Rights**

The land is under voluntary lease agreements with local landowners for their own benefit. This is not eminent domain. The review should focus on compatibility, safety, and mitigation — not on second-guessing willing parties' use of their own property.

### **3. Decommissioning, Bonding, and Recycling**

- Please confirm the required decommissioning plan and the financial assurance amount (bond or equivalent) specifically for the battery storage system, sized to cover full removal and site restoration independent of the wind farm timeline.
- What is the plan to prevent orphaned battery infrastructure if the 15-year storage contract ends before the wind asset, or if the storage reaches end-of-life first?
- What are the details of the end-of-life recycling plan for the batteries? Is there a contractual path for responsible recycling rather than landfill disposal?

### **4. Emergency Response and Public Safety — Make the Commitments Enforceable Locally**

I recognize the applicant's PUC testimony commits to the 2024 International Fire Code and NFPA 855, UL 9540 / UL 1973 / UL 9540A certified equipment, 24/7 remote monitoring, an Emergency Response Plan developed with county emergency management, and on-site responder training before commissioning. That is the right direction. My request is that these stop being state-level promises and become written, enforceable conditions of the county permit:

- Require the final Emergency Response Plan to be reviewed and formally accepted by local fire and emergency management as a condition of the permit.

- Require that the committed first-responder training and any necessary equipment be documented and funded, not left to good intentions.

#### **5. Net Fiscal Impact to Codington County**

The project is projected to generate construction-phase sales and use tax, contractor excise tax, and ongoing property tax across its life.

- What is the county's estimated net fiscal impact to the general fund over the project life — total revenues minus any incremental road maintenance, emergency services, or other county costs?
- Will the Board require this projection as part of the record?

#### **6. Federal Tax Credit Reliance and Project Economics**

Battery storage projects of this type typically rely heavily on the federal Investment Tax Credit.

- To the extent disclosable, what portion of the \$174 million depends on federal tax credits versus private capital, and do the economics hold without the subsidy? This speaks directly to whether the project is likely to be built within the extended window.

#### **7. Supply Chain and National Security Considerations**

Lithium-ion supply chains remain heavily concentrated, with the large majority of cell production and critical mineral processing located in or controlled by China. Grid-scale storage is critical infrastructure.

- Will the applicant disclose supply chain sourcing — country of origin for cells, modules, and key active materials?
- Are there commitments or technical pathways to increase domestic or allied content over the life of the project?

#### **8. Coordination with the State Siting Process**

The substantive siting review, including a public input meeting and a local socio-economic impact review, is proceeding before the PUC under Docket EL26-014. I ask the Board to ensure the county's conditions are consistent with, and not weaker than, whatever conditions emerge from that state process, so the two reviews reinforce rather than undercut each other.

#### **A Note on Process and Public Input**

Some of the public discussion around this project has been high on alarm and low on specifics. Constructive input requires reading the actual application and asking concrete, answerable questions. I encourage the Board to require clear answers to the points above before granting the extension. I plan to attend the June 15 hearing and may supplement these comments orally.

Thank you for your time, and for ensuring the conditional use process protects compatibility and accountability while respecting property rights on voluntarily leased land.

Respectfully,

Zach Thompson

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