

HIGHWAYS

South Dakota is intersected by two Interstate highways, I-29 & I-90, along with several major U.S. Highways, providing easy access to anywhere in the United States. The South Dakota Department of Transportation operates approximately 7,857 miles of highway including 678 miles of interstate highway.

TRAVEL DISTANCE TO 5 NEAREST MAJOR CITIES

| Major City | Rapid City | Sioux Falls |
|-------------|------------|-------------|
| Minneapolis | 568 | 268 |
| Chicago | 897 | 576 |
| Denver | 396 | 723 |
| Kansas City | 713 | 369 |
| Omaha | 510 | 185 |

Source: www.mapquest.com.

HIGH PRIORITY CORRIDORS

Three high priority corridors intersect South Dakota. The Heartland Expressway (Corridor 14) in the west, the I-29/I-35 Corridor (Corridor 23) in the east and the Theodore Roosevelt Expressway (Corridor 58).

- The Heartland Expressway starts in Denver, CO and extends through Scottsbluff, NE ending in Rapid City, SD. This stretch of highway is under construction and when complete, a four-lane highway will exist between western Texas and western South Dakota.
- Corridor 23 begins in Laredo, Texas with I-35 and includes all of I-35 and all of I-29 north of Kansas City to the Canadian border through eastern South Dakota. I-35 continues on from Kansas City through Iowa, ending in Northern Minnesota.
- The Theodore Roosevelt Expressway starts in Rapid City, SD and extends north along US85 to Williston, ND, west on US 2 to Culbertson, MT and north on Montana Highway 16 to the international border with Canada at the port of Raymond, MT.

Source: U.S. Dept. of Transportation, Federal Highway Administration, Office of Planning, Environment and Realty, May 2008.

RAILROAD SERVICE & CLASSIFICATION (2007)

Railroad Service (2007)

| | |
|-----------------------------------|-------------|
| Number of Freight Railroads | 10 |
| Miles Operated | 1,679 |
| Total Carloads of Freight Carried | 1,567,434 |
| Total Tons of Freight Carried | 174,858,038 |

Class I Railroads:

Operating revenues of at least \$346.7 million

| | |
|----------------------|------------------|
| BNSF Railway Company | 926 miles |
| Soo Line Railroad Co | 6 miles |
| Total | 932 miles |

Regional Railroads: Operating 350 or more miles with revenues of at least \$40 million

| | |
|--------------------------------------|------------------|
| Dakota, Minnesota & Eastern Railroad | 716 miles |
| Dakota, Missouri Valley & Western | 74 miles |
| Total | 790 miles |

Local Railroads:

Engaged primarily in line-haul service.

| | |
|------------------------------------|------------------|
| D&I Railroad | 197 miles |
| Sisseton Milbank Railroad, Inc. | 38 miles |
| Sunflour Railroad, Inc. | 26 miles |
| Twin Cities & Western Railroad Co. | 11 miles |
| Total | 272 miles |

Switching & Terminal Railroads: Engaged primarily in switching and/or terminal services.

| | |
|-------------------------|-----------|
| Dakota Southern Railway | 1 |
| Ellis & Eastern | 23 |
| Total | 24 |

FREIGHT RAILROAD TRAFFIC IN SOUTH DAKOTA

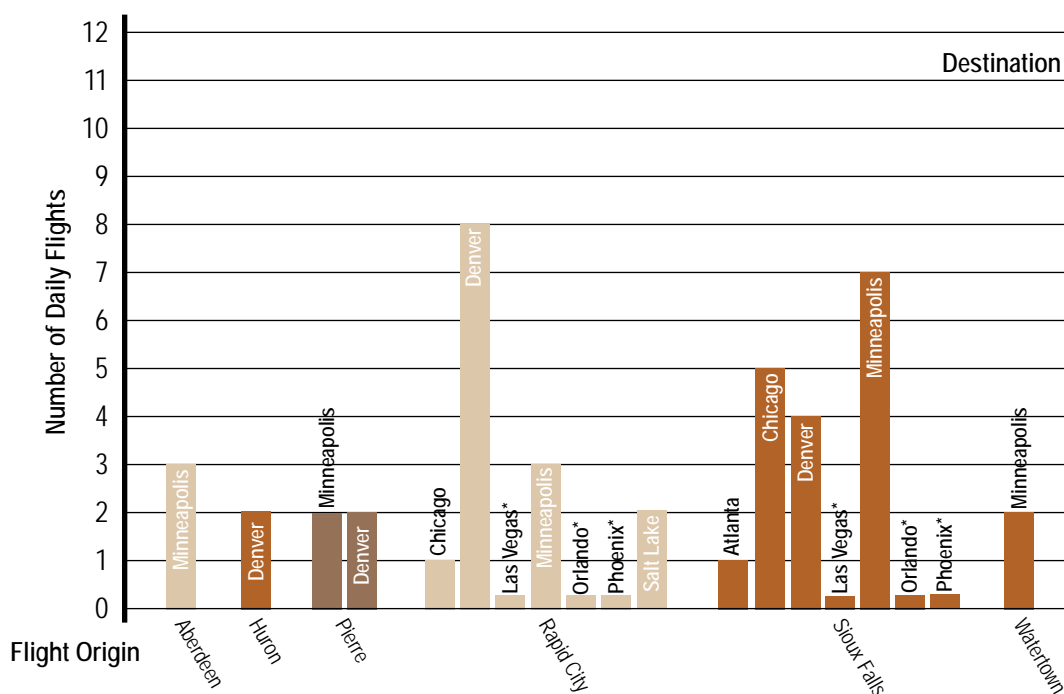
| Originated (carloads) | 2007 |
|-----------------------------|----------------|
| Grain & Other Field Crops | 83,613 |
| Food Products | 10,816 |
| Chemicals | 16,690 |
| Gravel, Crushed Stone, Sand | 2,900 |
| All Other | 5,204 |
| Total | 120,143 |

| Tonnage Shipped | 2007 |
|-----------------|------------|
| Originated | 12,380,862 |
| Terminated | 4,171,066 |

| Terminated (carloads) | 2007 |
|-----------------------------|---------------|
| Coal | 15,826 |
| Chemicals | 13,827 |
| Grain or Food Products | 3,632 |
| Railroad Equipment | 2,428 |
| Lumber & Wood Products | 2,400 |
| Pulp or Paper Products | 1,760 |
| Petroleum or Coal Products | 1,140 |
| Gravel, Crushed Stone, Sand | 516 |
| Iron or Steele | 560 |
| All Other | 560 |
| Total | 42,453 |

Source: Association of American Railroads, www.aar.org, August 2009.

COMMERCIAL FLIGHTS



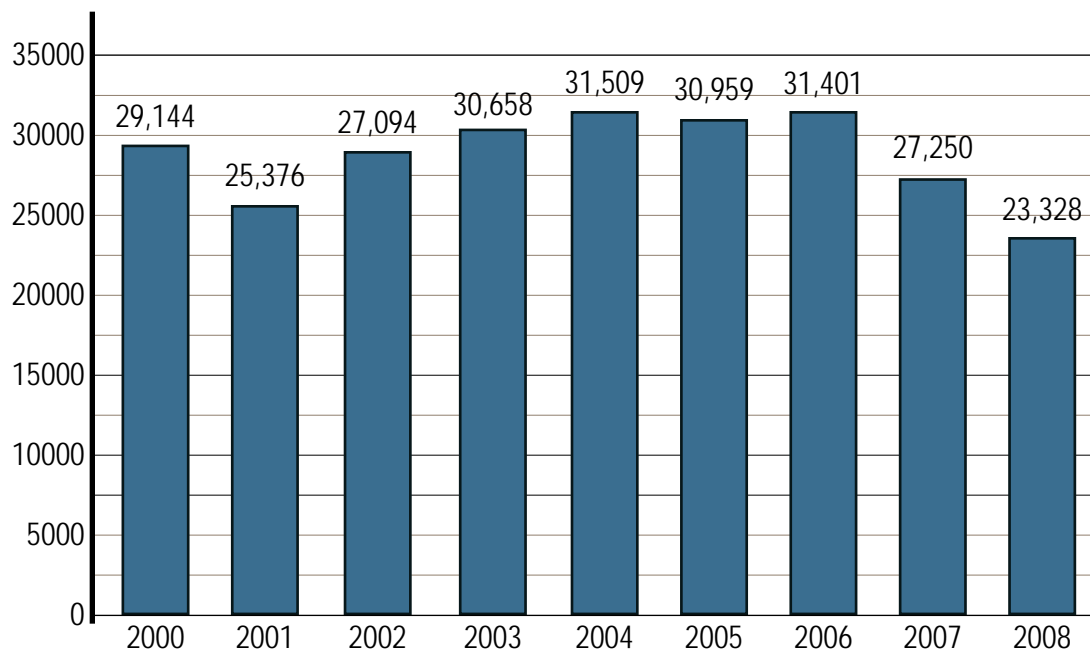
Source: Travel Leaders, September 2009.

*Flights are chartered through Allegiant Air as needed, usually 2 flights per week.

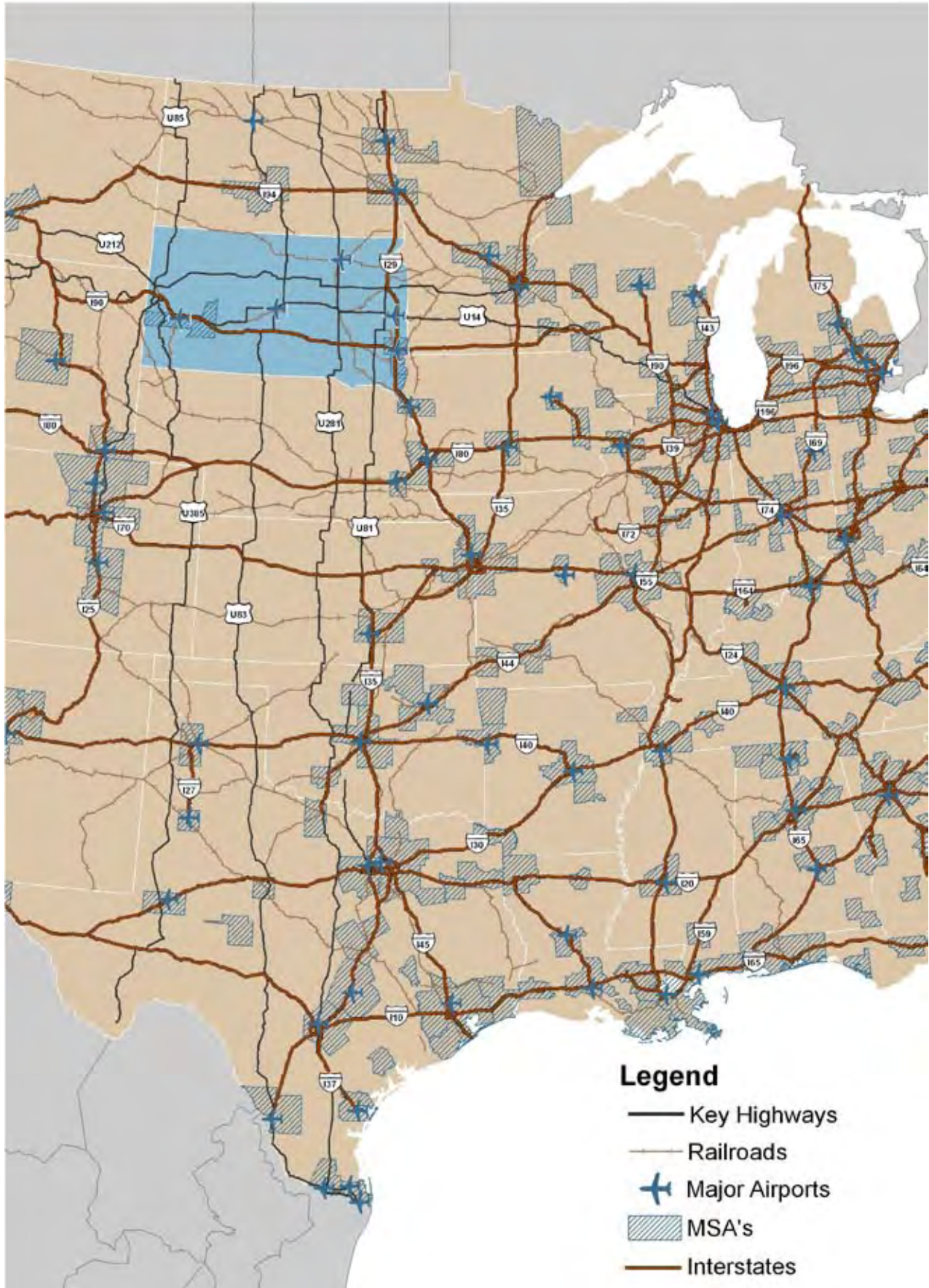
AIR CARGO

Sioux Falls, South Dakota is the major hub for air cargo traffic and is utilized by carriers such as FedEx, Airborne, UPS, United Airlines, Northwest Airlines and DHL.

Total Cargo Tonnage 2000-2008
(incoming and outgoing)



Source: Sioux Falls Development Foundation, International Marketing Director, February 2009.



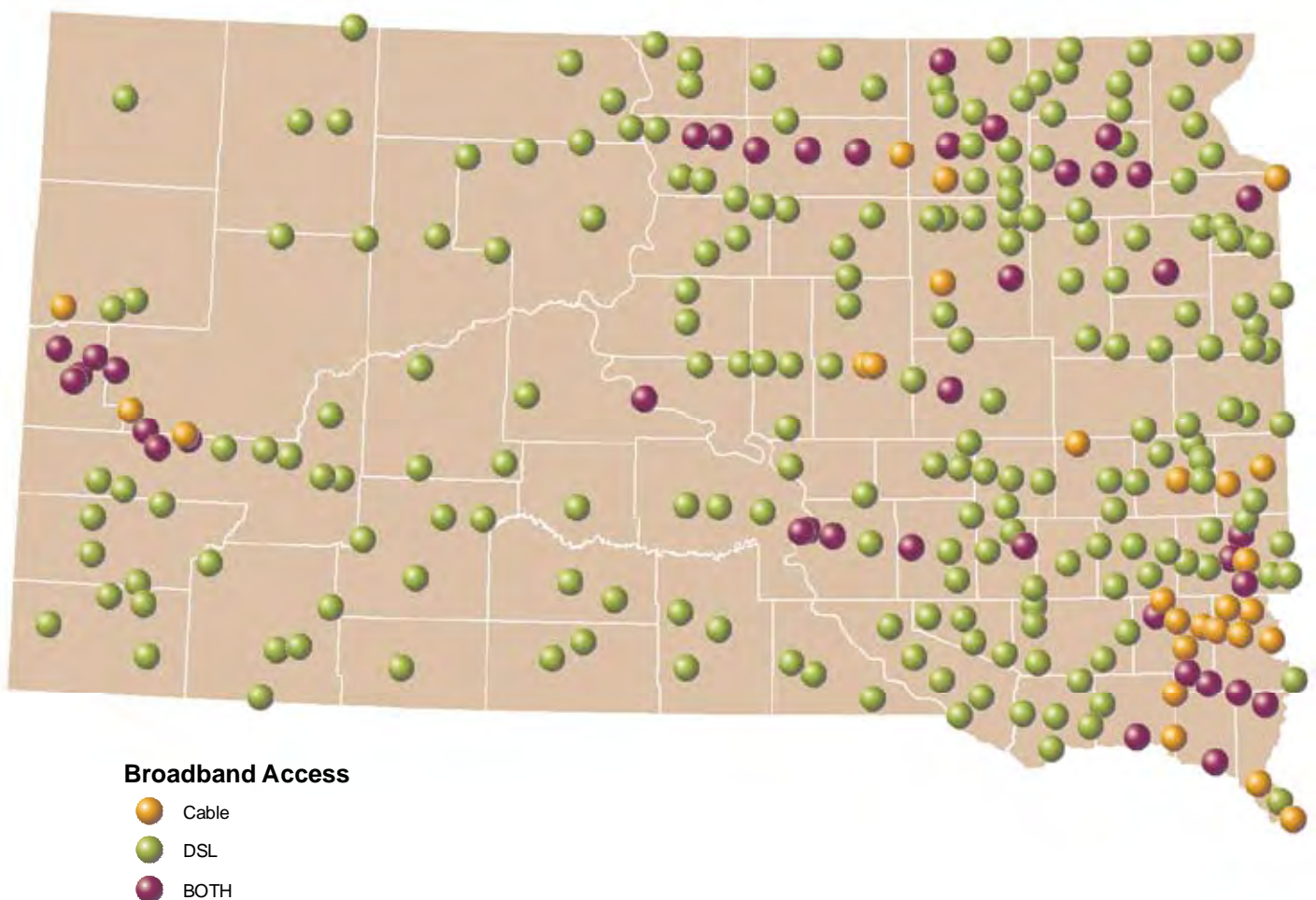
COMMUNICATIONS

South Dakota has taken an aggressive approach to insuring our population has easy access to broadband technologies and superb communications infrastructure.

- More than 67% of South Dakota's population has broadband accessibility.
- 100% of our K-12 and higher education public schools have high-speed broadband access (minimum of 1.5 Mbps) to their buildings.
- Students in South Dakota are exposed to high-speed technology and learning opportunities every day.
- More than 400 attendance centers have had access to the Internet and other state-provided applications since 1999.

Source: S.D. Bureau of Information and Telecommunications.

SOUTH DAKOTA BROADBAND ACCESS



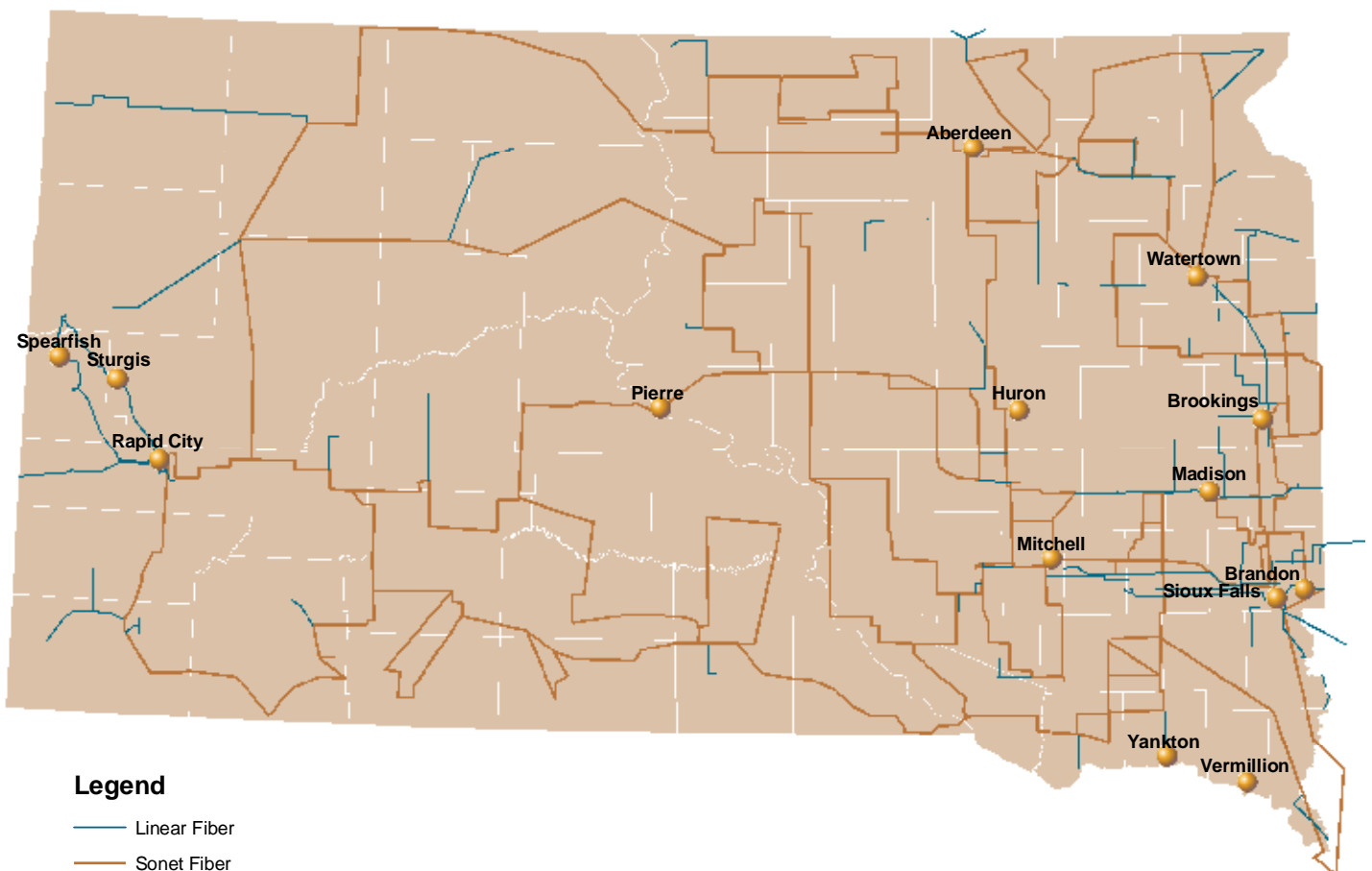
COMMUNICATIONS

In the ever-evolving world of communications, South Dakota is taking a pro-active approach to businesses current and future needs. Some of the communications technologies available are:

- Approximately 7,000 miles of fiber optics
- Dedicated, private, point-point lines
- Local & long distance services
- Frame Relay
- Asynchronous Transfer Mode (ATM)
- Digital Subscriber Line (DSL)
- Integrated Services Digital Network (ISDN)
- Metro Ethernet
- Single-line, multi-line or PBX trunk line services
- High Speed Internet
- Self-healing architectures
- Web hosting
- Disaster Recovery
- Video conferencing
- All communities with fiber access have at least DS3 (equivalent to 28 T1 lines).
- Several communities in micro/metropolitan areas have access to OC3, OC12 and OC48 lines.

Source: S.D. Bureau of Information and Telecommunications, SDN Communications.

FIBER OPTICS IN SOUTH DAKOTA



UTILITIES

South Dakota utility providers compete with the nation, keeping energy costs low and inflation minimal. And thanks to legislation, companies with heavy electric utility usage are able to shop around for their electric provider in an effort to keep costs low.

ELECTRICITY RATES (2007)

| Electricity (cents/kilowatt hour) | | | | | | |
|-----------------------------------|--------------|--------|----------|---------------|---------|----------|
| | South Dakota | | | United States | | |
| | 2006 | 2007 | % Change | 2006 | 2007 | % Change |
| Residential | 7.83¢ | 8.07 ¢ | 3.1% | 10.40¢ | 10.65 ¢ | 2.4% |
| Commercial | 6.47¢ | 6.61 ¢ | 2.2% | 9.46¢ | 9.65 ¢ | 2.0% |
| Industrial | 4.84 ¢ | 5.09 ¢ | 5.2% | 6.16 ¢ | 6.39 ¢ | 3.7% |

Source: Electricity: U.S. Dept. of Energy, Energy Information Administration, Table 1d Average Revenue per Kilowatt hour for Bundled and Unbundled Consumers by Sector, Census Division, and State, 2007.

NATURAL GAS PRICES (2007)

| Natural Gas (dollars/thousand cubic feet) | | | | | | |
|---|--------------|---------|----------|---------------|---------|----------|
| | South Dakota | | | United States | | |
| | 2006 | 2007 | % Change | 2006 | 2007 | % Change |
| Residential | \$11.11 | \$10.49 | -5.6% | \$13.73 | \$13.06 | -4.9% |
| Commercial | \$9.46 | \$8.81 | -6.9% | \$12.00 | \$11.32 | -5.7% |
| Industrial | \$9.32 | \$8.32 | -10.7% | \$7.87 | \$7.68 | -2.4% |

Natural Gas: U.S. Dept. of Energy, Energy Information Administration. Natural Gas Navigator, Prices, 2007.