

NEWS RELEASE March 26, 2014 For Immediate Release, Contact: Brian Kalk, (701) 261-0373 Randy Christmann (701) 328-4091 Julie Fedorchak, (701) 391-1140

PSC PERMITS TWO 45-MEGAWATT NATURAL GAS TURBINES NEAR WATFORD CITY

Facility will help meet growing demand for power in western North Dakota

BISMARCK, ND – The North Dakota Public Service Commission (PSC) today approved a siting permit for two new 45-Megawatt (MW) simple cycle natural gas-fired combustion turbines. The turbines, owned by Basin Electric, will be constructed and operated at their existing Lonesome Creek Station, located approximately 14 miles west of Watford City.

"This is a much needed facility that accomplishes several things," said Commission Chairman Brian Kalk, who holds the generation siting portfolio. "The project will increase the generation capacity and enhance the reliability of the electrical system in the western part of North Dakota. Additionally, this is another example of the many beneficial uses of natural gas."

The Lonesome Creek Station currently consists of one 45 MW simple-cycle combustion turbine. Construction of the two new turbines will bring capacity to a total of 135 MWs. Natural Gas is transported to the station by the immediately adjacent Northern Border Pipeline. Basin expects to start construction on the new turbines in May after all necessary permits have been acquired with a completion date at the end of the year. The cost of construction is estimated at approximately \$102 million.

"A lot of power is needed to support the energy industry and the immense new economic growth related to it," Commissioner Julie Fedorchak said. "These new gas-fired generators are part of a solution to supporting reliability in this region now and in the future."

A long-term solution for meeting western N.D. energy needs will include additional transmission infrastructure and baseload generation.

The Commission held a public hearing on the project Jan. 28 in Watford City during which community leaders and citizens were able to learn more about the proposed facility and offer public comment for consideration.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

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