

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

NEWS RELEASE

Monday, June 25, 2007

Commissioners Wefald, Clark and Cramer

For Immediate Release*

Phone 701-328-2400

PSC to hold formal hearing on proposed Big Stone II power plant

The Public Service Commission will hold a formal hearing beginning Tuesday to determine whether it is reasonable and prudent for Montana-Dakota Utilities Co. and Otter Tail Corp. to invest in a proposed \$1.8 billion coal-fired power plant.

The hearing begins at 8 a.m. on Tuesday in the Commission Hearing Room, located on the 12th Floor of the State Capitol. It continues on Wednesday at 8 a.m. and again on Thursday at 8 a.m. if needed. The public and the media are encouraged to attend the meeting. It can also be heard live on the Internet at www.psc.state.nd.us/media/comm-live.html.

MDU and OTC have proposed to participate in building a new 630-megawatt power plant near Big Stone City, S.D. MDU and OTP would share in the costs of the plant along with Central Minnesota Municipal Power Agency, Great River Energy, Heartland Consumers Power District, Missouri River Energy Services and Southern Minnesota Municipal Power Agency.

MDU and OTC have filed an "Advance Determination of Prudence" application with the PSC. This case does not involve a rate increase, but it does involve a review of the options for generating electric power, and costs of various options.

During the hearings, the Commission will hear sworn testimony from company officials, witnesses for the Dakota Resource Council, which has intervened in the case, and commission staff.

For more information about the hearing, including copies of the written testimony, go to the Commission's Website at www.psc.state.nd.us or call 328-2400.

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