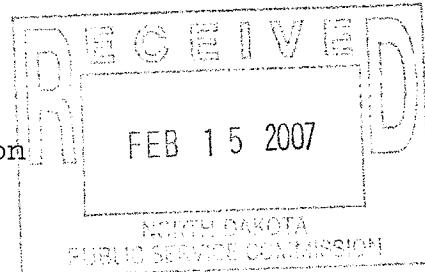


John William Breen Jr
Attorney and Counselor at Law
717 Williams Street
Bismarck, ND 58501-2483
Voice 775-278-8183
Fax 775-245-5696
Email Jwbreen2@bis.midco.net
Cell 701-471-0623

February 15, 2007

Executive Secretary
North Dakota Public Service Commission
State Capitol Building
Bismarck, ND 58505-0480



Re Advanced Determination of Prudence
PU 06-482, PU 06- 481
Big Stone II

Dear Madam Secretary,

Dakota Resource Council submits and original and seven copies of a Petition to Intervene in the above referenced hearing concerning the Advance Determination of Prudence Application filed by MDU and Otter Tail Power Corp. on The Big Stone II coal fired electricity generating project in South Dakota.

Please acknowledge receipt of the timely filing of these documents on February 15, 2007 by signing and returning this letter to me at the above address.

Very truly yours,

John W. Breen Jr.

Executive Secretary
North Dakota Public Service Commission

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA**

In the Matter of the Applications
Of Otter Tail Power Corporation
And MDU For an Advance
Determination of Prudence
for the Big Stone II
Generating Plant

Cases no. PU-06-482
and no. PU 06-481

**Petition to Intervene
In the above
Advance Determination of Prudence Hearing
By**

**Mark Trechock
Dakota Resource Council**

1. Mark Trechock is a ratepayer of Montana Dakota Utilities and is or may be adversely effected by the proposed plan for Big Stone II submitted to the Public Service Commission of the State of North Dakota and has a substantial interest in the proceeding.
2. Mark Trechock is also Staff Director of the Dakota Resource Council, an environmental group organized in the state of North Dakota and appears for DRC also. DRC is additionally a rate payer of MDU.
3. Parties include Otter Tail Corporation of Fargo, registered agent George A. Koeck 4334 18th Ave SW Suite 200 PO Box 9156 Fargo ND 58106-9156.
4. Parties include Montana Dakota Utilities Corporation, MDU Resources Group Inc. registered agent C-T-Corp Systems 314 East Thayer Ave PO Box 400 Bismarck, ND 58502-0400
5. The Intervener will present evidence though cross examination and/or direct testimony including but not limited to the following;
 - a. Big Stone II will emit more than 4.7 million tons of CO2 annually.
 - b. Federally mandated greenhouses gas reductions can be expected in the near future. The House Science

and Technology Committee has initiated hearings on global warming, specifically from the authors of the UN International Panel on Climate Change Report published on February 2, 2007. The report can be found at www.ipcc.ch. That site also advises that Working Group III of the IPCC will release for publication a consensus report on recommendations for carbon dioxide emission reductions to the atmosphere in May 2007. An 18 page summary report presented to the House committee is attached.

- c. The House website for the Science and Technology Committee at <http://science.house.gov> publicly states the committee will recommend a bill regulating carbon dioxide emissions including carbon release by coal fired electricity generating plants.
- d. Public opinion supports carbon regulation. A summer 2006 Zogby poll indicates that 72% of likely voters agreed that measures should be taken to require major industries to reduce greenhouse gas emissions to improve the environment without harming the economy.
- e. Expert testimony before the Minnesota Public Utilities Commission indicates the Big Stone II developers have not adequately considered the future cost of greenhouse regulation in building the proposed project, including the cost of retrofitting the proposed site to forthcoming carbon emission regulation. Expert testimony in Minnesota indicates that projected carbon prices may increase the projected annual costs of Big Stone II by \$37 to \$147 million dollars annually. These costs would then be passed on to the ratepayers.
- f. Many states including California, Kentucky, Minnesota, Montana, Oregon and Washington State require companies to account for the emissions of green house gases in their planning.
- g. Many Electric Utilities (Alliant, Exelon, Xcel, Pacificorp and Northwest Energy already consider the projection of long term carbon costs in their business planning.
- h. The US remains the largest contributor to global emissions of heat trapping pollutants. Coal fired electrical generation is the largest source of these emissions in the United States.

- i. There is currently no commercial or economically available method for post-combustion removal of carbon from supercritical pulverized coal plants like Big Stone II.
 - j. North Dakota Statutes regarding externalities does not apply to a determination of prudence proceeding and are flawed. The legislative history of 49-02-23 has exhibits which were introduced to establish that wind energy was less expensive than coal as a source of electric power when the cost of CO2 mitigation is considered. The two attached exhibits were introduced to the legislative committee with testimony in favor of 49-02-23.
 - k. Big Stone II will transit power across state lines. Federal Regulatory mandates of carbon emissions will not be avoided by a single state statute in North Dakota.
6. The Big Stone II project is planned to begin construction in 2008 with a likely completion date in 2011 or 2012. In light of the extent of the global warming crisis and the commitment of the Congress to enact federal mandated carbon regulations, **it is not reasonably prudent** to begin construction of Big Stone II without an analysis of carbon regulation costs and their effect on the rate payer.
7. The present Big Stone II proposal which assumes no future federal carbon regulation will impose a future unfair burden and unfair surprise on ND ratepayers. Pending HB 1221 seeks to allow the PSC to pass through federal environmental mandate costs to the rate payer.
8. Joseph Romm (Phd Physics MIT) a former acting assistant secretary at the Department of Energy, notes in his text that North Dakota has enough wind energy to supply 36 percent of the electricity of the lower 48 states without emitting carbon. Joseph Romm, Hell and High Water, ISBN number 978-0-06-117212-0 at page 169. Published January 2007. This alternative, without carbon costs, exists, and will bring the stream of income into North Dakota. The manufacture and installation of this wind energy system will further expand business and economic growth in North Dakota.
9. The intervener opposes the approval of an advance determination of prudence and requests it be denied.

Alternatively, the PSC has the authority to request the moving parties to submit a new proposal in light of the above issues under 49-05-16.

10. The PSC does have continuing jurisdiction under 49-05-16 to at a latter date determine the continuation of the Big Stone II project is no longer prudent, and that its prior order of prudence should be modified and or revoked.

Respectfully submitted for

Mark Trechock DRC

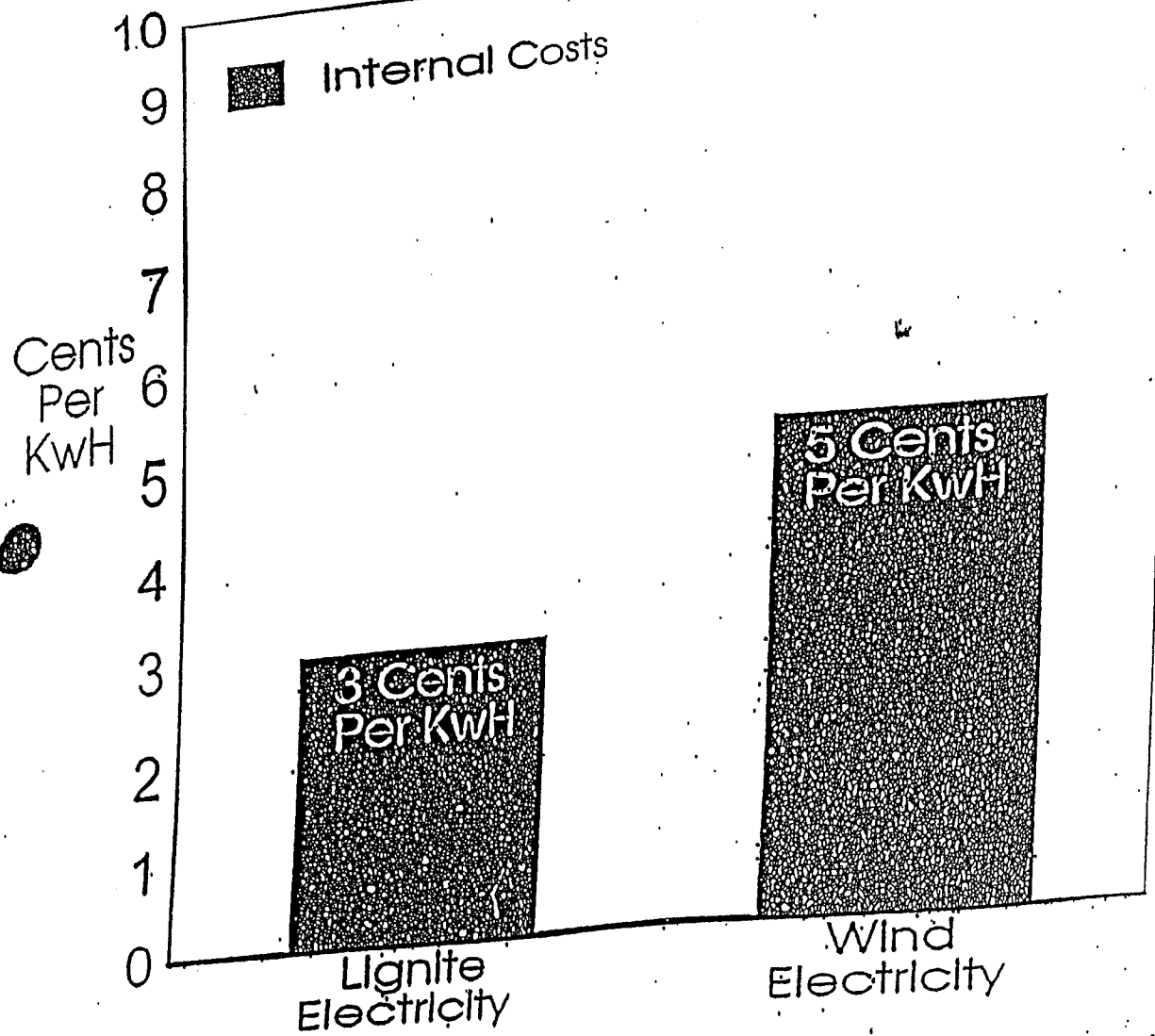
Ratepayer Dickenson ND and for and as
Staff Director of
Dakota Resource Council

2/15/2009

By

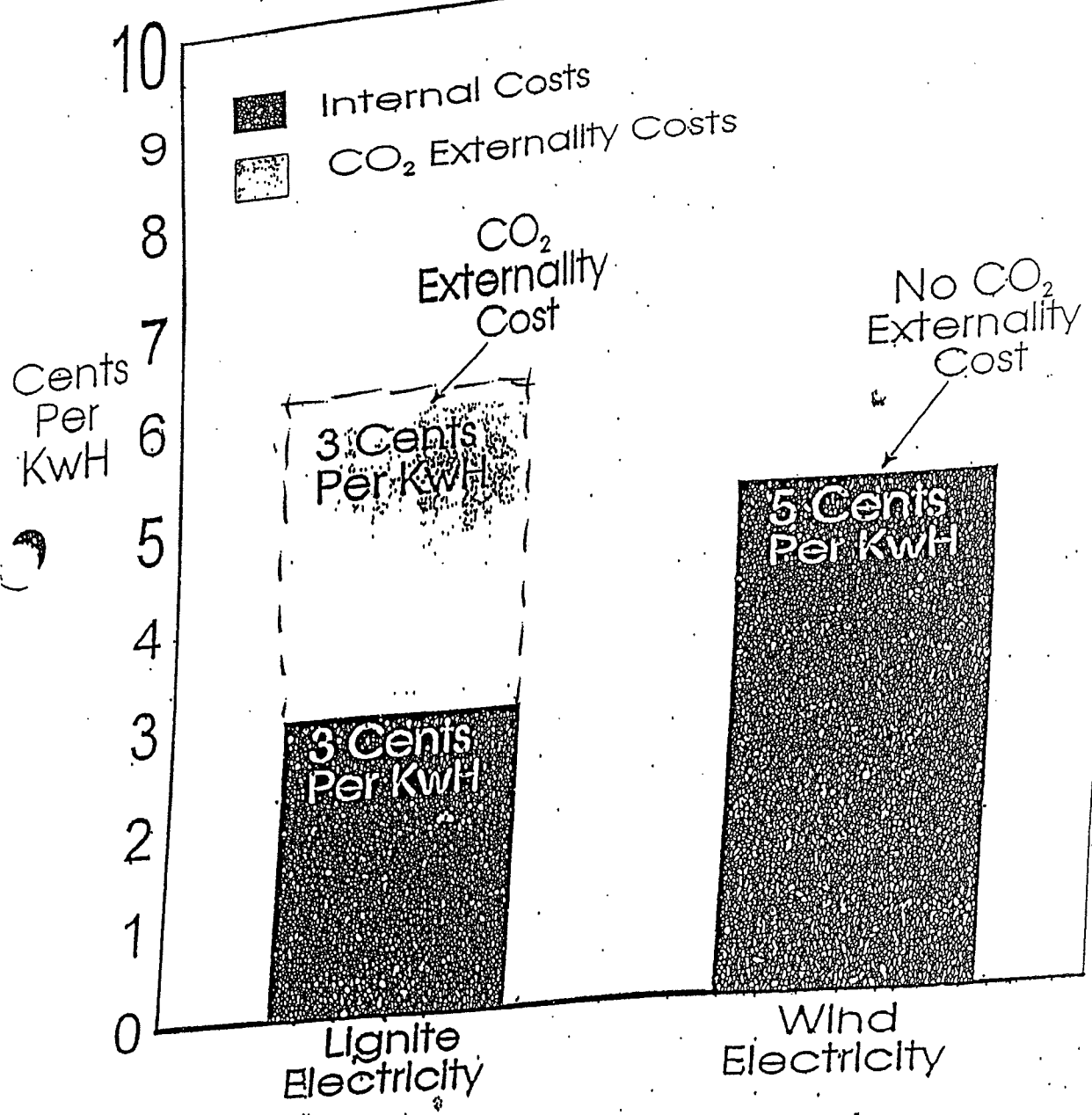
John W. Breen Jr.
Attorney John W. Breen Jr.
717 Williams Street
Bismarck, ND 58501
ND Bar ID 05492

Comparison of Lignite Energy & Wind Energy Without externality Cost



Without Externalities, Lignite Wins

Comparison of Lignite Energy & Wind Energy With CO₂ Externality Cost



With Externalities, Lignite Loses