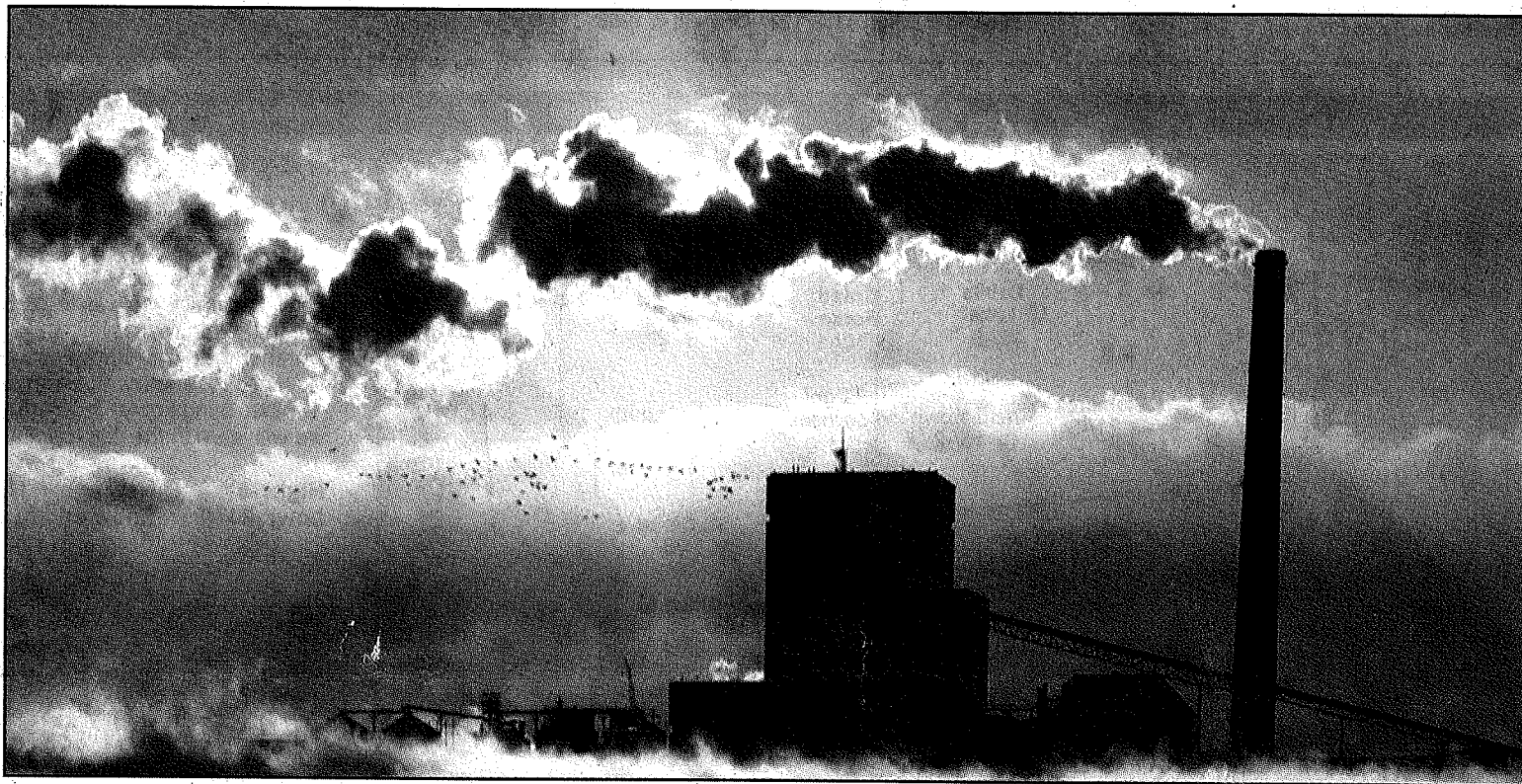


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Fargo, The Forum

The debate over the proposed Big Stone II power plant heats up as scientists predict restricting carbon dioxide emissions will prove costly.



Bruce Crummy / The Forum

Birds fly over Ottertail Power Co.'s Big Stone Power Plant near Big Stone, S.D., on Dec. 6, 2006, as steam rises from a 320-acre cooling pond adjacent to it. The plant is one of three coal-burning plants in the region that produce 69 percent of Ottertail's electricity. Built in 1975, the plant employs 75 people, has a capacity of 450 megawatts and uses subbituminous coal, some corn and shredded used-tire chips as fuel sources.

Paying the price

Rise in power cost likely with CO2 cap

At a glance

► **Background:** Coal is the cheapest fuel for generating electricity, but the cost will climb if limits apply to greenhouse gas emissions.

► **At stake:** North Dakota, where more than 90 percent of power comes from burning lignite, has some of the nation's cheapest electricity – but every year generates more than 50 million metric tons of carbon dioxide, a source of global warming.

► **In dispute:** Environmental advocates contend that customers could be stuck with big bills for new conventional coal-burning power plants if carbon dioxide emissions are taxed or restricted.

If you go

► **What:** North Dakota Public Service Commission public input sessions regarding Big Stone II partners' request for an advance determination of prudence, which would allow the utilities to recover debt costs during plant construction.

► **Bismarck:** 7 p.m. Feb. 5, PSC hearing room, 12th floor, state Capitol, north center door, 612 E. Boulevard Ave.

► **Jamestown:** 7 p.m. Feb. 12, Stutsman County Law Enforcement Center, 205 6th St. S.E.

The proposed Big Stone II power plant near Milbank, S.D., would help meet the growing electricity demands of 2.3 million customers in five states.

The coal-burning plant also would release an estimated 4.5 million tons of carbon dioxide, a major greenhouse gas, into the atmosphere every year, according to one estimate.

For that reason, the \$1.6 billion plant has found itself the target of heavy opposition from environmentalists and renewable energy advocates.

Some, like the Sierra Club, want to block new coal-fired power plants because of rising worries about global warming.

Opponents seize on the possible financial consequences of a future of restricted carbon dioxide emissions – a move that could raise the cost of coal-fired electricity, especially from



- **Today:** Carbon restrictions loom over coal's future
- **Monday:** Finding consensus on regulating greenhouse gases
- **Tuesday:** Congressional roundup on climate change policy

conventional plants that can't trap the greenhouse gas before it leaves the smokestack.

The battle over Big Stone is largely playing out in Minnesota, where most of the power will flow – but also down wind from the plant, just two miles from the border and 111 miles south of Fargo-Moorhead.

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In North Dakota, lignite coal is king

LIGNITE IN NORTH DAKOTA

- Western N.D. reserves: 835-year supply or 25 billion tons
- Annual use: about 30 million tons
- Lignite-based electrical generation in N.D.: more than 90 percent
- Average personal income for the lignite industry: \$65,000 to \$70,000 per year

AVERAGE ELECTRICITY COST

- N.D. lignite \$15.34
- Nuclear plants \$17.13
- Coal plants \$22.14
- Natural gas plants \$74.82

Note: Cost figured per megawatt hour

Source: Lignite Energy Council The Forum Council