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From: Richard Savelkoul [rsavelkoul@felhaber.com]
Sent: Friday, May 28, 2010 3:53 PM
To: Dan Kuntz; Bendish, Annette M.; Jeffcoat-Sacco, Illona; bgerhardson@ottertail.com; 'Derrick Braaten'
Cc: Diller, Michael R.; Fahn, Patrick J.; -Grp-PSC Commissioners
Subject: Re: Big Stone II work session question

Ms. Jeffcoat-Sacco:

After rereading your request, I see that I was not clear with your question "The Commission asked advisory staff to contact the parties for their positions on the Settlement Agreements if the Commission adopted the settlements, *but excluded* a monthly carrying charge on the North Dakota share of Big Stone II Generation Costs."

My previous email intended to state that LIG believes the settlement is reasonable, but we would not oppose the modification.

Thank you,
Richard Savelkoul

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Supplemental email response to work session question
North Dakota Large Industrial Group
Richard Savelkoul, Attorney

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Richard Savelkoul, Attorney
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At the its work session today, the Commission expressed concern about the inclusion in the Settlement Agreements of a monthly carrying charge on the North Dakota share of Big Stone II Generation Costs from the date on which the companies ceased accumulating an allowance for funds used during construction (AFUDC) on the construction work in progress (CWIP) balance up until the recovery of costs commences. Otter Tail Power Company ceased accumulating AFUDC on September 1, 2009 and Montana-Dakota Utilities Co. ceased accumulating AFUDC on November 2, 2009.

The Commission asked advisory staff to contact the parties for their positions on the Settlement Agreements if the Commission adopted the settlements, **but excluded** a monthly carrying charge on the North Dakota share of Big Stone II Generation Costs.

Please respond by Friday, May 28, 2010. Thank you.

Illona A. Jeffcoat-Sacco

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