

# Memorandum

To: Commissioners Julie Fedorchak, Randy Christmann, and Brian Kroshus

From: Adam Renfandt

Date: October 12, 2021

Subject: Amended & Revised Decommissioning Plan and Cost Estimate for Tatanka Wind Power, LLC (Case No. PU-10-73)

On October 21, 2020, the Commission approved an updated decommissioning plan and cost estimate for Tatanka Wind Power, LLC (Tatanka). Tatanka consists of 61 1.5 MW turbines in North Dakota with a nameplate capacity of 91.5 MWs. The approved decommissioning plan included the mobilization of cranes and labor to disassemble the components of the turbine with a cost estimate of approximately \$15.8 million, or \$259,542 per turbine (without subtracting salvage proceeds).

On April 14, 2021, Tatanka submitted a revised decommissioning plan, which relied on the “felling” approach to decommission turbines with a cost estimate of \$8,878,377, or \$145,547 per turbine (without subtracting salvage proceeds). The felling approach eliminates the need for large cranes, and instead relies on heavy equipment, such as bulldozers, to pull the turbines to the ground after segments are cut out of the tower’s steel. Tatanka’s engineering consultant reviewed confidential information prepared for the decommissioning of a wind facility in Iowa, dated October 2018, as evidence of the success of this technique. The information listed 12 projects in four states that also used this method.

On July 1, 2020, and after an Informal Hearing, the Commission held a work session, and asked the company to provide information about whether other regulatory bodies had approved such a method and whether fiberglass blades shatter upon impact, causing fragmentation.

On September 21, 2021, Tatanka replied, and

1. Noted that the consultant who authored the Tatanka felling plan also authored approved felling plans from two reviewing authorities.
2. Proposed to amend its April 14, 2021 plan to:
  - a. Utilize truck-mounted cranes to remove the turbine blades prior to felling at a cost of \$183,600
  - b. Remove foundations to a depth of four feet from three feet at a cost of \$359,700

Tatanka would cover the cost to utilize truck-mounted cranes and to remove foundations to a depth of four feet from its \$807,012 contingency, which was included in its April 14, 2021 cost estimate.

In its September 21, 2021 reply, Tatanka also requested that the Commission approve a cash escrow as a form of financial assurance. Staff believes that the Commission should reserve judgment on the financial assurance until the matter of the decommissioning plan and cost has been resolved.

The Commission has three options:

1. Approve Tatanka's April 14, 2021 decommissioning plan and cost estimate, amended by its September 20, 2021 agreement to utilize a truck-mounted crane for removal of blades and to remove foundations to a depth of four feet, while reserving judgment on the financial assurance.
2. Reject Option 1 in favor of the October 21, 2020 approved decommissioning plan and cost estimate, while reserving judgment on the felling approach until Tatanka nears its decommissioning date.
3. Require Tatanka to submit another decommissioning plan and cost estimate.