



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street

Bismarck, ND 58501

(701) 222-7900

October 27, 2016

Mr. Jerry Lein
North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505

RE: Notification of Intent to Begin
Construction Thunder Spirit Phase Two-
Road Construction
Case Nos. PU-11-601 and PU-15-592

Dear Mr. Lein,

Montana-Dakota Utilities Co. (Montana-Dakota) acquired the Thunder Spirit Wind project (Thunder Spirit) from Thunder Spirit Wind, LLC on December 30, 2015.

The Thunder Spirit Wind project received a Certificate of Site Compatibility from the North Dakota Public Service Commission (PSC) under Case No. PU-11-601 on October 9, 2013. Thunder Spirit consists of up to 75 turbine locations with a total generating capacity of 150 megawatts (MW).

A Supplemental Order to the Certificate of Site Compatibility was issued on August 14, 2014 which authorized Thunder Spirit Wind, LLC to site/construct wind turbines in 43 proposed locations and retained 31 previously-approved locations for a Phase 2 installation of the remaining 150 MW included in the project's Certificate of Site Compatibility. The First Reissued First Amended Site Certificate Number 35 was issued to Montana-Dakota effective upon closing of the sale from Thunder Spirit Wind, LLC to Montana-Dakota in Case No. PU-15-592.

The first phase of Thunder Spirit was completed on December 30, 2015. 43 wind turbines were placed into commercial operation totaling 107.5 MW of installed capacity.

Montana-Dakota is hereby providing notice to the PSC of the start of construction for Phase 2 of Thunder Spirit (PU-11-601) located in Adams County, North Dakota under its First Reissued First Amended Site Certificate Number 35 (Case Nos. PU-11-601 and

PU-15-592). In November 2016, Montana-Dakota will begin construction on approximately two miles of project roads (identified in the red circle on Exhibit A) to qualify for the Federal Production Tax Credit available to wind conversion facilities per IRS Guidelines Notices 2016-31, 2014-46, and 13-29. Construction of these project roads constitutes physical work of a significant nature and ensures Thunder Spirit Phase 2's qualification of the current Federal Production Tax Credit available to wind energy conversion facilities. The project roads planned for construction have not changed from what was approved in the PSC's Certificate of Site Compatibility referenced above.

Montana-Dakota will procure all necessary permits/agreements and submit under Case No. PU-15-592, the related engineering drawings for the planned project roads, prior to beginning construction.

At this time, a final determination regarding the completion of Thunder Spirit Phase 2 has not been made. The road construction to be completed in 2016 is necessary to ensure an addition to the Thunder Spirit Project will qualify for the applicable Federal Production Tax Credit.

In the event project development progresses, per the Supplemental Order for Thunder Spirit Wind (PU-11-601) dated August 14, 2014, Montana-Dakota will file an updated turbine layout as well as updated noise and shadow flicker studies prior to beginning construction on the remainder of its 150 MW site certificate (i.e. Thunder Spirit Phase 2).

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Thank you for your consideration in this matter. If you have any questions please contact me at 701.222.7856 or tamie.aberle@mdu.com

Sincerely,



Tamie A. Aberle
Directory of Regulatory Affairs

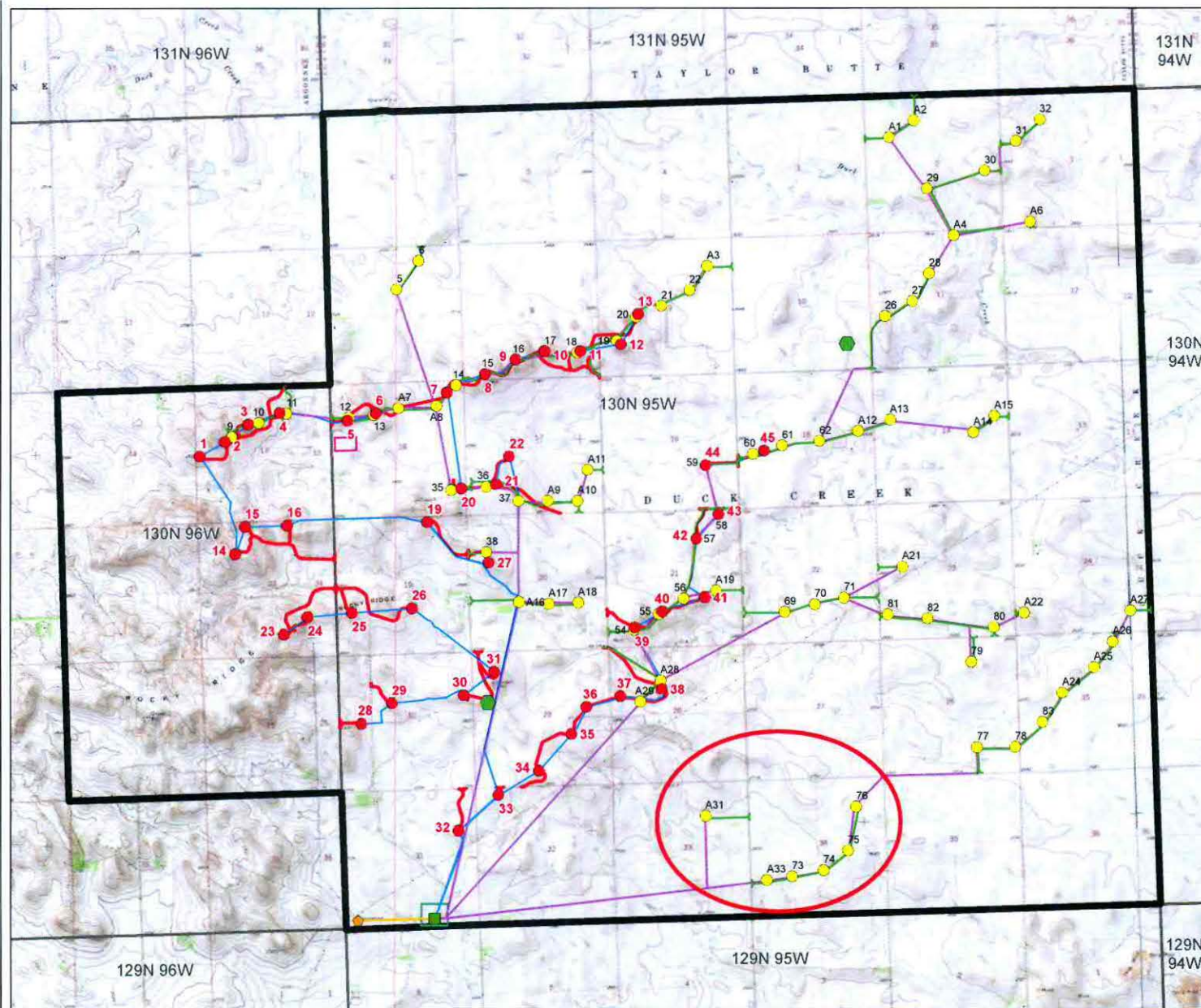
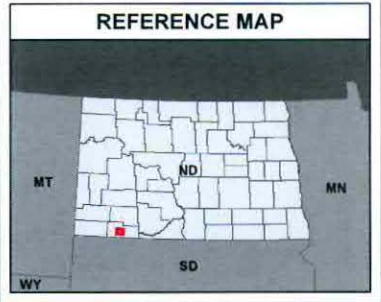
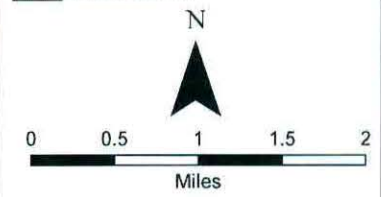


Figure 19
 Permitted Turbine Locations
 Compared to Optimized
 Layout
 Thunder Spirit Wind Energy Project
 Thunder Spirit Wind, LLC
 Adams County, North Dakota
 June 2014

- Met Tower Location
- Approximate POI
- Proposed Collector Substation (5/27/2014)
- Optimized Turbine Location (5/27/2014)
- Proposed Turbine Layout
- Access Road (5/27/2014)
- Proposed Access Road
- Collection Line (5/27/2014)
- Proposed Collection Line
- Overhead Line (5/27/2014)
- Construction Laydown Area (10 Acres)
- Collection Substation, O&M Facility, and Additional Laydown Area
- Project Area (4/26)
- Township Boundary



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