

**NORTH DAKOTA TEN-YEAR PLAN
2011-2021**

SEQUOIA ENERGY U.S. INC.

Prepared by Westwood Professional Services
September 13, 2011


RECEIVED

SEP 19 2011

1.0 AFFIDAVIT OF FILING

PUBLIC SERVICE COMMISSION

This is to certify that the list provided under Section 2.0 below contains the name and address of each state agency, state official, and county auditor given notice of filing of the 2011-2021 North Dakota Ten-Year Plan for Sequoia Energy U.S. Inc. (Sequoia). This Ten-Year Plan has been prepared for filing in accordance with Section 49-22-04 of the North Dakota Century Code (NDCC) and Chapter 69-06-02 of the North Dakota Administrative Code.


Signature

13/09/2011
Date

2.0 FILING LIST

North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

North Dakota Aeronautics Commission
P.O. Box 5020
Bismarck, ND 58502-5020

Rolette County Auditor
Rolette County
P.O. Box 939
Rolla, ND 58367

North Dakota Office of Attorney General
State Capitol
600 E. Boulevard Ave., Dept. 125
Bismarck, ND 58505

Towner County Auditor
Towner County
PO Box 603, 315 2nd Street
Cando, ND 58324-0603

North Dakota Dept. of Agriculture
600 E. Boulevard Ave., Dept. 602
Bismarck, ND 58505-0020

Pembina County Auditor
Pembina County
301 Dakota Street W. #1
Cavalier North Dakota 58220

North Dakota Dept. of Health
600 E. Boulevard Ave.
Bismarck, ND 58505-0200

Dept. of Human Services
600 E. Boulevard Ave., Dept. 325
Bismarck, ND 58505-0250

North Dakota Dept. of Labor
600 E. Boulevard Ave., Dept. 406
Bismarck, ND 58505-0340

Department of Career
and Technical Education
State Capitol, 15th Floor
600 E. Boulevard Ave., Dept. 270
Bismarck, ND 58505-0610

Division of Economic Development
and Finance
North Dakota Dept. of Commerce
1600 E. Century Ave., Suite 2
P.O. Box 2057
Bismarck, ND 58503

Energy Development Impact Office
North Dakota State Land Dept.
P.O. Box 5523
Bismarck, ND 58506-5523

North Dakota Game and Fish Department
100 N. Bismarck Expressway
Bismarck, ND 58501-5095

North Dakota Geological Survey
1016 East Calgary Ave.
Bismarck, ND 58503

Office of Governor Jack Dalrymple
State of North Dakota
600 E. Boulevard Ave.
Bismarck, ND 58505-0001

North Dakota Department of Transportation
608 E. Boulevard Ave.
Bismarck, ND 58505-0700

State Historical Society of North Dakota
612 E. Boulevard Ave.
Bismarck, ND 58505-0830

North Dakota Indian Affairs Commission
600 E. Boulevard Ave.
1st Floor - Judicial Wing, Rm. 117
Bismarck, ND 58505-0300

Job Service North Dakota
1601 E. Century Ave.
P.O. Box 5507
Bismarck, ND 58506-5507

North Dakota State Land Dept.
1707 North 9th Street
P.O. Box 5523
Bismarck, ND 58506-5523

North Dakota Parks and Recreation Dept.
1600 E. Century Ave., Suite 3
Bismarck, ND 58503-0649

Division of Community Services
Department of Commerce
1600 E. Century Ave., Suite 2
P.O. Box 2057
Bismarck, ND 58503

N. Dakota Soil Conservation Committee
c/o NDSU Extension Service
2718 Gateway Ave., Suite 104
Bismarck, ND 58503

North Dakota State Water Commission
900 E. Boulevard Ave., Dept. 770
Bismarck, ND 58505-0850

3.0 GENERAL DESCRIPTION

As set forth in NDCC Section 49-22-04.1, a ten-year plan must contain:

A description of the general location, size, and type of all facilities to be owned or operated by the utility during the ensuing ten years, as well as those facilities to be removed from service during the ten-year period.

Sequoia is a renewable energy developer with a head office in Winnipeg, Manitoba. Registered in Delaware, Sequoia is licensed to conduct renewable energy work in North Dakota. Sequoia developed Manitoba's first wind energy project, the 99-megawatt (MW) St. Leon Wind Project. Since then, Sequoia has expanded to work on a portfolio of projects that spans 15 of states and five Canada provinces. Sequoia's business model is based on the importance of partnerships and collaboration. Its corporate goal is to facilitate a smooth introduction of renewable energy into established energy production and transmission networks, bringing new income and economic opportunity to rural areas.

Sequoia is planning three wind energy projects in North Dakota that could become operational by 2021. The first is the Border Winds Project, which includes approximately 150 MW, is proposed on 52.5 square miles of land in Rolette County, and is NDPS Case No. PU-08-797. Sequoia received a Certificate of Site Compatibility from the North Dakota Public Service Commission in May 2011 (Certificate number 21). The Border Winds Project was originally configured for construction in 2011. Finalization of current discussions with a major utility would provide for construction in 2012. The Project is expected to be operational in December 2012. Two other projects that could become operational by 2021 would likely entail 60 to 150 MW each and may be located in parts of Rolette, Towner, and Pembina Counties. Sequoia does not anticipate removing any projects from service during the next 10 years.

4.0 LOCATION IDENTIFICATION

As set forth in NDCC Section 49-22-04.2, a ten-year plan must contain:

An identification of the location of the tentative preferred site for all energy conversion facilities and the tentative location of all transmission facilities on which construction is intended to be commenced within the ensuing five years and such other information as may be required by the commission. The site and corridor identification shall be made in compliance with the criteria published by the commission pursuant to section 49-22-05.1.

The preferred site of the Border Winds Project includes 52.5 square miles of land situated north of Rolla and east of St. John in northeastern Rolette County. The Border Winds Project will interconnect to an existing transmission line that traverses the project area and therefore will not involve construction of an above-ground transmission line.

Planning is in the preliminary stages for other wind projects that may be operational by 2021. These projects may be located in parts of Rolette, Towner, and Pembina Counties, but preferred

sites and environmental siting criteria are still under investigation. For all projects, the intention will be to connect to existing transmission lines at substations within the project areas.

5.0 COORDINATION WITH OTHER UTILITIES

As set forth in NDCC Section 49-22-04.3, a ten-year plan must contain:

A description of the efforts by the utility to coordinate the plan with other utilities so as to provide a coordinated regional plan for meeting the utility needs of the region.

Sequoia has had interconnection applications pending in the queues of the Midwest Independent Transmission System Operator (MISO) and the Western Area Power Administration (Western) for over three years. Sequoia is coordinating with MISO and Western as necessary to work through system impact feasibility study and planning milestones. Sequoia works to ensure that its pending projects are consistent with the requirements of MISO and Western.

6.0 ENVIRONMENTAL PROTECTION

As set forth in NDCC Section 49-22-04.4, a ten-year plan must contain:

A description of the efforts to involve environmental protection and land-use planning agencies in the planning process, as well as other efforts to identify and minimize environmental problems at the earliest possible stage in the planning process.

Sequoia has worked with Westwood Professional Services to complete critical issues analyses for a number of future wind power projects. These studies assess exclusion and avoidance areas, help distinguish sensitive and regulated resources, and identify detailed investigations necessary to support wind project planning and permitting in the future. Sequoia is also preparing an Avian and Bat Protection Plan (ABPP) and will coordinate review of the ABPP with the North Dakota Public Service Commission and U.S. Fish and Wildlife Service.

7.0 PROJECTED DEMAND

As set forth in NDCC Section 49-22-04.5, a ten-year plan must contain:

A statement of the projected demand for the service rendered by the utility for the ensuing ten years and the underlying assumptions for the projection, with that information being as geographically specific as possible, and a description of the manner and extent to which the utility will meet the projected demands.

Government renewable energy portfolio standards and objectives generate the primary demand for renewable energy that will be produced by Sequoia projects. Sequoia will help meet this demand by developing renewable energy projects and selling the energy output or projects to utilities that serve retail customers in the region.

In recent years, state governments have increasingly adopted renewable energy objectives that extend to 2020 and beyond. For instance, North Dakota Century Code Section 49-02-28 establishes a renewable and recycled energy objective that 10% of the electricity sold at retail in North Dakota be from renewable and recycled sources by 2015 (State of North Dakota 2010). The North Dakota Legislature created a “25x25 initiative” in 2007, which adopts a goal of renewable resources providing 25% of the energy consumed in the United States by January 1, 2025 (North Dakota Legislative Council 2009). MISO (2009) reported that the combined renewable portfolio standards and mandates of 11 states represent 23,000 MW to be installed in the next 20 years. The energy platform of the Midwestern Governors Association (2009) provides a commitment for 10% of the region’s electricity to come from renewable sources by 2015, followed by 20% in 2020 and 30% in 2030. Satisfying a 30% renewable energy objective in 2030 could require over 90,000 MW of wind energy capacity, whereas only 9,000 MW of wind capacity was available in the region in 2009.

8.0 LITERATURE CITED

Midwestern Governors Association. 2009. Midwestern Energy Security and Climate Stewardship Roadmap: 2009, accessed September 1, 2010, <http://www.midwesterngovernors.org/Publications/Roadmap.pdf>.

MISO (Midwest Independent Transmission System Operator). 2009. MTEP 2009: Midwest ISO Transmission Expansion Plan, accessed September 1, 2010, http://www.midwestiso.org/publish/Document/254927_1254c287a0c_7e5d0a48324a?rev=1.

North Dakota Legislative Council. 2009. North Dakota Comprehensive Energy Policy, accessed September 1, 2010, <http://www.legis.nd.gov/assembly/61-2009/docs/pdf/19125.pdf>.

State of North Dakota. 2010. North Dakota Century Code Section 49-02-28, accessed September 1, 2010, <http://www.legis.nd.gov/cencode/t49c02.pdf>.