

**BASIN ELECTRIC  
POWER COOPERATIVE**

1717 EAST INTERSTATE AVENUE  
BISMARCK, NORTH DAKOTA 58503-0564  
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November 2, 2012

RECEIVED

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Mr. Darrell Nitschke  
Executive Director  
North Dakota Public Service Commission  
600 East Boulevard; Dept 408  
Bismarck, ND 58505-0480

PUBLIC SERVICE COMMISSION

Dear Mr. Nitschke:

Pursuant to the provisions of Chapter 49-22-07.1 of the North Dakota Century Code and implementing rules, Basin Electric Power Cooperative (**Basin Electric**) hereby notifies the North Dakota Public Service Commission (**Commission**) of its intent to construct an energy conversion facility west of Watford City to be called the Lonesome Creek Station (**Project**).

In accordance with NDAC Chapter 69-06-03-01, the following information is provided to support our Notice.

1. Description of Size and type of Facility and the Area to be Served

The Project will include the addition of two 45 MW (nominal) simple-cycle combustion turbines and associated infrastructure to the Lonesome Creek Station, which is located approximately 14 miles west of Watford City, North Dakota in McKenzie County.

2. A Map of the Study Area for the Proposed Site or Corridor

The attached map depicts the location of the Lonesome Creek Station.

3. The Anticipated Construction and Operation Schedule

The Project is expected to start construction in April 2014 after all the necessary permits have been acquired. The Project's construction/commissioning stage is anticipated to be approximately 9 months with an in-service in date anticipated in January 2015. The Project requires federal, state and local permits prior to initiating construction.

4. An Estimate of the Total Cost of Construction

The estimated cost for the Project is anticipated to be approximately \$115 million.

1      **PU-12-790**      Filed: 11/5/2012      Pages: 3  
Letter of Intent

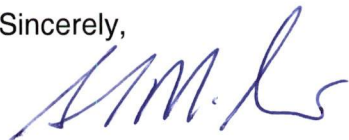
**5. Additional Information**

Basin Electric is responding to the accelerated growth of power requirements in northwest North Dakota. This generation project will provide increased load generation capacity and overall system reliability in this region.

If required, Basin Electric will file a request for waiver as provided in Section 69-06-03-01 N.D.A.C. Basin Electric intends to file the Application for Certificate of Site Compatibility in 2013.

Basin Electric appreciates the Commission's attention to this matter. Basin Electric looks forward to developing the necessary generation/transmission infrastructure to support our member systems in northwest North Dakota.

Sincerely,

A handwritten signature in blue ink, appearing to read "A.M. Serri".

Andrew M. Serri  
CEO & General Manager

ams/cm/kz

Enclosure

cc: Casey Jacobson  
Myron Steckler

# Lonesome Creek Station

