



Public Service Commission

State of North Dakota

COMMISSIONERS

Randy Christmann
Julie Fedorchak
Brian Kroshus

Executive Secretary
Darrell Nitschke

600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505-0480
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

July 3, 2018

Matt Mooren
PA Consulting Group, Inc.
1700 Lincoln Street, Suite 1550
Denver, CO 80203

Re: Case No. PU-17-120
Northern States Power Company
Advance Prudence – 1,550 MW Wind Generation
Application

At a special meeting on July 3, 2018, the North Dakota Public Service Commission approved an amended contract with PA Consulting Group, Inc. for consulting services in the above referenced case.

A copy of the Commission motion and contract are enclosed.

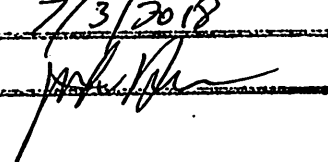
Best Regards,

A handwritten signature in cursive script that reads "Patrick Fahn".

Patrick Fahn, Director
Public Utilities Division

Enclosures

APPROVED

DATE: 7/3/2018


MOTION

July 3, 2018

**Northern States Power Company
Advance Prudence – 1,550 MW Wind Generation
Application**

Case No. PU-17-120

I move the Commission amend the contract with PA Consulting Group for consulting services in Northern States Power Company, Advance Prudence – 1,550 MW Wind Generation, Application, Case No. PU-17-120.

NORTH DAKOTA PUBLIC SERVICE COMMISSION

CONTRACT AMENDMENT

Purchase of Service Contract
Amendment #: 1

CONTRACT NUMBER PU-784-17-EE

Case No. PU-17-120

This is made to amend contract # PU-784-17-EE (Contract) between the State of North Dakota, acting through its North Dakota Public Service Commission, Public Utilities Division (STATE) and PA Consulting Group, Inc.. (CONTRACTOR).

The parties agree to the following terms and conditions and expressly agree that if any of the following terms and conditions conflict with any of the terms and conditions of the Contract, then, notwithstanding any term in the Contract, the following terms and conditions govern and control the rights and obligations of the parties.

The parties agree to amend the Contract as follows:

Scope of Work: Contract Section 1, Scope of Work. The scope of work is amended as follows: Contractor will provide additional review and analysis to include discovery requests and additional testimony regarding Northern States Power Company's 'Supplement to Application for Advanced Determination of Prudence' filed on May 18, 2018.

Compensation: Contract Section 2, Compensation. The Compensation is amended as follows: The contract amount will change from "not to exceed \$150,000" to "not to exceed \$185,000".

Extension: Contract Section 3, Term of Contract. The Contract commenced on May 31, 2017 to expire on July 31, 2018 with an option to extend the contract up to three times for an additional period of time, not to exceed 12 months per extension.

The negotiated cost proposal and activities from an email dated June 25, 2018 provided by CONTRACTOR is attached to and incorporated into this agreement.

All other terms of the Contract remain in effect.

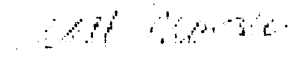
This Contract Amendment is not effective until fully executed by all parties.

Contract Amendment

Page 1 of 2

CONTRACTOR NAME:

PA Consulting Group, Inc.

By: 

Matt Mooren

Title: Member of PA's Management Group

Date: June 29, 2018

STATE OF NORTH DAKOTA

Acting through its North Dakota Public
Service Commission

By: 

Title: Randy Christmann, Chairman

Date: 7-3-18

By: 

Title: Julie Fedorchak, Commissioner

Date: 7/3/18

By: 

Title: Brian Kroshus, Commissioner

Date: 7-3-18

Schock, Victor F.

From: Jim Heidell <Jim.Heidell@PACONSULTING.COM>
Sent: Monday, June 25, 2018 6:06 PM
To: Schock, Victor F.
Cc: Matt Mooren; Charles Janecek
Subject: RE: NSP 1550 wind PU-17-120 contract amendment
Attachments: NDPSC Sixth Set of Data Requests 06252018 _final.docx; NDPSC Sixth Set of Data Requests 06252018 _final.pdf

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

Victor,

We have done a very rough forecast of the 1,550 wind project and our estimate is that the NPV of the savings compared to market may have dropped approximately 10% and with the increase in the project cost our guess is that the projects are still saving North Dakota customers money compared to market purchases. However, to have a solid opinion and appropriately inform the Commissioners, I recommend that we develop a new market price forecast and update our 1,550 economic assessment using updated NSP revenue models, updated wind production curves, and our updated Minn Hub price forecast. Consequentially we propose the following scope of work for the contract amendment and have attached proposed supplemental data requests. Please feel free to make any edits and let me know if you want me to submit the data requests. I suggest that in the email accompanying the data requests we let NSP know that we plan to update the economic analysis based on updated market prices. I do not see any reason to blind-side NSP on this.

Activities for 1,550

- 1) Review Supplemental filing
- 2) Review responses to NDPSC supplemental data requests and supplemental responses to MPUC (if any)
- 3) Prepare an updated wholesale price forecast for Minn Hub
- 4) Update PA's economic analysis of the wind projects based upon the PA updated Minn Hub price forecast, updated NSP revenue models, and updated wind production curves
- 5) Develop supplemental testimony on behalf of NDPSC
- 6) Support settlement hearings, or testify as appropriate.

Would you like additional detail on these tasks?

Kind regards,

Jim

From: Schock, Victor F. [mailto:vschock@nd.gov]
Sent: Mon 18 June 2018 1:44 PM
To: Jim Heidell <Jim.Heidell@PACONSULTING.COM>
Subject: NSP 1550 wind PU-17-120 contract amendment

Hi Jim,

Working to get everything in place for the contract amendment on this. I think we had discussed adding \$35,000 to this case to finish up the review and testimony for the supplemental.

Would you be able to throw together a quick very basic quote for the additional 35k that I can add on to the contract amendment? I wouldn't need this until sometime next week, so no rush.

Thanks,

Victor Schock

Public Utility Analyst

North Dakota Public Service Commission

600 E Boulevard Ave, Dept 408

Bismarck, ND 58505-0408

(701)328-3397

vschock@nd.gov

This transmission, email and any files transmitted with it, may be: (1) subject to the Attorney-Client Privilege, (2) an attorney work product, or (3) strictly confidential under federal or state law. If you are not the intended recipient of this message, you may not use, disclose, print, copy or disseminate this information. If you have received this transmission in error, notify the sender (only) and delete the message. This message may also be subject to disclosure under the North Dakota Open Records Laws.