

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Northern States Power Company
Advance Prudence – Biomass PPAs
Application**

Case No. PU-17-270

**Northern States Power Company
Deferred Accounting – Biomass PPAs
Application**

Case No. PU-17-271

**Northern States Power Company
Deferred Accounting – Laurentian PPA
Termination Application**

Case No. PU-17-322

NOTICE OF OPPORTUNITY FOR CONSOLIDATED HEARING

March 29, 2018

On June 30, 2017, in Case No. PU-17-270, Northern States Power Company (NSP) filed an Application for Advance Determination of Prudence (ADP) for proposed transactions relating to power purchase agreements (PPAs) for the Benson Power, LLC biomass plant (Benson), the Pine Bend biogas plant (Pine Bend), and the Hennepin Energy Recovery Center (HERC).

Also on June 30, 2017, in Case No. PU-17-271, NSP filed an Application for Authority for Deferred Accounting to defer recognition for the transactional, plant closing, and other associated costs of transactions proposed for Benson and Pine Bend.

On August 10, 2017, in Case No. PU-17-322, NSP filed an Application for Authority for Deferred Accounting that would allow NSP to defer recognition of the costs of terminating its current PPA with the Laurentian Energy Authority, LLC (Laurentian) with a series of buyout payments.

On November 29, 2017, the Commission issued a Notice of Consolidated Hearing, consolidating the captioned cases for hearing and scheduling a hearing for February 2, 2018.

On January 18, 2018, NSP and Advocacy Staff filed a Settlement Agreement, which they state resolves the open issues in the three captioned cases. The Settlement Agreement provided for, among other things, granting an advance determination of prudence for NSP's decision to terminate its PPA with Laurentian with a series of buyout payments, and recovering the costs of the Pine Bend, Laurentian, and Benson transactions through NSP's Automatic Adjustment Clause. Neither of these matters was the subject of any issue included in the November 29, 2017 notice.

On February 2, 2018, a consolidated hearing was held as scheduled in the Commission Hearing Room at the State Capitol in Bismarck, North Dakota.

The Settlement Agreement under consideration includes two matters that were not the subject of the issues in the original notice. Consequently, a notice stating the additional issues is required before the Commission can act on the Settlement Agreement.

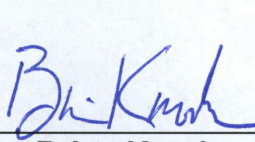
The additional issues to be considered are:

1. Is NSP's proposal to terminate its power purchase agreement with Laurentian Energy Authority, LLC prudent?
2. Is it reasonable and appropriate to waive the provisions of the Automatic Adjustment Clause rule (N. D. Admin. Code section 69-09-02-39) to permit recovery of the costs of the Benson Power LLC, Pine Bend, and Laurentian Energy Authority, LLC transactions through NSP's Automatic Adjustment Clause?

Those interested are invited to comment in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. **Comments and requests for hearing must be received by May 4, 2018.** If deemed appropriate, the Commission can determine the matter without a hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission 24 hours in advance.

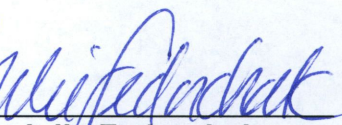
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