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Fargo, ND 58102

August 27, 2019

—VIA ELECTRONIC FILING AND U.S. MAIL—

Mr. Steven M. Kahl
North Dakota Public Service Commission
State Capitol Building, Dept 408
600 E. Boulevard
Bismarck, ND 58504-0480

RE: FOXTAIL WIND ENERGY PROJECT
COMPLIANCE FILING – DECOMMISSIONING
PLAN CASE NO. PU-19-___

Dear Mr. Kahl:

Northern States Power Company, a Minnesota corporation (“Xcel Energy” or “the Company”), submits to the North Dakota Public Service Commission (the “Commission”) this updated decommissioning plan compliance filing in the above-referenced matters.

This filing is being made pursuant to North Dakota Century Code 49-02-27, North Dakota Administrative Code Section 69-09-09-06, and Condition 31 of the Certificate of Site Compatibility (Certificate Number 53) for Energy Conversion Facility for Courtenay Energy, LLC (Foxtail Facility) which requires a decommissioning plan describing the manner in which the Company anticipates decommissioning the Foxtail Facility and the estimated costs to do so.¹

Attachment A to this petition is the full decommissioning cost report provided by Wanzek Construction, Inc. (Wanzek) Attachment B is the pre-operational financial assurance required under Part 2 of NDAC 69.09.09.08.

Background

The Foxtail Facility is composed of 75 2.0 MW V-110 and V-120 Vestas wind turbines located on privately-owned land (primarily agricultural) located in Dickey County, in southeastern North Dakota. NextEra Energy Resources, LLC (NEER) developed the project in collaboration with Xcel Energy. Xcel Energy currently owns and will soon commercially operate the Foxtail Facility, which represents an important part of Xcel Energy’s continued commitment to a cost-effective and geographically diverse supply portfolio of Company-owned wind resources.

¹ This plan complies with revised decommissioning rules (NDAC Ch. 69-09-09) effective July 1, 2017.

The Foxtail Facility will become commercially operational in October 2019 with a service-life assumption of 25 years and an estimated decommissioning date of September 2044. As is the case with all Company generating investments, the estimated remaining life of the facility will be periodically reassessed in connection with the Company's Remaining Life Studies, which occur annually.

On February 27, 2018 a Certificate of Public Convenience and Necessity for this project was granted by the Commission in Case No. PU-17-387. On December 6, 2018, an Advanced Determination of Prudence ("ADP") was granted by the Commission in Case No. PU-17-120.

Decommissioning Scope

Xcel Energy will begin decommissioning the Foxtail Facility within twelve months after the time the facility reaches the end of its useful life, as required in Section 69-09-09-04 of the ND Administrative Code. The decommissioning process will be completed within twenty-four months of the end of the facility's useful life.

Decommissioning will include:

1. Dismantling and removal of all towers, turbine generators, transformers, and overhead cables;
2. Removal of underground cables to a depth of at least twenty-four inches;
3. Removal of foundations, buildings, and ancillary equipment to a depth of at least thirty-six inches;
4. Site restoration and reclamation to the approximate original topography that existed prior to the construction of the facility with topsoil respreads over the disturbed areas at a depth similar to that in existence prior to the disturbance.
5. Grading and topsoil of areas disturbed by the facility, and reseeded according to nature resource conservation service recommendations, unless the commission approves an owner request signed by the applicable landowner, identifying the surface features the landowner prefers to remain in place and the reason the landowner prefers those features to remain.

In general, the Company's decommissioning and restoration activities will adhere to the requirements of the appropriate governing authorities and will be in accordance with applicable federal, state, and local permits (if any are required), and pursuant to the terms and conditions of any landowner leases currently in place.

Decommissioning Process

The process of removing structures involves evaluating and categorizing all components and materials into categories of recondition and reuse, salvage, and disposal. In the interest of increased efficiency and minimal transportation impacts, components and materials may be stored on-site at landowner-approved locations until the bulk of similar components or materials are ready for transport. The components and material will be transported to the appropriate facilities for reconditioning, salvage, and/or disposal. Above-ground structures

include the turbines, transformers, overhead collection or transmission lines, substation(s), and the facility's portions of the interconnection facilities. Below-ground structures include turbine, substation, and building foundations, collection system conduit and cable, fiber optic facilities, and subterranean drainage structures, if any.

Turbine removal: Access roads to turbines will be widened to a sufficient width to accommodate movement of appropriately sized cranes, trucks, and other machinery required for the disassembly and removal of the turbines. Control cabinets, electronic components, and internal cables will be removed. The rotor, nacelle, and tower sections will be lowered to the ground where they may be transported whole for reconditioning and reuse, or disassembled/cut into more easily transportable sections for salvageable, recyclable, or disposable components.

Turbine and substation foundation removal: Topsoil will be removed from an area surrounding the foundation and stored for later replacement, as applicable. Turbine foundations will be excavated to forty-eight inches below grade per the landowner agreements in place. All anchor bolts, rebar, conduits, cable, and concrete will be removed to this depth. The remaining excavation will be filled with clean sub-grade material of quality comparable to the immediate surrounding area. The sub-grade material will be compacted to a density similar to surrounding sub-grade material. All unexcavated areas compacted by equipment used in decommissioning will be de-compacted to adequately restore the topsoil and subgrade material to the proper density consistent and compatible with the surrounding area.

In accordance with North Dakota Century Code 49-02-27, the location of any portion of underground foundation not removed during decommissioning will be recorded with the county recorder in the county in which the facility is located.

Underground collection cables: The cables and conduits contain no materials known to be harmful to the environment. As part of the decommissioning, these items will be cut back to the required depth. All cable and conduit and other materials buried below the required depth will be left in place and abandoned.

Overhead collection lines: Overhead collection lines and poles will be removed as needed.

Access roads and construction pads: Access roads and construction pads will be reclaimed to agricultural land suitable for its purpose before the construction of the Foxtail Facility.

Site Restoration Activities

Prior to the removal of structures from all work areas, topsoil will be removed, separated from other excavated material, stockpiled, and clearly designated. The topsoil will be replaced to original depth. The topsoil will be de-compacted to match the density and consistency of the immediately surrounding area. Any topsoil deficiency and trench settling will be mitigated with imported topsoil consistent with the quality of the affected site.

Following decommissioning activities, the sub-grade material and topsoil from affected areas will be de-compacted and restored to a density and depth consistent with the surrounding areas to a maximum depth of eighteen inches. The affected areas will be inspected, cleaned, and all construction-related debris removed. Disturbed areas will be reseeded to promote re-vegetation of the area to a condition reasonably similar to original condition. In all areas, restoration shall include, as reasonably required, leveling, terracing, mulching, and other necessary steps to prevent soil erosion, to ensure establishment of suitable grasses and forbs, and to control noxious weeds and pests.

Decommissioning Costs

Xcel Energy will be responsible for all costs associated with decommissioning the Foxtail Facility.

To ensure that there is adequate recovery of future decommissioning and restoration costs, a negative net salvage rate is included in the calculation of the depreciation expense rate for the production assets in this project. The net salvage rate reflects the net of the estimated decommissioning costs and any offsetting proceeds from the salvaging and/or recycling of certain generation equipment, such as the towers, cables, and other material. The net salvage rate is negative in this case because the forecasted costs of decommissioning the facility are higher than the expected salvage proceeds.

Based on Wanzek's engineering study of the estimated decommissioning expense for the Foxtail facility, the Company recommends a production net salvage rate of negative 6.4 percent for purposes of North Dakota ratemaking. This percentage of the value of Foxtail facility assets will be collected over the life of the facility as part of the annual depreciation expense, and will be recorded in the accumulated depreciation reserve account for the eventual removal and restoration of the production-related assets (less any actual salvage proceeds)². The net salvage rate is calculated as follows:

$$\text{Net Salvage} = \frac{(\text{Est. Salvage}) - (\text{Prod. Decomm. Costs})}{\text{Forecasted Plant in Service}} = \frac{(\$4,265,480 - \$20,031,239)}{\$244,461,185} = -6.4\%$$

Net salvage rates will continue to be reviewed by the Company every five years as a result of an engineering study performed for each production (i.e., generating) facility, including the Foxtail facility. If any rules and regulations change regarding removal (e.g. mandates for deeper removal of underground equipment and material), these changes will be incorporated into the next *Annual Review of Remaining Lives* to be filed in 2020 and every five years thereafter.

² Since this net salvage rate will only apply to production-related assets, the estimated decommissioning costs for substation and transmission assets are excluded from the total site decommissioning costs. Substation and transmission assets within this project will be depreciated using the approved average service lives, net salvage rates, and depreciation rates assigned to those assets. These depreciation lives and rates were approved in the Company's most recent electric rate proceeding (Case No. PU-12-813).

Based on this approach, and supported by the detail in Attachment A, a conservative initial estimate of total site decommissioning expense (excluding salvage) for this project is approximately \$20.9 million, or about \$278,583 per turbine, in 2019 dollars.

Conclusion

In summary, this updated decommissioning plan includes the following information per 69-09-09-01 (6) of the North Dakota administrative code:

- The current anticipated life of the Foxtail facility is 25 years;
- An estimate of the total cost of decommissioning and site restoration at the end of the project's useful life (excluding salvage value of the turbines and equipment) is \$20,893,746;
- A description of the methods and assumptions used to determine the decommissioning cost estimate;
- A description of the anticipated manner in which the Foxtail facility will be decommissioned;
- A copy of the decommissioning cost proposal prepared by Wanzek Construction, Inc., a professional engineer licensed by the state of North Dakota; and
- A Guaranty providing the financial assurance that we believe will be acceptable to the commission and sufficient to ensure complete decommissioning

Xcel Energy is a regulated utility governed by the laws of the State of North Dakota and will observe all regulatory requirements with respect to decommissioning the Foxtail facility, including removal of all buildings and equipment and restoration of the land.

Xcel Energy respectfully requests that this filing be accepted as being in compliance with the decommissioning requirements of this Commission.

If you have any questions or concerns regarding this matter, please contact me at dave.sederquist@xcelenergy.com or (701) 241-8632.

Sincerely,



David H. Sederquist
Sr. Consultant, Regulation & Finance

cc Adam Renfandt

FOXTAIL DECOMMISSIONING

PROPOSAL PROVIDED FOR XCEL ENERGY

Proposal Provided By

WANZEK

a **MasTec** company 

Wanzek Construction | 4850 32nd Ave S, Fargo, ND 58104 | wanzek.com

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EXECUTIVE SUMMARY

Wanzek Construction, Inc. is pleased to provide Xcel Energy with our decommissioning proposal for the Foxtail Wind Project. With over forty-five years of experience driving excellence through all stages of construction, Wanzek has the experience and breadth of knowledge to provide continuing presence and direct management involvement to each project. Wanzek is continuously investing in equipment, technology and teams to provide innovative, efficient and cost-effective construction services that meet client needs. Wanzek is a relationship-driven company with growth largely due to repeat clients. We are further strengthened by the backing of our parent company. As a wholly-owned subsidiary of MasTec North America, Inc./MasTec, Inc., Coral Gables, FL (NYSE: MTZ), Wanzek has the geographic reach, scalability and overall financial stability to deliver high quality and innovative solutions.

Safety is the cornerstone of our company culture and our dedicated safety personnel and employees work to make sure safe behavior is instinctive and automatic. Our focus on safety starts long before we mobilize to the field. It is a crucial part of reviewing and finalizing proposals, continues through project planning and is the responsibility of every Wanzek employee every day. Wanzek follows an Operator Qualification Plan designed to ensure all team members are OQ-certified to perform tasks safely.

Wanzek addresses quality at all stages of the job, from planning through operations and execution to lessons learned at job closure. We work collaboratively with our clients, using lean continuous improvement methodologies to optimize all aspects of construction and operations.

Our teams are built on strength, stability and experience. Wanzek self-performs the majority of our work. To ensure safety, quality and repeat clients, we employ skilled, proficient and dedicated teams. Company-wide, our craftspeople have an average of fifteen years of experience in their trade and work in a senior-level to junior-level ratio of approximately 1:4.

On behalf of Wanzek Construction, thank you for the opportunity to present our capabilities as a qualified contractor for the Foxtail Wind Project. I welcome your comments and questions as you review the proposal and look forward to working with you.

Regards,

Jake Nikle
Director of Renewable Services
Wanzek Construction, Inc.
(701) 371-3982
dknain@wanzek.com

PRICING

Our pricing methodology includes requesting multiple bids from reputable subcontractors and material suppliers to achieve the best value. Our knowledge and expertise allow us to maximize efficiency while providing clients with all-inclusive pricing. Our detailed quotation for the Foxtail Wind project follow.



Project:	Foxtail Decommissioning
Proposal Type:	Non-Binding Decommissioning Budget
Proposal Date:	8/26/2019
WTG # & Type:	68 x Vestas 2 MW, 80M HH, 120M rotor
WTG # & Type:	7 x Vestas 2 MW, 80M HH, 110M rotor
Total MW:	150
Phase:	1
Location:	Kulm, ND

Approximate Salvage Value Worksheet

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mixed Steel					
1	Concrete WTG Foundation - Spread Footing Pedestal Rebar	225	TN	\$ (120.00)	\$ (27,000)
2	WTG Steel Towers - 80 Meter	9,653	TN	\$ (120.00)	\$ (1,158,300)
3	WTG Equipment - Hub Assemblies	1,538	TN	\$ (120.00)	\$ (184,500)
4	WTG Equipment - Nacelles	5,625	TN	\$ (120.00)	\$ (675,000)
5	Electrical Equipment - MP Transformer 34.5KV	125	TN	\$ (120.00)	\$ (15,000)
6	Electrical Equipment - Grounding Transformer 34.5KV	14	TN	\$ (120.00)	\$ (1,680)
Copper					
7	WTG Equipment - Tower Cable	120	TN	\$ (4,000.00)	\$ (480,000)
8	WTG Equipment - Generators	300	TN	\$ (4,000.00)	\$ (1,200,000)
9	Electrical Equipment - MP Transformer 34.5KV	121	TN	\$ (4,000.00)	\$ (484,000)
10	Electrical Equipment - Grounding Transformer 34.5KV	10	TN	\$ (4,000.00)	\$ (40,000)
SALVAGE VALUE SUBTOTAL					\$ (4,265,480)
Unit Cost					\$ (56,873)

ASSUMPTIONS & CLARIFICATIONS

To help provide additional details regarding our proposal and approach to executing this project, please see our detailed assumptions and clarifications for the Foxtail Wind Project.

CLARIFICATIONS | BUDGETARY DECOMMISSIONING PRICING

General Clarifications

1. Wanzek has prepared pricing for strictly budgetary purposes, based on current market prices.
2. Wanzek has excluded any prevailing wage or union requirements.
3. Wanzek has excluded taxes. Applicable taxes will be paid by owner.

Site Clarifications

4. Wanzek assumes that access to and from the jobsite along with an adequate work area will be available without restriction.
5. Owner to provide adequate lay down area for storage of contractor materials, supplies and equipment storage and maintenance area.
6. Wanzek will bring in a single wide trailer for site management to work.
7. Owner responsible for Landowner communications and dealings.
8. Wanzek excludes any state, or county road improvements and/or traffic control measures, barricades, or utility control, that may be required to operate at the jobsite.

Turbine Disassembly

9. Wanzek's base pricing assumes the turbines will be deconstructed with a crane, following construction industry safety processes.
10. Wanzek will mobilize the main crane (LR1600,) support cranes, equipment and crews a week before disassembly will begin. Wanzek will have two crews taking down the turbines. Crew #1 will prep the towers ahead of the main erection crane. Crew #2 will disassemble the turbines. Wanzek predicts that (4) towers per week will be taken down and placed on the ground.
11. Wanzek's base pricing includes downsizing the dismantled WTG components on site and hauling away for scrap.
12. Approximate salvage value is detailed on the second page of the pricing sheet, based on current market prices.
13. Alternate B: Same scope as above with the exception that the dismantled WTG components will not be downsized and will be hauled a longer distance to a specialized recycling/scraping facility (assumed 600 mile distance).
14. Alternate C: WTG's will be tipped in lieu of dismantling, downsized on site, and hauled away for scrap.
15. Net price for each option:
 - o Base: Dismantle, Downsize, & Scrap = $\$20,893,746 - \$4,265,480 = \$16,628,266$ Net
 - o Alternate B: Dismantle & Haul = $\$20,893,746 + \$3,608,786 - \$4,265,480 = \$20,237,052$ Net (assuming scrap value as the minimum Xcel could get if selling the WTG's for reuse)
 - o Alternate C: Tip, Downsize, & Scrap = $\$20,893,746 - \$3,425,833 - \$4,265,480 = \$13,202,433$ Net

Civil Works & Foundation Pedestal Removal

16. Pricing includes removal of 8" (average) of road aggregate and turbine beauty rings. Pricing assumes all removed material will be placed on nearby aggregate roads.
17. Pricing includes removal and haul off (within 20-mile radius) of waste road fabric material. No disposal fees have been included. Pricing includes import and replacement with black dirt.

18. Wanzek will excavate around the foundation following all OSHA requirements for excavations. We will remove the concrete to a depth of 48" using an excavator with a concrete breaker attachment. Once concrete is broken up, the rebar and bolts will be removed (using a torch if needed) and placed in a steel dumpster. The excavations will be backfilled and compacted to 85%.
19. All areas will be de-compacted and graded to facilitate drainage using surrounding material. No imported fill has been considered.
20. All areas requiring reseeding will be seeded with an approved seed mix.

Collection System Removal

21. Wanzek has included removal of junction boxes. Collection cables will be removed to a depth of 36", all collection materials below that depth will remain in place.
22. All areas requiring reseeding will be seeded with an approved seed mix.

Substation Removal

23. Wanzek will remove all fixtures and steel and haul off site. Foundations will be removed to a depth of 48". All materials below that depth will remain in place.
24. Substation fence will be removed and hauled away. Equipment will be removed to the point of interconnect.
25. The aggregate yard will be removed and distributed on nearby gravel roadways.
26. All areas requiring reseeding will be seeded with approved seed mix.

Transmission Line Removal

27. Wanzek has excluded the removal of any transmission line related to the project.

Interconnect Facilities

28. Wanzek has excluded the removal of the interconnect facilities.

O&M Building

29. Wanzek will demo and remove the building including foundation to a depth of 48". All materials below that depth will remain in place.
30. All areas requiring reseeding will be seeded with an approved seed mix.

PROJECT SCHEDULE

Our project schedulers focus on defined goals, realistic milestones and the resources needed to mitigate risk. Wanzek has included a high-level overview of the anticipated activity durations below:

Foxtail Wind Project <i>Kulm, ND</i>																									
WEEK	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
MOB	█																								
Civil	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█						
Foundations				█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█						
Electrical			█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█						
Tower Removal & Loadout		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█						
O&M Building																█	█	█							
Completion																							█		
Overall	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	



CULTURE OF SAFETY



Continual safety training and coaching is ongoing with each project.

Our [Zero Injury System of Safety Excellence](#) contains eight critical safety elements that focus on how we manage safety:

LEADERSHIP	Defines our expectations to lead and support the process
TRAINING	Outlines how we train and our expectations for training
R4	Provides the opportunity for employee engagement through active participation in our systems and through our employee observation and feedback program
PLANNING	Outlines the expectations of our pre-job planning activities such as the Pre-Task Plan (PTP), Job Hazard Analysis (JHA) Process and the Integrated Work Plan (IWP)
ASSESSMENTS	Defines how we review our safety process
INCIDENT MANAGEMENT	Is how we identify causes and system improvements to prevent recurrence
SUBCONTRACTOR MANAGEMENT	Ensures subcontractors' safety policies and procedures are equal to or greater than Wanzek's
METRICS	Is how we use both leading and lagging indicators



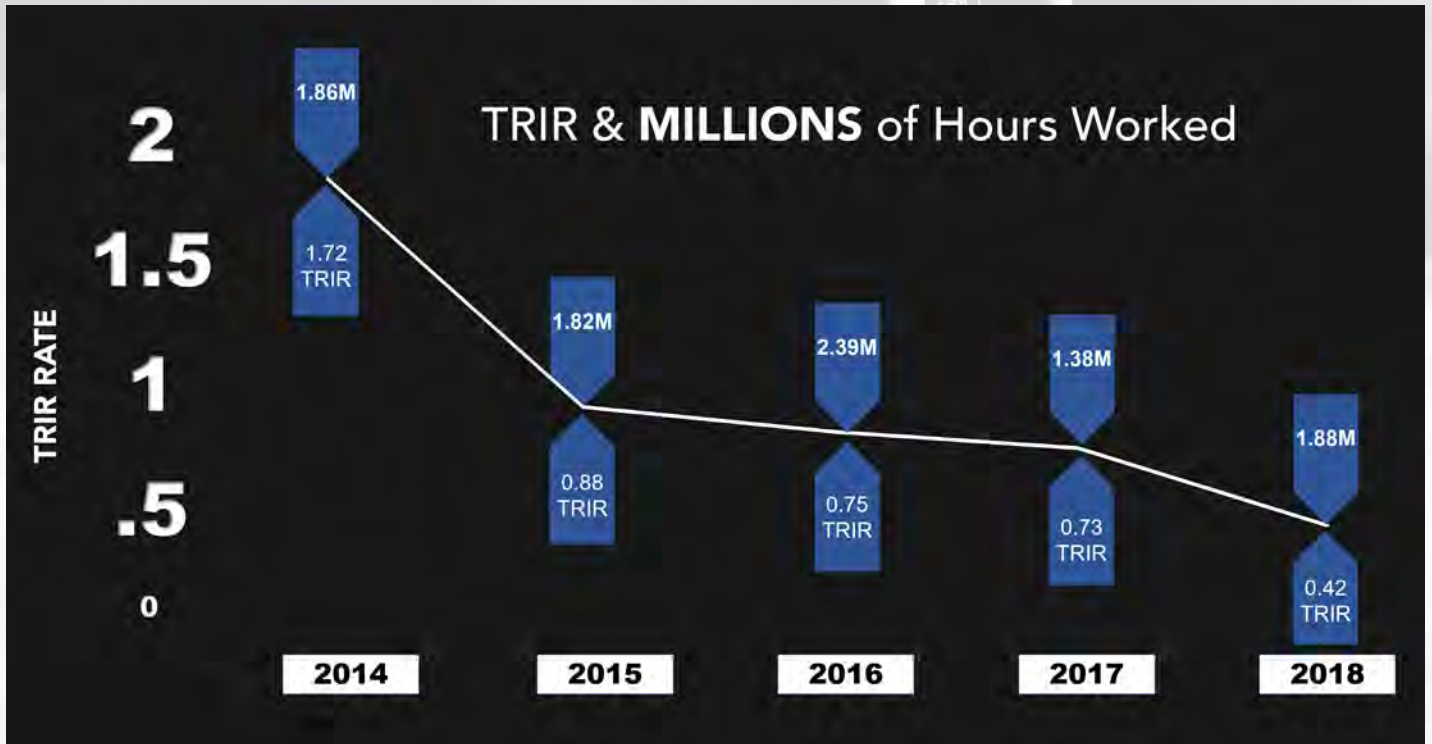
The R4 Observation Process was developed to reinforce safe behaviors and allows employees to contribute to the overall safety success of Wanzek. The process promotes the ongoing involvement of employees via employee R4 teams who conduct observations of peer employees performing work.

REVIEW + RECOGNIZE + RECOMMEND + REINFORCE



CULTURE OF SAFETY

Wanzek’s safety process starts long before we mobilize to the field. Our focus on safety begins with reviewing proposals, continues through project planning and is the responsibility of every Wanzek employee every day. We continuously work to improve our safety training and management systems, to hold every team member accountable and to ensure we hold ourselves to our vision of zero injuries. Our commitment includes a Zero Injury process to instill safety values in each employee and to ensure safe behavior is instinctive.



PROTECT

PROJECT EXPERIENCE

Project Name	Client	Megawatts	# of Generators	Turbine Manufacturer	State	COD
GW3S Prototype	Goldwind Americas	3.4	1	Goldwind	Texas	2018
Twin Buttes II	Avangrid Renewables, LLC	76	38	Gamesa	Colorado	2018
Aurora Brule Wind	Con Edison Development	41.4	18	General Electric	South Dakota	2018
Persimmon Creek	Scout Clean Energy	200.6	80	General Electric	Oklahoma	2018
Thunder Spirit II	Allete Clean Energy	48	16	Nordex	North Dakota	2018
Courtenay	Xcel - Minneapolis	200	100	Vestas	North Dakota	2017
Fluvanna Renewable Energy Project	Terna Energy USA	151.7	74	Vestas	Texas	2017
Cottonwood	NextEra Energy Resources, LLC	90	40	General Electric	Nebraska	2017
El Cabo	Avangrid Renewables, LLC	298	142	Gamesa	New Mexico	2017
Sterling	Akuo Energy USA, Inc.	29.9	13	General Electric	New Mexico	2017
Odell	Algonquin Power and Utilities Corp	200	100	Vestas	Minnesota	2016
Frontier Wind Power Project	Duke Energy	201.3	61	Vestas	Oklahoma	2016
Tyler Bluff (Muenster)	EDF Renewable Energy	123.1	52	Siemens	Texas	2016
Thunder Spirit	Allete Clean Energy	102.5	41	Nordex	North Dakota	2016
Desert Wind	Avangrid Renewables, LLC	208	104	Gamesa	North Carolina	2016
Prairie Breeze II	Invenergy	73.4	41	Vestas	Nebraska	2016
Prairie Breeze III	Invenergy	35.8	20	Nordex	Nebraska	2016
Los Vientos IV	Duke Energy	200	100	General Electric	Texas	2016
Los Vientos V	Duke Energy	110	55	General Electric	Texas	2016
Bow Lake	BluEarth Renewables inc	57.6	36	General Electric	Ontario	2015
Briscoe County Wind	Capital Dynamics	149.9	81	General Electric	Texas	2015
S111 Intsallation	Suzlon Wind Energy Corporation	2.1	1	Suzlon	Texas	2015
Stephens Ranch - Phase 2	Starwood Energy Group, LLC	164.7	92	General Electric	Texas	2015
Los Vientos III	Duke Energy	200	100	Vestas	Texas	2015
Lundgren	Berkshire Hathaway Energy	246.1	107	Siemens	Iowa	2014
Bison 4	Minnesota Power / Siemens	204.8	64	Siemens	North Dakota	2014
Stephens Ranch - Phase 1	Starwood Energy Group, LLC	200.6	118	General Electric	Texas	2014
G114 Prototype	Gamesa Energy	2	1	Gamesa	Texas	2014
Spring Canyon III	Invenergy	28.9	17	General Electric	Colorado	2014
Spring Canyon II	Invenergy	32.3	19	General Electric	Colorado	2014
Vienna II	Berkshire Hathaway Energy	43.7	19	Siemens	Iowa	2013
Lakeswind	Rockland Capital	51.2	32	General Electric	Minnesota	2013
Spinning Spur Wind Ranch	Cielo Wind Power, LP	161	70	Siemens	Texas	2013
Los Vientos Wind - 1A	Duke Energy	200	87	Siemens	Texas	2013
Santa Isabel	Pattern Energy Group, Inc.	101.2	44	Siemens	Puerto Rico	2013
Busch Ranch	Black Hills Corporation	28	16	Vestas	Colorado	2013
Morninglight Windfarm	Berkshire Hathaway Energy	101.2	44	Siemens	Iowa	2013
Crofton Bluffs Wind	Edison Mission Energy	42	22	Vestas	Nebraska	2013
Eclipse Wind	Berkshire Hathaway Energy	200	87	Siemens	Iowa	2013
Huerfano River	Sany Group	8	4	Sany	Colorado	2013
Meadow Creek Wind	Ridgeline Energy, LLC	119.7	57	Suzlon	Idaho	2013
Pillar Mountain II	Kodiak Electric Association, Inc.	4.5	3	General Electric	Alaska	2012
Ironwood Wind	Duke Energy	168	73	Siemens	Kansas	2012
Cimarron Wind II	Duke Energy	131	57	Siemens	Kansas	2012
Cimarron Wind I	CPV	165	72	Siemens	Kansas	2012
Broken Bow Wind - Ph I	Edison Mission Energy	80	50	General Electric	Nebraska	2012
Los Vientos Wind - 1B	Duke Energy	201.6	84	Mitsubishi	Texas	2012
Panhandle Wind Ranch	Cielo Wind Power, LP / Golden Spread Electric Cooperative	78.2	34	Siemens	Texas	2011
Taloga Wind	Edison Mission Energy	129.6	54	Mitsubishi	Oklahoma	2011
New Harvest Wind	Avangrid Renewables, LLC	100	50	Gamesa	Iowa	2011
Crow Lake	Basin Electric Power Cooperative	162	108	General Electric	South Dakota	2011
Rockland Wind Farm	Ridgeline Energy, LLC	79.2	44	Vestas	Idaho	2011
Diamond Willow	Montana Dakota Utilities (MDU)	10.5	7	General Electric	Montana	2010
Top of the World a	Duke Energy	101.2	44	Siemens	Wyoming	2010
Buffalo Ridge Wind II	Avangrid Renewables, LLC	210	105	Gamesa	South Dakota	2010
Cedro Hill Wind	Edison Mission Energy	150	100	General Electric	Texas	2010
Top of the World b	Duke Energy	99	66	General Electric	Wyoming	2010
Cedar Hills	Montana Dakota Utilities (MDU)	19.5	13	General Electric	North Dakota	2010
Red Mesa Windfarm	NextEra Energy Resources, LLC	102.4	64	General Electric	New Mexico	2010

PROJECT EXPERIENCE

Project Name	Client	Megawatts	# of Generators	Turbine Manufacturer	State	COD
Kit Carson Windfarm	Duke Energy	51	34	General Electric	Colorado	2010
Spearville II	Kansas City Power & Light	48	32	General Electric	Kansas	2010
Laredo Ridge	Edison Mission Energy	81	54	General Electric	Nebraska	2010
Goat Mountain Phase II	Edison Mission Energy	69.6	29	Mitsubishi	Texas	2009
Notrees 1b	Duke Energy	60	40	General Electric	Texas	2009
ILEC Wind	Iowa Lakes Electric Coop	21	14	General Electric	Iowa	2009
Silver Sage Windfarm	Duke Energy	42	20	Suzlon	Wyoming	2009
Buffalo Ridge Wind	Avangrid Renewables, LLC	50.4	24	Suzlon	South Dakota	2009
Rugby Windfarm	Avangrid Renewables, LLC	149.1	71	Suzlon	North Dakota	2009
Wilton II	NextEra Energy Resources, LLC	49.5	33	General Electric	North Dakota	2009
Three Buttes/Campbell Hill	Duke Energy	100.5	67	General Electric	Wyoming	2009
Charles City	Berkshire Hathaway Energy	75	50	General Electric	Iowa	2008
Endeavor II	NextEra Energy Resources, LLC	50	20	Clipper	Iowa	2008
Baker Windfarm	Montana Dakota Utilities (MDU)	19.5	13	General Electric	Montana	2008
Notrees 1a	Duke Energy	90.7	55	Vestas	Texas	2008
Adair Windfarm	Berkshire Hathaway Energy	174.8	76	Siemens	Iowa	2008
Langdon II	NextEra Energy Resources, LLC	40.5	27	General Electric	North Dakota	2008
Barton Wind	Avangrid Renewables, LLC	160	80	Gamesa	Iowa	2008
Wessington Springs Wind	Pattern Energy Group, Inc.	51	34	General Electric	South Dakota	2008
Marengo II	RES Americas	77.4	43	Vestas	Washington	2008
Goat Mountain Phase I	Edison Mission Energy	80	80	Mitsubishi	Texas	2008
Winnebago	Avangrid Renewables, LLC	20	10	Gamesa	Iowa	2008
Century III	Berkshire Hathaway Energy	15	10	General Electric	Iowa	2008
Happy Jack Windfarm	Duke Energy	29.4	14	Suzlon	Wyoming	2008
Endeavor I	Clipper Windpower	100	40	Clipper	Iowa	2008
Jeffers Windfarm	Clipper Windpower	50	20	Clipper	Minnesota	2007
Top of Iowa II	Avangrid Renewables, LLC	80	40	Gamesa	Iowa	2007
Marengo I	RES Americas	140.4	78	Vestas	Washington	2007
Top of Iowa III	Madison Gas & Electric	29.7	18	Vestas	Iowa	2007
Oliver County II	NextEra Energy Resources, LLC	48	32	General Electric	North Dakota	2007
Wilton I	NextEra Energy Resources, LLC	49.5	33	General Electric	North Dakota	2006
Oliver County I	NextEra Energy Resources, LLC	50.6	22	Siemens	North Dakota	2006
Mower County	NextEra Energy Resources, LLC	99	43	Siemens	Minnesota	2006
Velva Windfarm	DES	12	18	Vestas	North Dakota	2005
2001-2004 Wind Projects	*Multiple Owners	85	89		North Dakota	2004
Edgeley/Kulm	NextEra Energy Resources, LLC	61.5	41	General Electric	North Dakota	2003
Totals		9,140.9	4,646.0			

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a **MasTec** company 

GUARANTY

THIS GUARANTY (this "**Guaranty**"), dated as of 8/23, 2019 (the "**Effective Date**"), is made by NORTHERN STATES POWER COMPANY, a Minnesota corporation ("**Guarantor**"), in favor of the NORTH DAKOTA PUBLIC SERVICE COMMISSION ("**Commission**").

RECITALS:

- A. WHEREAS, Guarantor plans to operate the Foxtail Wind Project (the "**Project**") in Dickey County, North Dakota which consists of one or more wind turbines and tower equipment;
- B. WHEREAS, obligor is required to provide to Commission financial assurance supporting decommissioning obligations pursuant to Section 69-09-09-08 of the North Dakota Administrative Code (the "**Statute**");
- C. WHEREAS, Guarantor will directly or indirectly benefit from the Project; and
- D. WHEREAS, Guarantor wishes to issue the Guaranty to Commission to satisfy the terms of the Statute.
- E. NOW THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipts and sufficiency of which is hereby acknowledged, Guarantor hereby agrees for the benefit of Commission as follows:

* * *

1. **GUARANTY.** Subject to the terms and provisions hereof, Guarantor hereby absolutely and irrevocably guarantees the timely payment when due of all obligations owing to Commission under the Statute on or after the Effective Date (the "**Obligations**"). This Guaranty shall constitute a guarantee of payment and not of collection. The liability of Guarantor under the Guaranty shall be subject to the following limitations:

- (a) Notwithstanding anything herein to the contrary, the maximum aggregate obligation and liability of Guarantor under the Guaranty, and the maximum recovery from Guarantor under this Guaranty, shall in no event exceed Sixteen Million Six Hundred Thousand U.S. Dollars (U.S. \$16.6 million) (the "**Maximum Recovery Amount**").
- (b) The obligation and liability of Guarantor under this Guaranty is specifically limited to payments due and owing, as well as costs of collection and enforcement of this Guaranty (including attorney's fees) to the extent reasonably and actually incurred by the Commission (subject in all instances, to the limitations imposed by the Maximum Recovery Amount as specified in Section 1(a) above). In no event, however, shall Guarantor be liable for or obligated to pay any consequential, indirect, incidental, lost profit, special, exemplary, punitive, equitable or tort damages.

2. **DEMANDS AND PAYMENT.**

- (a) If obligor fails to pay any Obligation to Commission when such Obligation is due and owing (an “**Overdue Obligation**”), Commission may present a written demand to Guarantor calling for Guarantor’s payment of such Overdue Obligation pursuant to the Guaranty (a “**Payment Demand**”).
- (b) Guarantor’s obligation hereunder to pay any particular Overdue Obligation(s) to Commission is conditioned upon Guarantor’s receipt of a Payment Demand from Commission satisfying the following requirement: (i) such Payment Demand must identify the specific Overdue Obligation(s) covered by such demand and the specific date(s) upon which such Overdue Obligation(s) became due and owing; (ii) such Payment Demand must be delivered to Guarantor in accordance with Section 8 below; and (iii) the specific Overdue Obligation(s) addressed by such Payment Demand must remain due and unpaid at the time of such delivery to Guarantor.
- (c) After issuing a Payment Demand in accordance with the requirement specified in Section 2(b) above, Commission shall not be required to issue any further notices or make any further demands with respect to the Overdue Obligation(s) specified in that Payment Demand, and Guarantor shall be required to make payment with respect to the Overdue Obligation(s) specified in that Payment Demand within five (5) Business Days after Guarantor receives such demand. As used herein, the term “**Business Days**” shall mean all weekdays (i.e. Monday through Friday) other than any weekdays during which commercial banks or financial institutions are authorized to be closed to the public in the State of Minnesota, the State of North Dakota or the State of New York.

3. **REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants that:

- (a) it is a corporation duly organized and validly existing under the laws of the State of Minnesota and has the corporate power and authority to execute, deliver and carry out the terms and provisions of the Guaranty;
- (b) no authorization, approval, consent or order of, or registration of filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of the Guaranty; and
- (c) this Guaranty constitutes a valid and legally binding agreement of Guarantor, enforceable against Guarantor in accordance with the terms hereof, except as the enforceability thereof may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor’s rights generally and by general principles of equity.

4. **RESERVATION OF CERTAIN DEFENSES.** Without limiting Guarantor’s own defenses and rights hereunder, Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which it is or may be entitled.

5. **AMENDMENT OF GUARANTY.** No term or provision of this Guaranty shall be amended, modified, altered, waived or supplemented except in a writing signed by Guarantor and Commission.

6. **WAIVERS AND CONSENTS.** Subject to and in accordance with the terms and provisions of Guaranty:

(a) Except as required in Section 2 above, Guarantor hereby waives (i) notice of appearance of this Guaranty; (ii) presentment and demand concerning the liabilities of Guarantor; and (iii) any right to require that any action or proceeding be brought against any other person, or to require that Commission seek enforcement of any performance against any other person, prior to any action against Guarantor under the terms hereof.

(b) No delay by Commission in the exercise of (or failure by Commission to exercise) any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from its obligations hereunder (with the understanding, however, that the foregoing shall not be deemed to constitute a waiver by Guarantor of any rights or defenses which Guarantor may at any time have pursuant to or in connection with any applicable statutes of limitation).

(c) Without notice to or the consent of Guarantor, and without impairing or releasing Guarantor's obligations under this Guaranty, Commission may; (i) change the manner, place or terms for payment of all or any of the Obligations (including renewals, extensions, or other alterations of the Obligations); (ii) release any person (other than Guarantor) from liability for payment of all or any of the Obligations; or (iii) receive, substitute, surrender, exchange or release any collateral or other security for any or all of the Obligations.

7. **TERMINATION.** Unless terminated earlier, this Guaranty and the Guarantor's obligations hereunder will terminate automatically and immediately at 11:59:59 PM Central Prevailing Time September 30, 2044; *provided, however,* that no such termination shall affect Guarantor's liability with respect to any Obligation incurred prior to the time the termination is effective, which Obligation shall remain subject to the Guaranty.

8. **NOTICE.** Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder (herein collectively called ("Notice")) by Commission to Guarantor, or by Guarantor to Commission, as applicable, shall be in writing and may be delivered either by (i) U.S. Certified mail with postage prepaid and return receipt requested, or (ii) recognized nationwide courier service with delivery receipt requested, in either case to be delivered to the following address (or to such other U.S. address as may be specified via Notice provided by Guarantor or Commission, as applicable, to the other in accordance with the requirements of this Section 8):

<u>TO GUARANTOR:</u> *	<u>TO COMMISSION:</u>
NORTHERN STATES POWER COMPANY 414 Nicollet Mall Minneapolis, Minnesota <u>Attn:</u> Treasurer	North Dakota Public Service Commission 600 East Boulevard Avenue Bismarck, North Dakota 58505 <u>Attn: Dept. 0408</u>
[Tel: (612-215-5381 —for use in Connection with courier deliveries]-	[Tel. (701) 328-2400—for use in connection with courier deliveries]

Any Notice given accordance with this Section 8 will (i) if delivered during the recipient's normal business hours on any given Business Day, be deemed received by the designated recipient on such date, and (ii) if not delivered during the recipients' normal business hours on any given Business Day, be deemed received by the designated recipient at the start of the recipient's normal business hours on the next Business Day after such deliver.

10. MISCELLANEOUS.

- (a) This Guaranty shall in all respects be governed by, and construed in accordance with, the law of the State of Minnesota, without regard to principles of conflicts of laws thereunder.
- (b) This Guaranty shall be binding upon Guarantor and its successors and permitted assigns and inure to the benefit of and be enforceable by Commission and its successors and permitted assigns. Guarantor may not assign this Guaranty in part or in whole without the prior written consent of Commission. Commission may not assign its rights or benefits under the Guaranty in part or in whole without the prior written consent of Guarantor.
- (c) This Guaranty embodies the entire agreement and understanding between Guarantor and Commission and supersedes all prior agreements and understandings relating to the subject matter hereof.
- (d) The headings in the Guaranty are for purposes of reference only, and shall not affect the meaning hereof. Words importing and singular number hereunder shall include the plural number and vice versa, and any pronouns used herein shall be deemed to cover all genders. The term "person" as used herein means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated association, or government (or any agency or political subdivision thereof).
- (e) Wherever possible, any provision in this Guaranty which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and

any such prohibition or unenforceability in any one jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

- (f) Commission (by its acceptance of this Guaranty) and Guarantor each hereby irrevocably: (i) consents and submits to the exclusive jurisdiction of the United States District Court for the District of North Dakota for the purpose of any suit, action or other proceeding arising out of this Guaranty or the subject matter hereof or any of the transaction contemplated hereby brought by Commission, Guarantor or their respective successors or assigns; and (ii) waives (to the fullest extent permitted by applicable law) and agrees not to assert any claim that it is not personally subject to the jurisdiction of the above-named court, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Guaranty or the subject matter hereof may not be enforced in or by such court.
- (g) COMMISSION (BY ITS ACCEPTANCE OF THIS GUARANTY) AND GUARANTOR EACH HEREBY IRREVOCABLY, INTENTIONALLY AND VOLUNTARILY WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS GUARANTY OR THE AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PERSON RELATING HERETO OR THERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY.

* * *

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty on 8/23, 2019, but it is effective as of the Effective Date.

NORTHERN STATES POWER COMPANY

By: Sarah W. Soong

Name: Sarah W. Soong

Title: Vice President and Treasurer