

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana Dakota Utilities Co.
Advance Prudence – Heskett 4
Application**

Case No. PU-19-306

**Montana Dakota Utilities Co.
88 MW Turbine - Heskett 4
Public Convenience & Necessity**

Case No. PU- 19-307

**Montana Dakota Utilities Co.
Deferred Accounting – Lewis&Clark 1 Heskett 1 & 2
Application**

Case No. PU-19-317

NOTICE OF CONSOLIDATED HEARING

March 4, 2020

A consolidated **Public Hearing** on the applications in Case No. PU-19-306, PU-19-307 and PU-19-317 is scheduled to begin on April 30, 2020 **at 2:00 pm central time**, at the State Capitol, 12th Floor, 600 East Boulevard Ave, Bismarck, ND 58505.

On August 28, 2019, Montana Dakota Utilities Co. (MDU) filed an application for an Advance Determination of Prudence (Case No. PU-19-306) and for a Certificate of Public Convenience and Necessity (Case No. PU-19-307) to construct, own and operate an 88 MW simple cycle combustion turbine referred to as Heskett Unit 4. The turbine is to be located adjacent to Heskett Unit 3, near Mandan, North Dakota. MDU states the primary need for Heskett Unit 4 is to offset the retirement of three coal-fired power plants: 1) Lewis and Clark Unit 1 located near Sydney, Montana, 2) Heskett Unit 1 located near Mandan and 3) Heskett Unit 2 located near Mandan. MDU states that these coal-fired power plants are no longer economical.

On September 16, 2019, MDU filed an application for deferred accounting treatment of costs related to its proposed retirement of the Lewis and Clark Unit 1, Heskett Unit 1 and Heskett Unit 2 until disposition of its next general electric rate case. MDU proposes to accelerate depreciation of the coal-fired power plants to an expected early retirement date.

On March 4, 2020 The Commission consolidated the cases for public hearing.

The issues to be determined in Case No. PU-19-306 are:

1. Whether MDU's proposed resource addition is prudent.
2. Whether the Commission should grant MDU an advance determination of prudence.

The issues to be determined in Case No. PU-19-307 are:

1. Whether public convenience and necessity will be served by construction and operation of the facilities.
2. Whether the applicant is fit, willing, and able to provide service.

The issues to be considered in Case No. PU-19-317 are:

1. Whether MDU's proposed early plant retirements are reasonable and appropriate?
2. Whether MDU's proposal for accelerated depreciation should be approved?

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.

PUBLIC SERVICE COMMISSION



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