

Memorandum

To: Commissioners Brian Kroshus, Julie Fedorchak, and Randy Christmann
From: Adam Renfandt
Date: April 8, 2020
Subject: Case No. PU-19-318 Aurora Wind Project - Williams County, Release of Parent Guarantee

Aurora Wind Project, LLC (Aurora) is currently constructing a 300 MW wind facility in Williams County, North Dakota. As such, it is required to file construction financial assurance to ensure the decommissioning of the facility in the event the facility is abandoned prior to operation. On September 16, 2019, Aurora filed with the Commission a parent guarantee for 5% of the estimated construction cost of the facility, or \$19.25 million, and after legal review, updated it on October 10, 2019, for the same amount.

Upon further review of the updated parent guarantee, it was discovered that ENEL S.p.A., the parent guaranteeing Aurora's decommissioning obligations, does not meet the Commission's requirements to file a parent guarantee. Therefore, on February 26, 2020, Aurora filed a letter of credit for \$19.25 million to replace the updated parent guarantee and to serve as construction financial assurance.

Commission Staff will be looking for Aurora to file a decommissioning plan, cost estimate, and decommissioning financial assurance prior to the Aurora facility becoming operational.

Staff recommends that the Commission release Aurora's parent from its obligations and liability pursuant to the parent guarantee, originally filed on September 16, 2019, and replace it with the letter of credit filed February 26, 2020.