

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
Financial Incentive – Power Purchase Agreement
Rates

Case No. PU-21-373

NOTICE OF HEARING

December 15, 2021

A Public Hearing on the application in Case No. PU-21-373 is scheduled for **January 20, 2022, at 8:30 a.m. central time in the Commission Hearing Room, 12th Floor, State Capitol, Bismarck, North Dakota 58505.**

On August 18, 2021, Montana-Dakota Utilities Co. filed, for Commission approval, a financial incentive related to two power purchase agreements with Minnkota Power Cooperative for the purchase of electric capacity and energy from the Milton R Young Unit 1 coal-fired electric generation facility.

Effective August 1, 2021, North Dakota Century Code section 49-06-02 requires that the Commission allow a public utility, in relation to facilities using lignite mined in North Dakota as its primary fuel, “[t]o recover costs in rates, including a financial incentive set at a reasonable rate for power purchase agreements of a dispatchable on-demand generating unit, plant, or facility deemed to protect grid reliability.”

The issues in the application for the financial incentive are:

1. Whether the purchase agreements are for power from a new or existing facility utilizing lignite mined in this state as its primary fuel, and
2. Whether the purchase agreements are for power from a dispatchable on-demand generating unit, plant, or facility, and
3. Whether the purchase agreements are for power that will protect grid reliability, and, if so,
4. What is a reasonable rate for the financial incentive for the power purchase agreements, and
5. Is it appropriate for the financial incentive to be included in the company's existing Generation Resource Recovery Rider – Rate 56?

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 at least 24 hours in advance.

PUBLIC SERVICE COMMISSION



Randy Christmann
Commissioner



Julie Fedorchak
Chair



Brian Kroshus
Commissioner