

STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

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

Case No. PU-21-373

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH

**Geralyn R. Schmaltz** deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **28th day of December 2021** she deposited in the United States Mail at Bismarck, North Dakota, **three** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

- **Notice of Hearing**

The envelopes were addressed as follows:

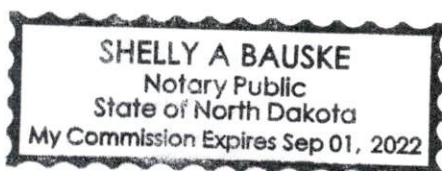
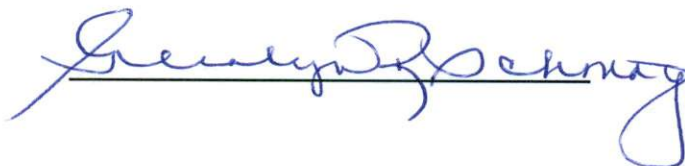
Travis Jacobson  
Director of Regulatory Affairs  
Montana-Dakota Utilities Co.  
400 North 4<sup>th</sup> Street  
Bismarck, ND 58502-2798  
**Cert. No. 7020 1290 0000 1334 4635**

Allison Mann  
Attorney  
MDU Resources Group, Inc.  
PO Box 5650  
Bismarck, ND 58506-5650  
**Cert. No. 7020 1290 0000 1334 4642**

Paul Sanderson  
Evenson Sanderson PC  
1100 College Drive, Suite 5  
Bismarck, ND 58501  
**Cert. No. 7020 1290 0000 1334 4628**

Each address shown is the respective addressee's last reasonably ascertainable post office mail address.

Subscribed and sworn to before me  
this **28th day of December 2021**.



  
Notary Public

SEAL

**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, 12<sup>th</sup> 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.”

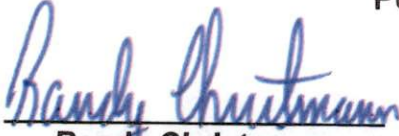
The issues in the application for the financial incentive are:

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**