

capacity projections since our Initial Filing.⁸ The change in PRA prices is due to a MISO capacity surplus shifting to a capacity shortfall.⁹ MISO warns of potential capacity deficits through at least the 2027/2028 planning year depending on the pace of generator retirements and new capacity additions.¹⁰

Our updated IRP filing will include revised modeling assumptions and results.

Please note that our revised modeling will not alter our efforts to add dual fuel capability at Astoria Station. Our preferred plan anticipates 2026 commercial operation of dual fuel at Astoria Station and we are currently engaged in development activities with that target date in mind. We believe it is appropriate to address dual fuel at Astoria Station without delay to strengthen the resilience and availability of the unit during extreme conditions. To this end we plan to file a request for an advance determination of prudence (ADP) with the Commission. Our development work has allowed us to refine the plan for dual fuel at Astoria Station. We will outline those refinements in our ADP filing.

An original and copies have been sent to you via USPS.

An electronic copy of this filing is being sent to you at ndpsc@nd.gov. Please contact me at njensen@otpc.com or (218) 739-8989 if you have any questions regarding this filing.

Sincerely,



Nathan Jensen PP KW
Manager, Resource Planning



Cary Stephenson PP KW
Associate General Counsel

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Enclosures
By electronic service
c: Service List

⁸ PRA prices for planning year 2022-2023 recently cleared at the cost of new entry (CONE) compared to the much lower historical PRA clearing prices of sub-\$5/MW-Day. Clearing prices from MISO's 2022-2023 PRA reflect capacity shortfalls in four zones, exposing nearly 8 GW in MISO North/Central to the Cost of New Entry. For reference, zone 1 auction clearing prices have been no higher than \$5.00 per MW-Day since planning year 2017-2018. In 2022 zone 1 auction clearing prices were \$236.66 per MW-Day. *MISO Planning Resource Auction (PRA) for Planning Year 2022-2023 Results Posting, May 14, 2022.*

⁹ This shift was expressed by MISO in May, 2022, when it projected insufficient firm resources to cover peak 2022 summer forecasts under typical demand and generation outages, and that "[e]mergency resources and non-firm energy imports are projected to be needed to maintain system reliability. *MISO Summer Readiness Workshop Summer 2022.*

¹⁰ 2022 OMS-MISO Survey Results Posting June 10, 2022. These capacity deficits follow a concentrated period of generation plant retirements within MISO. Capacity in the MISO North/Central region fell by 3.2 GW since the last capacity auction. *MISO Planning Resource Auction (PRA) for Planning Year 2022-2023 Results Posting May 14, 2022.* MISO notes that unless more reliable generation is built shortfalls such as this will continue.