



August 8, 2024

Steve Kahl Director of Administration / Executive Secretary North Dakota Public Service Commission State Capitol Building 600 East Boulevard Bismarck, ND 58505-0480

RE: In the Matter of Otter Tail Power Company's and Montana-Dakota Utilities Co.'s Joint Application for a Certificate of Public Convenience and Necessity for a 345 kV Transmission Line from Jamestown, North Dakota to Ellendale, North Dakota Case No. PU-24-091

Dear Mr. Kahl:

Enclosed for filing in the above-referenced matter is Otter Tail Power Company's ("Otter Tail") and Montana-Dakota Utilities Co.'s ("Montana-Dakota", together with Otter Tail "Applicants") proposed order in the Applicants' Joint Application for a Certificate of Public Convenience and Necessity.

An electronic copy of this proposed order is being sent to you at skahl@nd.gov and to NDPSC@nd.gov. Copies will be sent to you by First Class mail.

If you have any questions, do not hesitate to contact me at (218) 739-8657 or molsen@otpco.com or Travis Jacobson at (701) 222-7855 or travis.jacobson@mdu.com.

Sincerely,

/s/MATTHEW J. OLSEN
Matthew Olsen
Manager, Regulatory Strategy & Compliance

/s/ TRAVIS JACOBSON Travis R. Jacobson Director, Regulatory Affairs

Enclosures By electronic service and First-Class mail

Cc: Robert M. Endris Allison Waldon

STATE OF NORTH DAKOTA PUBLIC SERVICE COMMISSION

In the Matter of the Joint Application of)	
OTTER TAIL POWER COMPANY and)	
MONTANA-DAKOTA UTILITIES CO. for a)	Case No. PU-24-091
Certificate of Public Convenience and Necessity)	
for a 345 kV Transmission Line from-Jamestown)	
to Ellendale, North Dakota)	

ORDER August 14, 2024

On February 29, 2024, Otter Tail Power Company (OTP) and Montana-Dakota Utilities Co. (MDU) filed a joint application for a Certificate of Public Convenience and Necessity to construct and operate approximately eighty-five (85) miles of 345 kV electric transmission line and expansion of four (4) substations located in Stutsman, LaMoure, and Dickey Counties in North Dakota.

On March 27, 2024, the Commission issued a Notice of Opportunity for Consolidated Hearing. The Notice provided until May 10, 2024, for receiving written comments or requests for hearing. No response was received. The notice identified the following issues to be considered:

- 1. Whether public convenience and necessity will be served by construction and operation of the facilities.
- 2. Whether OTP/MDU are technically, financially, and managerially fit and able to provide service.

MDU and OTP are regional electric utilities providing generation, transmission and distribution service in North Dakota under the regulatory jurisdiction of this Commission. Mr. Jason J. Weiers, Manager of Transmission Project Development at OTP, and Mr. Robert R. Frank, Director, Electric Transmission Engineering at MDU, each submitted affidavits in the Application describing the need for the Project. The affiants testified that the North Dakota facilities proposed in this application are part of the Midcontinent Independent System Operator, Inc.'s (MISO's) Multi-Value Project (MVP) Portfolio. This Jamestown to Ellendale MVP, in combination with a portfolio of seventeen (17) other MVP transmission lines, is expected to increase system reliability and reduce the wholesale cost of energy by enabling the delivery of low-cost generation to load, reducing transmission line loss and congestion costs. The Jamestown to Ellendale MVP was identified and approved by the MISO as part of its Long-Range Transmission Planning (LRTP) Tranche 1 Portfolio.

MDU and OTP intend to jointly construct and own the Transmission Line and expansion of the Twin Brooks 345 kV Substation as tenants-in-common with each Applicant owning fifty

percent (50%) of the new facilities. MDU will construct, own and operate the expansion at the Ellendale 345 kV Substation while OTP will construct, own, and operate the expansions required at the Jamestown 345 kV Substation and the Maple River 345 kV Substation. The Project is planned to be in-service by the end of 2028. MVP revenue requirements are recovered through the MISO tariff and assigned to all electric loads within MISO. MDU's retail North Dakota share represents approximately 0.47% of the total project cost. OTP's retail North Dakota share represents approximately 0.61% of the total project cost.

On June 26, 2024, Staff Public Utility Analyst Mr. Christopher C. Hanson filed a memorandum regarding this matter. On July 8, 2024, the Commission discussed these matters with the applicants and commission staff at an informal hearing. Mr. Weiers and Mr. Frank were joined by other experts from Applicants to present information and answer questions, including examples of specific reliability benefits of the proposed Project to enhance reliability, increase transmission capacity, increase resilience to extreme weather events, support local residents, political subdivisions and business, and increased employment opportunities. The presentation and discussion were admitted into the record without objection.

Having considered this matter, the Commission finds that (1) public convenience and necessity will be served by the construction and operation of the facilities; and (2) MDU and OTP are technically, financially, and managerially fit, willing and able to provide service.

Order

The Commission Orders:

- 1. The joint application of MDU and OTP for certificate of public convenience and necessity to construct and operate the Jamestown to Ellendale 345 kV electric MVP transmission line and associated facilities are approved.
- 2. Certificate of Public Convenience and Necessity No. XXXX is issued jointly to MDU and OTP for their respective ownership portions of the Jamestown to Ellendale MVP.

PUBLIC SERVICE COMMISSION

Sheri Haugen-Hoffart	Randy Christmann	Julie Fedorchak
Commissioner	Chair	Commissioner