

December 7, 2016

The Public Service Commission convened in the Commission Hearing Room, State Capitol, Bismarck, North Dakota, on December 7, 2016, 3:00 p.m. Present were Commissioners Fedorchak, Christmann and Kalk. Commissioner Fedorchak authorized her administrative assistant to sign on her behalf.

Case No. PU-16-539
Glacier Ridge Wind Farm, LLC
Glacier Ridge Wind Farm Project -
Barnes County
Siting Application

Mr. Christmann: I move to substitute a motion to adopt the Findings of Fact, Conclusions of Law and Order denying Glacier Ridge Wind Farm, LLC, Glacier Ridge Wind Farm Project – Barnes County, Siting Application, Case No. PU-16-539.

Ms. Fedorchak: I second the motion.

Roll Call: Fedorchak "Nay."

Christmann "Aye."

Kalk "Nay."

Case No. PU-16-539
Glacier Ridge Wind Farm, LLC
Glacier Ridge Wind Farm Project -
Barnes County
Siting Application

Mr. Kalk: I move the Commission adopt the Findings of Fact, Conclusions of Law and Order in Glacier Ridge Wind Farm, LLC, Glacier Ridge Wind Farm Project – Barnes County, Siting Application, Case No. PU-16-539.

Mr. Christmann: I second the motion.

Roll Call: Fedorchak "Aye."

Christmann "Nay."

Kalk "Aye."

Dissenting Opinion

Case No. PU-16-539
Glacier Ridge Wind Farm, LLC
Glacier Ridge Wind Farm Project -
Barnes County
Siting Application

DISSENT

Commissioner Randy Christmann

The application of Glacier Ridge Wind Farm for siting of a wind farm in Barnes County should not be approved at this time. Glacier Ridge's application tends to satisfy the 11 requirements (N.D.C.C. § 49-22-09) traditionally used by the PSC when making siting decisions. However, this section of law expressly points out that the PSC is not limited in its deliberations to these 11 requirements.

Glacier Ridge appears primarily focused on gaining local support in the Barnes County area for obvious and substantial economic development reasons and on hurrying along a starting date in order to qualify for federal subsidies. While additional economic activity in this rural area of the state is an important and worthy undertaking, it is not a compelling reason for this Commission to allow imposition of this significant additional generation cost on the rate payers or the tax payers. Since Glacier Ridge's application is silent regarding where the electricity will be marketed, the

Dissenting Opinion Continued

Commission must entertain the possibility that it will be marketed to North Dakota consumers.

There has been a sort of mad dash to begin just enough construction on the project to meet the qualification requirements for the Production Tax Credits that are available in 2016. Glacier Ridge's application was for a wind farm capable of generating 300.14 MW of power. However, after many years of planning, Glacier Ridge did not even have all of the easements for turbine locations until just recently, and it still does not have all of the easements necessary for collection lines and access roads. This lack of land rights necessitated the drastic step of splitting the project into Phase I and Phase II. Without a power purchase agreement or interconnection agreement, it is questionable whether either Phase will ever be completed.

Glacier Ridge's plan to suspend construction activity until at least 2018, after the initial flurry of activity in 2016, causes significant concern about future reclamation. Under current rules, the original work would never trigger the requirement for reclamation assurances.

Glacier Ridge has failed to provide documentation of a transmission interconnection agreement. Instead, the Commission is expected to rely on a future filing from Glacier Ridge to determine where the transmission line would interconnect. This lack of clarity causes uncertainty about the availability of transmission access for this project and about the availability of transmission access for other potential developments.

Glacier Ridge cannot show there is a willing and able buyer for any power that would be produced from this project. While Glacier Ridge has produced evidence of interest in the purchase of the power proposed to be created from this Project, nothing has been executed.

North Dakota Century Code section 49-22-02 declares it to be the policy of the state to site energy conversion facilities in an orderly manner compatible with environmental preservation and the efficient use of resources. It also requires that sites be chosen to minimize adverse human and environmental impact while ensuring continuing system reliability and integrity and ensuring that energy needs are met and fulfilled in an orderly and timely fashion.

Dissenting Opinion Continued

Glacier Ridge's mad dash to begin construction without a plan for completion is anything but orderly development. While Glacier Ridge's application meets many specific individual requirements for siting approval, the cumulative uncertainty involved with this application cause it to not satisfy the more comprehensive demands of this statute.

Randy Christmann, Commissioner

Case No. PU-16-539
Glacier Ridge Wind Farm, LLC
Glacier Ridge Wind Farm Project -
Barnes County
Siting Application

Mr. Kalk: I move the Commission execute a contract with Keitu Engineers & Consultants, Inc. for construction inspection services in Glacier Ridge Wind Farm, LLC, Glacier Ridge Wind Farm Project – Barnes County, Siting Application, Case No. PU-16-539.

Mr. Christmann: I second the motion.

Roll Call: Fedorchak "Aye."

Christmann "Aye."

Kalk "Aye."

Case No. PU-16-695
Targa Badlands LLC
8-Inch Crude Pipeline Project -
McKenzie County
Siting Application

Ms. Fedorchak: I move that the Commission retain Zachary Pelham to provide legal services to assist the Commission in processing Targa Badlands LLC, 8-Inch Crude Pipeline Project, McKenzie County, Siting Application, Case No. PU-16-695.

Mr. Christmann: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-16-753
Savage Bakken Connector, Inc.
10-Inch Crude Pipeline Project -
Williams County
Siting Application

Ms. Fedorchak: I move that the Commission retain Mitchell Armstrong and Brian Schmidt to provide legal services to assist the Commission in processing Savage Bakken Connector, Inc., 10-Inch Crude Pipeline Project, Williams County, Siting Application, Case No. PU-16-753.

Mr. Christmann: I second the motion.

Roll Call: All voting "Aye."

Case No. AD-16-760
Sixty-fifth Legislative Session (2016)
Misc. Case

Ms. Fedorchak: I move the Commission prefile the following three bill drafts with the Legislative Council for the Sixty-fifth Legislative Assembly of North Dakota:

Licensing – Amend several sections in chapters 60-02, 60-02.1, 60-04 and 60-10, relating to public warehouse and grain buyer licensing; conditions and attributes of licensure and delivery of grain; duties of the commission; receipt holders' lien; when warehouse may be closed; grain of insolvent warehouseman as trust asset; when a licensee is insolvent; the insolvency process; the credit sale contract indemnity fund; a grain indemnity fund; and suspension of indemnity fund assessments.

Licensing – Amend sections 60-02.1-28 and 60-04-02 relating to when a public warehouse and grain buyer licensee is insolvent.

Licensing – Repeal chapter 60-03 relating to licensing hay buyers.

Mr. Christmann: I second the motion.

Roll Call: All voting "Aye."

ATTEST

THE COMMISSION ADJOURNED AT 4:00 P.M.


Executive Secretary


JULIE FEDORCHAK, CHAIRMAN