

NEWS RELEASE April 23, 2014 For Immediate Release, Contact: Brian Kalk, (701) 261-0373 Randy Christmann (701) 328-4091 Julie Fedorchak, (701) 391-1140

PSC PERMITS NEW BASIN TRANSMISSION LINE IN NORTHWESTERN N.D.

BISMARCK, ND – The North Dakota Public Service Commission (PSC) today approved a siting permit for a new 345-kilovolt (kV) transmission line. The approximately 197 mile line, which would be owned and operated by Basin Electric Power Cooperative, would run from the Antelope Valley Station near Beulah and end at the Neset substation near Tioga. The line would be located in Mercer, Dunn, Williams, McKenzie and Mountrail Counties.

"This project is needed to provide Basin Electric members access to baseload generation to serve increasing load in their service areas and to address grid reliability issues in North Dakota," said Commission Chairman Brian Kalk. "We know that there has been a lot of public comment related to this project. That is why language is included in the order that outlines conditions that must still be met."

Conditions of the order approved today require that Basin Electric:

- Complete State Historical Society of ND, State Historic Preservation Office (SHPO) recommendations and obtain SHPO concurrence that no historic properties or sites will be affected prior to beginning construction in the Killdeer Battlefield Study Area.
- File with the Commission a copy of the final federal Environmental Impact Statement and resulting findings prior to beginning construction.
- Provide the Commission with a letter from the Williston City Commission on their concurrence that the project will not interfere with the Soulin Field Airport Project.

"We know that the availability of power in western North Dakota is inadequate. This project will literally be a life preserver for that region, keeping lights, furnaces and air conditioners running when needed," said Commissioner Randy Christmann. "But as vital as this project is, we need to remember it is just a life jacket...the real rescue ship will be the construction of dependable baseload power generation and our energy industry needs to step up efforts to make that a reality."

Basin Electric reports 55 percent load growth experienced in this area since 2011 and forecasts continued growth of 6 percent annually. By 2016 the load is projected to exceed capacity of the system. In addition, McKenzie Electric Cooperative reported that its usage has grown 300 percent since 2005, and 69 percent alone in 2012.

"Today's action concludes months of review and public comment. The need for significant investments in western North Dakota's power infrastructure is real, urgent and the product of being the fastest growing region in the nation," said Commissioner Julie Fedorchak. "By following an existing transmission corridor and major state highway, we are able to strengthen the electric grid in the heart of the Bakken while minimizing the visual impact in the Badlands and Theodore Roosevelt National Park. This order also reinforces the expertise of state historical experts to minimize the impacts to the Killdeer Mountain Battlefield and of federal agencies to manage the grasslands."

Fedorchak noted that the nearest a part of the transmission line comes to the Northern Unit of Theodore Roosevelt National Park is approximately 1.25 miles away and according to data provided by the park, only three structures in the power line will be visible in about 10 to 20 percent of the park.

Multiple alternatives to the project were considered, including:

- Upgrading existing infrastructure and constructing several new 115-kV lines instead of building this proposed new transmission line. This alternative did not adequately address or provide a long-term solution to address the load growth driving this project.
- Crossing Lake Sakakawea further to the east or routing around Lake Sakakawea to the east. These alternatives resulted in construction concerns, increased length of the line resulting in additional impacts and costs, and failure to provide service to areas in need.
- Adding another circuit parallel to a new 345-kV line planned through the Killdeer area instead of the western segment along the U.S. Highway 85 corridor. There were reliability concerns with this approach and it fails to provide transmission service to areas south of Watford City.
- Burying portions of the line underground to reduce the visibility of the lines. Building transmission lines underground disturbs the environment significantly more than overhead construction due to the trenching and underground installations involved and significantly adds to the overall project costs.

Public hearings for this project were held in September 2013 in the communities of Killdeer, Tioga and Williston during which community leaders and citizens were able to learn more about the project and offer public comment for consideration. Total cost of the project is estimated to be \$375 million.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or <u>www.psc.nd.gov</u>.

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