



NEWS RELEASE
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Public Service Commission Approves First Wind Decommissioning Plans After New Rule Changes

BISMARCK, ND – The North Dakota Public Service Commission has approved the first set of decommissioning plans for wind farms since new rule changes were approved last year. Plans for 14 wind projects were approved during the June 27 Commission meeting.

“The new rules are both forward looking and some of the most comprehensive in the country,” said Commissioner Brian Kroshus, who holds the portfolio for economic regulation. “They include necessary financial assurances that decommissioning can and will occur in a timely manner, restoring the land to its original state and protecting landowner interests. While it’s difficult to know exactly when a facility will reach the end of its useful life, having a clearly defined exit strategy in place is critical.”

The rules approved last year strengthen requirements for future wind projects and ensure they are properly decommissioned at the end of their use. The changes were put in place to ensure that wind projects are properly taken down and cleaned up when the facility is no longer being used. As wind generation continues to expand in North Dakota and projects grow in size and scale, the costs and consequences of failed or improper decommissioning have been a concern for the Commission. The PSC has been responsible for ensuring reclamation for coal mining in the state since 1970 and incorporated that success and experience in the rule changes.

“A half century ago our ancestors made a commitment to ensure our coal mines would be reclaimed when the prairie became quiet again,” said Commission Chairman Randy Christmann. “These decommissioning rules demonstrate a renewed commitment by our generation to ensure that North Dakota’s beautiful landscape will be returned to its splendor when these giant wind turbines reach the end of their useful lives.”

The rules require decommissioning plans, including cost estimates, are filed with and approved by the Commission prior to operation of any new facilities and the Commission requested that existing facilities submit plans by July 1, 2018. The rules also require financial assurance for decommissioning. For projects sited after July 1, 2017, a two-phase approach will be used with an initial financial assurance provided prior to construction and financial assurance sufficient to ensure complete decommissioning required before operation. Previously sited facilities are required to provide financial assurances after the tenth year of operation.

“While there is a great deal of uncertainty in the electric industry today, one fact that is certain is someday these wind facilities will come down,” said Commissioner Julie Fedorchak. “The work we’ve done on decommissioning rules ensures three things. First, companies know what’s required for

decommissioning on the front end and can plan for it. Second, they will have good cost estimates based on data from qualified engineers. And third, financial assurances from owners will be in place to pay for decommissioning.”

The rule changes were approved by the PSC in early May 2017 and approved by the Administrative Rules Committee in June 2017. The rules changes took effect on July 1, 2017.

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 www.psc.nd.gov.

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