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March 25, 2020

[VIA E-MAIL \(ttschreiner@nd.gov\)](mailto:ttschreiner@nd.gov)

McLean County Planning and Zoning Commission and
County Board of Commissioners
c/o Todd Schreiner, Land Use Administrator
712 5th Avenue
PO Box 1108
Washburn, ND 58577

Re: Request for changes to zoning amendments

Dear Commissioners:

Great River Energy ("GRE") respectfully submits this letter in connection with the March 26, 2020 public hearing regarding the amendments ("Amendments") to McLean County's Zoning Ordinance ("Ordinance") set forth in the Notice of Zoning Amendments approved on March 3, 2020. For the reasons described herein, GRE requests removal from the Amendments of the provisions that apply a one-mile setback from the Missouri River, Lake Sakakawea, and Lake Audubon to electrical power transmission lines from North Dakota Public Service Commission ("NDPSC") permitted wind turbines.

Specifically, GRE requests deletion from the Amendments of the following language proposed to be added to Sections 6.5.1 and 6.5.11 of the Ordinance (the "Wind Transmission Line Setback"):

6.5.1(1): "All electrical power transmission lines from wind energy facilities are subject to §6.5.11(3) setbacks or avoidance zones."

6.5.11(3)(c): "and any electrical power transmission lines from NDPSC permitted wind turbines, whether they are within the county or intrastate, and whether they were installed for existing energy sources, or new or upgraded energy sources,"

As you are aware, GRE has a long history of operating electric generation and transmission facilities in McLean County ("County") to supply needed electric energy to our member cooperatives. During the 40 years GRE or its predecessors have been operating in the County, we have worked closely with the County, the surrounding communities and local officials as we adjust to the ever-changing needs of our member-owners and their member-consumers. Throughout this time, our goal has been to work collaboratively with the communities in which we operate and responsibly develop and maintain our facilities. We have always sought to consider the public interest in our operations and implemented very high standards for all our projects. We appreciate the cooperation and mutual respect the County and GRE have shared throughout the years and anticipate many more years of working in and with the County and the communities.

GRE recently announced that it is considering the future of Coal Creek Station. In the event GRE decides to retire Coal Creek Station, GRE's preference would be to heavily reinvest in North Dakota and McLean County and continue for many decades our long partnership with the State and the County. Unfortunately, the Wind Transmission Line Setback would effectively prevent those investments.

Our plans for reinvestment in the event we retire Coal Creek Station likely include the following:

- ▶ 800 megawatts of wind energy that would be interconnected to GRE's high voltage direct current line (the "HVDC Line") on the site of Coal Creek Station. These wind projects represent approximately \$1.5 billion in investment and would provide North Dakota with 700-800 temporary construction jobs, additional permanent jobs, over \$100 million in property tax payments, and nearly \$100 million in landowner payments.
- ▶ Associated transmission lines that would cross the Missouri River and would not be possible with a one-mile setback from the River.
- ▶ A transmission substation located in McLean County near Coal Creek Station that would add to the County's tax base. This substation, the transmission lines, and related infrastructure represent approximately \$170 million in investment.
- ▶ A significant payment by GRE to Blue Flint Ethanol that would allow Blue Flint to repower to natural gas and secure its own water supply. This would preserve the jobs at Blue Flint and allow it to continue to be an economic engine for the County and the surrounding agricultural community for decades to come. This payment by GRE will not be made if GRE is prevented from completing the North Dakota wind projects.
- ▶ Convert GRE's Spiritwood Station to operating on natural gas with an investment of approximately \$5 million, preserving those jobs, and adding to the market for North Dakota's abundant natural gas.
- ▶ Voluntary payments by GRE to the County in lieu of the coal severance and conversion taxes paid to the County related to Coal Creek Station. These payments would total up to \$15 million over five years. GRE would not make these payments if McLean County effectively closes its doors to GRE by finally adopting the Wind Transmission Line Setback.

We are aware that GRE's recent announcement regarding Coal Creek Station has caused great concern in the County and among its residents. We hope our proposed investments can ease the burden in the event Coal Creek Station is retired. But we must be clear. Closing McLean County to the transmission from wind projects will not keep Coal Creek Station open. If GRE decides to retire Coal Creek Station, we will do so even if we are unable to complete our projects in North Dakota.

We believe the Wind Transmission Line Setback is not necessary for the County to achieve its goal of providing adequate land use standards and protections for its residents. The remaining provisions of the Amendments include, among other protections, the right to deny a site permit for transmission lines, "[i]f the county finds the site of an electrical power transmission line will unduly harm" such public interests as humans, the economy, agriculture, the environment and wildlife. Our long history in McLean County has demonstrated that GRE also cares about these public interests. We will continue to adhere to high standards in any project we own or with which we are associated and will work closely with the County to ensure the public interest is protected.

We also believe the Wind Transmission Line Setback is invalid. There is no justification for the setback to apply only to transmission lines associated with wind projects. Further, electric transmission lines

already cross the Missouri River, and the named water bodies are under the regulation and protection of the United States Army Corps of Engineers ("USACE") and state agencies. Therefore, there is no reasonable basis for the County to apply the Wind Transmission Line Setback. Instead, the setback is a transparent and targeted attempt to prohibit wind generation from being transmitted into or through the County from the south or west. If enforced as written, the setback completely excludes wind energy transmission lines from crossing the named water bodies. This type of exclusionary zoning is regularly struck down by courts. The setback unnecessarily interferes with potential wind development in neighboring counties and limits resource options for area utilities.

We urge you to consider the adverse impact of the Wind Transmission Line Setback, not only on McLean County, but on your neighboring counties and the entire State of North Dakota. Removing the Wind Transmission Line Setback would be a sign that McLean County is open to adapting to the new energy future that is coming to North Dakota.

GRE values its relationship with the County and appreciates the opportunity to provide these comments for the Commissioners' consideration. Should the Commissioners have any questions, please do not hesitate to contact me.

Respectfully submitted,

GREAT RIVER ENERGY



David Saggau
President & Chief Executive Officer

- c: Lieutenant Governor Brent Sanford (via e-mail: bsanford@nd.gov)
- Agricultural Commissioner Doug Goehring (via e-mail: goehring@nd.gov)
- Commissioner Steve Cottingham (via e-mail: mclean.county.district1@gmail.com)
- Commissioner Steve Lee (via e-mail: leeranch@westriv.com)
- Commissioner Barry Suydam (via e-mail: barrysuydam@hotmail.com)
- Ladd Erickson, McLean County State's Attorney (via e-mail: lre Erickson@nd.gov)
- Bob Bruckbauer, GRE board chair (via e-mail: rbruckbauer@greenergy.com)
- Dale Anderson, GRE board vice chair (via e-mail: danderson@greenergy.com)
- Audrey Hjelle, GRE board secretary (via email: ahjelle@greenergy.com)
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