
**BASIN ELECTRIC
POWER COOPERATIVE**

1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58503-0564
PHONE: 701-223-0441
FAX: 701-557-5336



April 27, 2012

Ms. Karlene Fine, Executive Director
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, North Dakota 58505

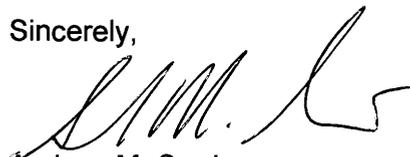
Dear Ms. Fine:

I am writing to give Basin Electric's support to award the remaining funds in the Plains CO₂ Reduction (PCOR) Partnership Phase III; North Dakota Industrial Commission Lignite Research Program, Contract No. FY08-LXIII-162, to the Energy and Environmental Research Center (EERC). Basin Electric would condition the support of the funding to EERC if projects are completed within the State of North Dakota through the PCOR Partnership.

The further use of coal is certainly under attack. If coal is to be considered a viable fuel in the future, then CO₂ will need to be addressed. The PCOR work is vital to provide a pathway for coal by demonstrating the beneficial use of CO₂ in enhanced oil recovery. Also PCOR's effort to monetize CO₂ sequestration in geological formations provides the foundation for geological storage in the future.

In my opinion, the partnership with PCOR has been beneficial to the state. Continuing to learn more about CO₂'s beneficial use and safe geological storage will help the long-term viability of lignite.

Sincerely,



Andrew M. Serri
CEO and General Manager

CC: Mike Jones



minnesota power / 30 west superior street / duluth, minnesota 55802-2093 / 800-228-4966 / www.mnpower.com

April 30, 2012

William J. Sawyer
Project Development Leader

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, ND 58505-0840

Subject: Plains CO₂ Reduction (PCOR) Partnership Phase III; North Dakota Industrial Commission Lignite Research Program Contract No. FY08-LXIII-162

Dear Ms. Fine:

We have long been a partner in the PCOR Partnership and continue to support its carbon management research efforts. We appreciate that as one of the leading regional partnerships in the U.S. Department of Energy's Carbon Sequestration Program, the PCOR Partnership is investigating long-term carbon sequestration strategies throughout its region, located in the middle of the North America continent. This region, especially North Dakota, is rich in energy resources as well as some of the best CO₂ storage geology in the world. These resources and geology are all regionally connected, and the related research, infrastructure, and knowledge are not restricted to state boundaries.

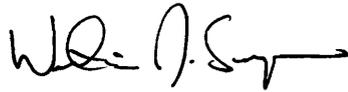
The PCOR Partnership's scope of work includes regional characterization, establishing a safe and predictable regulatory framework, exploring infrastructure advancements, and outreach and education. The state of North Dakota has definitely benefitted (and continues to benefit today) from these ongoing efforts. Whether it is locating and quantifying the CO₂ point sources (including coal-fired power plants) and adjacent viable sinks; testifying before the North Dakota Legislature to ensure safe, reasonable regulatory controls; or sharing accurate information about carbon dioxide and practical methods to mitigate its release to the atmosphere to hundreds of local teachers, the PCOR Partnership's vigorous efforts are definitely benefiting the lignite industry and the residents of North Dakota.

While we note that the PCOR Partnership's two Phase III demonstration sites are currently located outside of the state of North Dakota, we fully recognize that knowledge knows no boundaries. The lessons learned during these demonstration projects coupled with the PCOR Partnership's numerous related activities will have a direct impact on North Dakota and its strong economic trade history with surrounding states and provinces including Minnesota as well as CO₂ mitigation efforts globally.

For the foregoing reasons, I support authorizing the remaining funding under the subject award for the PCOR Partnership to continue its mission and provide value to North Dakotans.

I look forward to seeing you at the Lignite Research Council meeting on May 17 in Bismarck. In the meantime, feel free to contact me for further information by phone at (218) 355-3580 or by e-mail at wsawyer@mnpower.com.

Sincerely,

A handwritten signature in black ink, appearing to read "W. J. Sawyer", with a long horizontal flourish extending to the right.

William J. Sawyer

c: Michael Jones, Lignite Energy Council
Ed Steadman, Energy & Environmental Research Center



North Dakota Geological Survey

Edward C. Murphy - State Geologist

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

www.state.nd.us/ndgs

May 1, 2012

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, North Dakota 58505-0840

Subject: PCOR Partnership Phase III; Lignite Research Program Contract No. FY08-LXIII-162

Dear Ms. ~~Fine~~ *KARLENE*:

We have been a partner in the PCOR Partnership since its inception and continue to support its research efforts. As one of DOE's carbon sequestration programs, the PCOR Partnership is investigating the practicality of long-term carbon sequestration in the interior of North America. This region contains some of the best sedimentary rocks in the world when it comes to long-term carbon dioxide storage and these rocks cross multiple state and provincial boundaries.

The PCOR Partnership's has addressed regional characterization, regulatory guidance, infrastructure, and education regarding carbon dioxide and practical methods to mitigate its release to the atmosphere. North Dakota and the lignite industry have benefitted, and continue to benefit, from the PCOR Partnership.

I can personally attest that every effort was made to locate a Phase III carbon dioxide enhanced oil recovery demonstration project in North Dakota. However, companies were scrambling to get a handle on the Bakken play and were unable to commit to a demonstration project at that time. The demonstration project in the Muddy Formation in southeastern Montana will generate useful information that is applicable to the equivalent Newcastle Formation as well as other sandstones in North Dakota. For that reason, I support authorizing the remaining funding for the PCOR Partnership.

Please contact me if you have any questions regarding my support of this project.

Sincerely,

Edward C. Murphy
State Geologist

cc: Michael Jones, Lignite Energy Council
Ed Steadman, Energy & Environmental Research Center

DAKOTA GASIFICATION COMPANY

A BASIN ELECTRIC SUBSIDIARY

**MAILING ADDRESS:**

P.O. BOX 5540
BISMARCK, NORTH DAKOTA 58506-5540
PHONE: 701/221-4400 FAX: 701/221-4450

STREET ADDRESS:

1600 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58503-0561

May 3, 2012

Ms. Karlene Fine, Executive Director
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, North Dakota 58505

Dear Ms. Fine:

I am writing to give Dakota Gasification Company's (DGC) support to award the remaining funds in the Plains CO₂ Reduction (PCOR) Partnership Phase III; North Dakota Industrial Commission Lignite Research Program Contract FY08-LXIII-162 to the Energy and Environmental Research Center (EERC). I would condition the support of the funding to EERC if projects are completed within the State of North Dakota through the PCOR Partnership.

At DGC, we know that CO₂ works in enhanced oil recovery (EOR), although not demonstrated in North Dakota yet. The PCOR efforts will bolster EOR opportunities in North Dakota. Also PCOR's effort to study potential sites for CO₂ sequestration in geological formations provides the foundation for geological storage in the future.

In my opinion, the partnership with PCOR has been beneficial to the state. Continuing to learn more about CO₂'s beneficial use and safe geological storage will help the long-term viability of lignite.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary G. Loop".

Gary G. Loop
Senior Vice President &
Chief Operating Officer

cj/las

cc: Mike Jones



Equal
Employment
Opportunity
Employer



May 8, 2012

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, ND 58505-0840

Dear Ms. Fine:

Subject: Plains CO₂ Reduction (PCOR) Partnership Phase III; North Dakota Industrial Commission
Lignite Research Program Contract No. FY08-LXIII-162

We have long been a partner in the PCOR Partnership and continue to support its carbon management research efforts. We appreciate that as one of the leading regional partnerships in the U.S. Department of Energy's Carbon Sequestration Program, the PCOR Partnership is investigating long-term carbon sequestration strategies throughout its region, located in the central interior of North America. This region, especially North Dakota, is rich in energy resources as well as some of the best CO₂ storage geology in the world. These resources and geology are all regionally connected, and the related research, infrastructure, and knowledge are not restricted to state boundaries.

The PCOR Partnership's scope of work includes regional characterization, establishing regulatory harmony, exploring infrastructure advancements, and outreach and education. The state of North Dakota has definitely benefitted (and continues to benefit today) from these ongoing efforts. Whether it is locating and quantifying the CO₂ point sources (including coal-fired power plants) and adjacent viable sinks; testifying before the North Dakota Legislature to ensure safe, reasonable regulatory controls; or sharing accurate information about carbon dioxide and practical methods to mitigate its release to the atmosphere to hundreds of local teachers, the PCOR Partnership's vigorous efforts are definitely benefiting the lignite industry and the residents of North Dakota.

While we note that the PCOR Partnership's two Phase III demonstration sites are currently located outside of the state of North Dakota, we fully recognize that knowledge knows no boundaries. The lessons learned during these demonstration projects coupled with the PCOR Partnership's numerous related activities will have a direct impact on North Dakota and advance CO₂ mitigation efforts globally.

For the foregoing reasons, I support authorizing the remaining funding under the subject award for the PCOR Partnership to continue its mission and provide value to North Dakotans.

I look forward to seeing you at the Lignite Research Council meeting on May 17 in Bismarck. In the meantime, feel free to contact me for further information by phone at (701) 795-4205 or by e-mail at lkvernen@minnkota.com.

Sincerely,

MINNKOTA POWER COOPERATIVE, INC.

Luther Kvernen
Vice President - Generation

cc: Michael Jones, Lignite Energy Council
Ed Steadman, Energy & Environmental Research Center



May 10, 2012

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, ND 58505-0840

Subject: Phase III of the Plains CO₂ Reduction (PCOR) Partnership
North Dakota Industrial Commission Lignite Research Program
Contract No. FY08-LXIII-162

Dear Ms. Fine:

The United States Department of Energy (DOE) manages a portfolio of laboratory and field-based research and development programs that evaluate technologies with potential for reducing greenhouse gas emissions and controlling climate change. In 2003, DOE competitively selected seven Regional Carbon Sequestration Partnerships (RCSPs) to receive federal funding. The RCSPs seek to identify the best geologic and terrestrial storage approaches and technologies for and permanently storing carbon dioxide (CO₂) in their regions. The Plains CO₂ Reduction (PCOR) Partnership, led by the Energy & Environmental Research Center (EERC), is one of the seven RCSPs selected by DOE.

In Phase III, the development phase, the PCOR Partnership was the only RCSP that proposed two demonstration sites, one in British Columbia, Canada, and the other in North Dakota. The EERC kept NETL informed as to the EERC's progress in securing these two sites. In 2009, the EERC met with DOE to discuss the EERC's inability to secure a commitment for the North Dakota site. The EERC proposed an alternative site in southeastern Montana and gave serious consideration to this change in location. The EERC discussed the project's objectives with the site owner and operator. Although this location for the project was not in North Dakota, it is clear that the project would have a positive impact on North Dakota, as well as on the state of carbon sequestration knowledge. Therefore, DOE approved the EERC's proposal to use an alternate site now referred to as the Bell Creek Project.

DOE recognizes that the PCOR Partnership is not exclusively focused on large-scale field tests. Although all its activities will benefit commercial-scale injection projects, the PCOR Partnership is a well-rounded program that advances regional characterization efforts; conducts far-reaching outreach and education activities; harmonizes regulatory oversight; and investigates regional storage options. All of these efforts benefit not only the PCOR Partnership's entire region (including nine U.S. states and four Canadian provinces), but also the state of knowledge about CO₂ sequestration.

DOE remains committed to the PCOR Partnership and this project and intends to fund continuation of its research, which would provide value to North Dakota. We look forward to your continued participation in the project. Please contact me if you need further information.

Sincerely,

A handwritten signature in black ink that reads "Scott Klara". The signature is written in a cursive style with a large initial "S".

Scott Klara
Deputy Director

cc: Michael Jones, Lignite Energy Council
John Harju, Energy & Environmental Research Center



May 1, 2012

Ms. Karlene Fine, Executive Director
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, North Dakota 58505

Dear Ms. Fine:

Please find this letter on behalf of The North American Coal Corporation and its subsidiary companies to lend support to the North Dakota Industrial Commission in awarding funds to the Plains Carbon Dioxide Reduction (PCOR) Partnership Phase III to continue research, development and deployment of technologies that support carbon dioxide sequestration and the necessary ancillary activities that support it. The program contract is with the Energy and Environmental and Research Center (EERC); the contract number is FY08-LXIII-162.

PCOR is led by the EERC at the University of North Dakota and is one of the seven regional partnerships under the U.S. Department of Energy National Energy Technology Laboratory's Regional Carbon Sequestration Partnership Program. Their leadership on developing commercial-scale, long-term demonstration projects for geologic carbon dioxide sequestration is unmatched in the world.

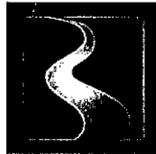
Due to the large volumes of carbon dioxide, geologic storage is likely to be one of the few options that could significantly reduce the concentrations of greenhouse gases. There is great value in partnering with PCOR to provide research and prove realistic solutions that our individual companies and research institutions could not do alone. We support PCOR's professional activities throughout the region to continue the necessary research.

Sincerely,

The North American Coal Corporation,

A handwritten signature in black ink, appearing to read "D Straley", is written over the printed name.

David Straley
Manager, Government & Public Affairs



GREAT RIVER
ENERGY®

12300 Elm Creek Boulevard • Maple Grove, Minnesota 55369-4718 • 763-445-5000 • Fax 763-445-5050 • www.GreatRiverEnergy.com

May 3, 2012

Mr. Mike Jones
Lignite Research Council
PO Box 2277
Bismarck ND 58502

Dear Mike:

Great River Energy has been a member of The Plains CO₂ Reduction (PCOR) Partnership for many years and continues to support their efforts to learn about options for dealing with CO₂ management and sequestration. So far demonstration of sequestration options in North Dakota has not become a reality. If it is possible for PCOR to arrange a demonstration in an adjacent state or province with similar geological formations GRE believes that the value of the information would be commensurate with data collection in North Dakota. Therefore, GRE would also support use of Lignite Research Council funds for such a demonstration.

Sincerely,

GREAT RIVER ENERGY

Richard R. Lancaster
Vice President, Generation

5/3/2012 S:\Generation\Executive Assistant Files\Rick Lancaster\050312 Mike Jones.Docx



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

May 9, 2012

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, ND 58505-0840

Dear Ms. Fine:

Subject: Plains CO₂ Reduction (PCOR) Partnership Phase III; North Dakota Industrial Commission Lignite Research Program Contract No. FY08-LXIII-162

We have long been a partner in the PCOR Partnership and continue to support its carbon management research efforts. We appreciate that as one of the leading regional partnerships in the U.S. Department of Energy's Carbon Sequestration Program, the PCOR Partnership is investigating long-term carbon sequestration strategies throughout its region, located in the central interior of North America. This region, especially North Dakota, is rich in energy resources as well as some of the best CO₂ storage geology in the world. These resources and geology are all regionally connected, and the related research, infrastructure, and knowledge are not restricted to state boundaries.

The PCOR Partnership's scope of work includes regional characterization, establishing regulatory harmony, exploring infrastructure advancements, and outreach and education. The state of North Dakota has benefitted, and will continue to benefit from these ongoing efforts. Whether it is locating and quantifying the CO₂ point sources (including coal-fired power plants) and adjacent viable sinks; testifying before the North Dakota Legislature to ensure safe, reasonable regulatory controls; or sharing accurate information about carbon dioxide and practical methods to mitigate its release to the atmosphere to hundreds of regional teachers, the PCOR Partnership's vigorous efforts are definitely benefiting the lignite industry and the residents of North Dakota.

While we note that the PCOR Partnership's two Phase III demonstration sites are currently located outside of the state of North Dakota, we fully recognize that knowledge knows no boundaries. The lessons learned during these demonstration projects coupled with the PCOR Partnership's numerous related activities will have a direct impact on North Dakota and advance CO₂ mitigation efforts globally.

For the foregoing reasons, I support authorizing the remaining funding under the subject award for the PCOR Partnership to continue its mission and provide value to North Dakotans.

I look forward to seeing you at the Lignite Research Council meeting on May 17 in Bismarck. In the meantime, feel free to contact me for further information by phone at (701)222-7752 or by e-mail at Andrea.stomberg@mdu.com

Sincerely,

Andrea Stomberg
Vice President, Electric Supply

c: Michael Jones, Lignite Energy Council
Ed Steadman, Energy & Environmental Research Center

clean coal₂ Project  SaskPower

Michael J. Monea, President,
Carbon Capture & Storage Initiatives
Address: 2025 Victoria Avenue, 12W
Regina, Saskatchewan
Canada S4P 0S1
Phone (306) 566-3132
Fax (306) 566-3931
Email: mmonea@saskpower.com

May 3, 2012

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
600 East Boulevard Avenue
Bismarck, ND 58505-0840

Dear Ms. Fine:

Subject: Plains CO₂ Reduction (PCOR) Partnership Phase III; North Dakota Industrial Commission Lignite Research Program Contract No. FY08-LXIII-162

We have long been a partner in the PCOR Partnership and continue to support its carbon management research efforts. We appreciate that as one of the leading regional partnerships in the U.S. Department of Energy's Carbon Sequestration Program, the PCOR Partnership is investigating long-term carbon sequestration strategies throughout its region located in the central interior of North America. This area is rich in energy resources as well as some of the best CO₂ storage geology in the world. These resources and geology are all regionally connected, and the related research, infrastructure, and knowledge are not restricted to state or provincial boundaries.

The PCOR Partnership's scope of work includes regional characterization, establishing regulatory harmony, exploring infrastructure advancements, and outreach and education. North Dakota and neighboring Saskatchewan have definitely benefitted from these ongoing efforts. Whether it is locating and quantifying the CO₂ point sources (including coal-fired power plants) and adjacent viable sinks; collaborating to ensure safe, reasonable regulatory controls; or reaching out to the technical community, the public, and educators to share lessons learned, the PCOR Partnership's vigorous efforts are not restricted by man-made boundaries.

We fully recognize that knowledge knows no boundaries. The lessons learned during the PCOR Partnership's demonstration projects (whether they are located in North Dakota or not), along with the PCOR Partnership's numerous related activities, will advance CO₂ mitigation efforts not only regionally, but globally. This benefits all of us.

Karlene Fine
Executive Director and Secretary
North Dakota Industrial Commission
May 3, 2012
Page 2

For the foregoing reasons, I support authorizing the remaining funding under the subject award for the PCOR Partnership to continue its mission.

If you have any questions, please contact me at the number indicated above.

Yours truly,



Michael J. Monea,
President,
Carbon Capture & Storage Initiatives
/sab

c: Michael Jones, Lignite Energy Council
Ed Steadman, Energy & Environmental Research Center