North Dakota Industrial Commission approves Spirit Energy Power Plant grant


The lignite-based power plant will be owned by a joint-venture to be formed by Great River Energy (GRE), Cargill Malt Americas and the Newman Group (Newman) and will be operated by GRE. It will generate wholesale electricity for GRE’s Minnesota member cooperatives as well as low-pressure steam for the construction and operation of Newman’s proposed 100-million-gallon ethanol plant and for Cargill’s existing malting plant at Spiritwood, east of Jamestown. Otter Tail Power Co. will continue to provide retail electric service to the malt facility and will serve the new ethanol plant. All three facilities are situated in the Spiritwood Industrial Park now being developed by the three partners at an estimated cost of $350 million.

“It is estimated that the park will have an annual, economic impact of about $380 million, once it is operational in 2009,” said NDIC members – Governor John Hoeven, Attorney General Wayne Stenehjem and Agriculture Commissioner Roger Johnson—in a joint statement. “This kind of economic development benefits all North Dakotans.”

“I am pleased with the NDIC’s decision to allot money for a project of this caliber,” said John Dwyer, President of the Lignite Energy Council and Chairman of the Lignite Research Council. “It is very possible that many other companies will look at this project as a model for using beneficiated lignite.”

North Dakota’s Lignite Research, Development and Marketing Program is a multi-million dollar state/industry partnership that concentrates on near term, practical research and development projects that preserve and enhance the development of North Dakota’s abundant lignite resources. More than 24,000 jobs, $2 billion in business volume and $80 million in state tax revenue are generated annually by the lignite industry for the state of North Dakota.

The Industrial Commission of North Dakota oversees the Lignite R&D Program, which has provided more than $46 million in state funds for over 165 lignite-related R&D projects since 1987. The program annually receives about $3 million from a 10-cent-per-ton R&D allocation from the coal severance tax.

-FURTHER INFORMATION: Karlene Fine (701) 328-3722-30-