

Industrial Commission Approves Funding for Great River Energy To Explore Feasibility of New "Lignite Vision 21" Power Plant

BISMARCK -- The Industrial Commission of North Dakota today approved the Lignite Research Council's unanimous recommendation that up to \$10 million be available from the state's Lignite Research, Development and Marketing Program to assist Great River Energy in its efforts to develop a new power plant in North Dakota under the Lignite Vision 21 Project.

The funds will be matched by Great River Energy to conduct the necessary detailed environmental, economic and transmission feasibility studies which could lead to the construction of a new \$700 million, 500 megawatt lignite-fired power plant in North Dakota.

Approximately \$2.8 million will be available under Phase I (feasibility studies) and up to \$7.2 million will be available if Great River Energy decides to proceed with Phase II (permitting and construction).

According to Industrial Commission members, Governor John Hoeven, Attorney General Wayne Stenehjem and Agriculture Commissioner Roger Johnson, approval of the matching funds is an important first step in the state's initiative to develop a new power plant in North Dakota.

"This project will help expand the number of high quality jobs that are needed in the state," said Gov. Hoeven. "I am very pleased that Great River Energy has stepped forward to invest in the project. North Dakota has an opportunity here to be a part of the solution to our nation's energy crisis."

Attorney General Wayne Stenehjem said, "It is good news for the entire state that Great River Energy is considering the development of a new power plant in North Dakota, one that will use the latest technologies to provide abundant energy to our region in an environmentally responsible manner."

Agriculture Commissioner Roger Johnson said, "We commend Great River Energy for its efforts through the Lignite Vision 21 Project to help diversify the economy of our state. The lignite industry has proven to be a great partner with agriculture in diversifying the economy of the state, and this development will help strengthen those efforts."

According to John W. Dwyer, President of the Lignite Energy Council and Chairman of the Lignite Research Council, "I applaud the Industrial Commission for its foresight and continued support to develop a new power plant in North Dakota. The effort by the State and Great River Energy is important to the economy of North Dakota and in meeting the region's growing energy needs."

Through the feasibility studies, Great River Energy will analyze many critical technical and economic factors. "We will hopefully have the results by the end of 2002 and can then make

a decision whether to build a new coal based power plant facility in North Dakota,” said Rick Lancaster, Vice President of Public Affairs, Great River Energy.

Lancaster pointed out that Great River Energy has owned and operated power plants in North Dakota for nearly 35 years and “we like doing business here. We commend the Industrial Commission’s proactive support of the lignite industry and we look forward to working with the state on this study.”

Great River Energy, headquartered in Elk River, Minn., currently owns and operates two power plants in North Dakota. Coal Creek Station, a 1,081-megawatt facility located near Underwood, is North Dakota’s largest power plant, employing more than 200 people. Stanton Station, a 186-megawatt facility located near Stanton, employs nearly 75 people.

Great River Energy is a not-for-profit generation and transmission cooperative providing wholesale electric energy and related services to 29 distribution cooperatives in Minnesota and Wisconsin.

The Industrial Commission is partnering with the Lignite Energy Council on the Lignite Vision 21 Project, a state/industry partnership to encourage construction of the next “state-of-the-art” base-load power plant in North Dakota so that it is available in the 2008-2009 timeframe.

As proposed, the Lignite Vision 21 Project is designed to meet growing regional electrical needs and revitalize the lignite industry by producing 3 million more tons of coal, creating 1,300 new jobs and generating an additional \$6 million annually in tax revenue.

The Lignite Research Program is overseen by the Industrial Commission, consisting of Gov. John Hoeven as Chairman, Attorney General Wayne Stenehjem, and Commissioner of Agriculture Roger Johnson. The program is a cooperative state/industry effort concentrating on near-term, practical projects to enhance development of the state's abundant lignite resources.

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