Industrial Commission Approves Funding for Montana-Dakota Utilities Co. To Explore Feasibility of New “Lignite Vision 21” Power Plant Near Gascoyne, ND

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 Montana-Dakota Utilities Co. in its efforts to develop a new power plant in North Dakota under the Lignite Vision 21 Project.

The funds will be matched by Montana-Dakota Utilities Co. to conduct the necessary detailed environmental, economic and transmission feasibility studies which could lead to the construction of a new $750 million, 500 megawatt lignite-fired power plant near Gascoyne, ND.

Approximately $2.85 million will be available for initial feasibility studies and up to $7.15 million will be available if Montana-Dakota Utilities Co. decides to proceed with permitting and construction.

In a joint statement, Industrial Commission members – Governor John Hoeven, Attorney General Wayne Stenehjem and Agriculture Commissioner Roger Johnson – said, “We are pleased that Montana-Dakota Utilities Co. has stepped forward to participate in the Lignite Vision 21 Project. If realized, this effort will diversify the economy of our state and generate a number of new high quality jobs. It may also result in one or more power plants featuring the latest clean coal technologies to produce low-cost electricity in an environmentally responsible manner.”

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 Montana-Dakota Utilities Co. is important to the economy of North Dakota and in meeting the region’s growing energy needs.”

According to Ron Tipton, Chief Executive Officer of Montana-Dakota Utilities Co., “As one of the state’s oldest energy providers, Montana-Dakota Utilities Co. is excited about the Vision 21 Project and the potential it holds for North Dakota.”
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. A 500-megawatt power plant results in substantial economic development for North Dakota by producing 3 million more tons of coal, creating 1,300 new jobs and generating an additional $6 million annually in tax revenue.

The Industrial Commission– on April 19, 2001 – approved up to $10 million in funding for Great River Energy to also explore the feasibility of a new “Lignite Vision 21” power plant.

North Dakota’s Lignite Research, Development and Marketing Program is a multi-million dollar state / industry partnership that concentrates on near term, practical R&D projects that provide the opportunity to preserve and enhance development of our state’s abundant lignite resources. Over 19,000 jobs, $1.4 billion in business volume and $65 million in tax revenue are generated by the lignite industry for the State of North Dakota each year.

The Lignite Research Program is overseen by the North Dakota Industrial Commission, consisting of Gov. John Hoeven, Attorney General Wayne Stenehjem, and Agriculture Commissioner 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.

FURTHER INFORMATION: Lyndon Anderson, LEC, (701) 258-7117 or Karlene Fine, NDIC, (701) 328-3722