




A Touchstone Energy® Cooperative 

5301 32nd Ave S
Grand Forks, ND 58201-
3312
Phone 701.795.4000
www.minnkota.com

July 25, 2024

Oliver County Planning and Zoning Board
115 Main St.
Center, ND 58530

Oliver County Planning and Zoning Board:

Oliver County has been the home to Minnkota's Milton R. Young Station for more than 50 years. We are proud of our strong safety record and our role in working with the community to provide quality jobs, support the school district, and help to enhance the overall quality of life in the region.

Through Project Tundra, our goal is to further that commitment by making a multibillion-dollar investment into the county and supporting the next generation of employees at the Young Station and BNI mine – which are major economic engines of the area. As you may have seen in the press or on social media, the project is facing some added complexity in decision-making from onerous EPA power plant rules, supply chain disruptions, inflationary pressures and cost escalation. The actions being considered by the Oliver County Planning and Zoning Board add to the uncertainty.

At Minnkota, we've defended against the growing number of outsiders who want to see all coal plants close. While many other utilities across the country have simply walked away, we've stood firm. We see a positive future for MRY, but to better position that facility against anti-coal pressures, carbon capture remains one of the best paths forward to achieve that.

Oliver County's two-year consideration of a CO2 ordinance jeopardizes our future, because it signals an alarm to a cautious financial market that there is a lack of local support for the project, which creates a perceived risk. That risk will be a due diligence issue the project will need to mitigate, to the extent possible, with investors, lenders, and the Minnkota membership.

In addition to the financial threat to the project, the ordinances being considered by the planning and zoning board create a legal threat. The ordinance, if acted upon, would be in clear contradiction of state law and will undoubtedly prompt legal action from the state to preserve its primacy over CO2 injection and storage. Such state action would be supported by Minnkota because our existing permits would be compromised if state primacy is challenged. Litigation is costly, and with the county facing minimal chances of success, the efforts would be a waste of resources ultimately borne by taxpayers.

Since the start of Project Tundra almost nine years ago, Minnkota has been committed to working closely with the county and its residents. Our strong working relationship helped the project reach major milestones, including the permitting of the largest CO2 storage facility in the United States with 97% voluntary landowner consent.

We believe that transparency and active engagement with the community serves everyone. We continue to be actively engaged with the community to ensure impacted landowners, commissioners and other key stakeholders receive timely project updates and have a forum to ask questions and provide feedback. This includes being present at the vast majority of County Commission and Planning and Zoning Board meetings.

We understand that carbon capture and storage is a new industry in the state and there are many questions that you may have. To the extent this board has questions about how the process and technology works, we are happy to answer any questions you have of us. Furthermore, we encourage the board to reach out to third party experts to learn additional technical or safety information. Minnkota remains committed to working with you, being transparent and continuously earning your trust as this project moves ahead. We hope the county shares our commitment to collaboration.

We believe we are doing the right thing by pursuing Project Tundra – both for our member-owners and the people of Oliver County. We're proud of our history in this county and recommend that we work even more closely together instead of pursuing paths that will drive us apart.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mac McLennan', with a long horizontal flourish extending to the right.

Mac McLennan, President & CEO
Minnkota Power Cooperative, Inc.