

STATE OF NORTH DAKOTA

DEPARTMENT OF AGRICULTURE 600 E BOULEVARD AVE, DEPT 602 BISMARCK, ND 58505-0020

DOUG GOEHRING COMMISSIONER

December 29, 2023

Chairman Randy Christmann North Dakota Public Service Commission 600 E. Boulevard Ave., Dept 408 Bismarck, ND 58505-0480

RE: Case No. PU-23-217 (200 MW Oliver Wind IV Energy Center – Oliver County siting application) Formal Hearing, January 29, 2024 – 10:00 a.m. CST

 Notification to the Public Service Commission of mitigation efforts under N.D.C.C. § 4.1-01-21.1 (5) to create, restore, or mitigate similar habitat affected by the construction or operation of an energy conversion or transmission facility

Dear Chair Christmann,

NextEra Energy Resources and Oliver Wind IV. LLC (Oliver Wind) have partnered with the North Dakota Department of Agriculture (NDDA) to achieve a net zero or beneficial environmental impact in relation to the proposed construction and operation of the Oliver Wind IV Energy Center (Project).

The Project is a 200-megawatt wind energy conversion facility to be constructed in Oliver County, North Dakota. Oliver Wind has sited the Project within Low and Medium Impact to Wildlife Areas and all turbines have been sited off unbroken (i.e., native) grasslands, consistent with recommendations within the North Dakota Game and Fish Department Wind Energy Development in North Dakota Best Management Practices.

By adopting North Dakota's recommended siting practices, Oliver Wind will substantially avoid adverse environmental impact. However, to address any potential residual indirect adverse impacts, Oliver Wind has proposed in good faith to provide voluntary mitigation offsets.

Consequently, as part of their proposed Project, Oliver Wind has elected to make a voluntary contribution to the Environmental Impact Mitigation Fund (Fund) administered by NDDA under N.D.C.C. § 4.1-01-21.1. NDDA will then oversee and guide the design and delivery of the mitigation offsets on working lands in North Dakota on behalf of Oliver Wind.

Oliver Wind has voluntarily agreed to contribute one million five hundred thousand dollars (\$1,500,000.00) for mitigation offset, based on 665 acres of similar habitat (grassland habitat), to the Fund pursuant to N.D.C.C. § 49-22-09.2. The funds originating from Oliver Wind's contribution shall be expended in accordance with N.D.C.C. § 4.1-01-21.1. This \$1.5M contribution is currently projected to be deposited into the Fund in two equal installment payments of \$750K, in the Spring and Fall of 2024 respectively.

15 PU-23-317 Filed 12/29/2023 Pages: 2 17 PU-23-318 Filed 12/29/2023 Pages: 2

Agency Correspondence
North Dakota Department of Agriculture
Commissioner Doug Goehring

PU-23-318 Filed 12/29/2023 Pages: 2 Agency Correspondence North Dakota Department of Agriculture Commissioner Doug Goehring A fair and transparent basis for cooperatively establishing the mitigation offset of similar habitat for the Project was calculated using a multi-step formula utilizing pertinent land and multi-year conservation easement purchase prices, as well as considering information from regional and national grassland mitigation and restoration providers in calculating a range of costs for restoration activities such as diverse grassland/forb seeding, maintenance, and monitoring activities for the 30-year easement period.

The actual number of acres that can be protected or protected/restored through Oliver Wind's contribution to the Fund will largely depend upon the participating landowners in the applicable region and the individual efforts necessary to manage/restore the lands. Notwithstanding, the contributed funds will be prudently expended in accordance with statute and appropriate acres will be properly offset and mitigated.

Further, NDDA will strive to lower mitigation administrative and overhead costs, as appropriate, by partnering with local government conservation agencies (*e.g.*, Soil Conservation Districts) and others to assist in implementing appropriate mitigation efforts.

We expect to complete all mitigation offsets within 5 years of the completion of construction and the Project becoming operational. The mitigation offset efforts will be implemented on private land acreage with willing landowners who, as appropriate, will be compensated financially for the initial habitat establishment.

I believe these current cooperative mitigation efforts under N.D.C.C. § 4.1-01-21.1 – to create, restore, or mitigate similar habitat affected by the construction or operation of an energy conversion or transmission facility – will collectively achieve a net zero or beneficial environmental impact in relation to the proposed construction and operation of the Project.

Over the next few months, more detailed and tailored mitigation plans will be developed in relation to proposed expenditures of Oliver Wind's \$1.5M voluntary contribution to the Fund.

Please let me know if you need any additional information.

Sincerely,

Doug Goehring

Agriculture Commissioner

cc: Commissioner Julie Fedorchak

Commissioner Sheri Haugen-Hoffart

Director Jeb Williams, North Dakota Game & Fish Department