

Rich Whitcomb
Red River Valley Cooperative Power Association

North Dakota Health Department State Implementation Plan Hearing

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Fargo, N.D.

My name is Rich Whitcomb and I am the Member Services Director at Red River Valley Cooperative Power Association headquartered in Halstad, Minnesota. Our cooperative has been delivering reliable electric energy for almost eight decades.

Red River Valley Co-op Power is one of 11 member-owner distribution cooperatives that receives its wholesale electric energy from Minnkota Power Cooperative. Even though we are located in Minnesota, all of our electricity is generated in North Dakota, so this plan greatly affects our members.

What we struggle with is how the EPA gives no credit to early implementation of large sums of renewable energy and reduced kilowatt-hour sales year after year.

In fact, Minnkota has 357 megawatts of wind under contract and was the Dept. of Energy's 2010 wind utility of the year. Red River Valley Co-op Power, a small not-for-profit organization, has reduced sales a total of 8.6 million kWh, reduced demand 744 kilowatts and spent \$958,348 in weatherization, rebates and demand response credits since 2009 to pay for these conservation measures. All for no credit under the EPA's most recent version of the plan. In fact, we would have been better off with this plan if we had not done any of this until now. And that is a real concern for us because it targets those who have been proactive in renewable energy and conservation.

The Clean Power Plan, as it stands today, will require massive cuts in carbon emissions within the next few years. Anytime such massive changes are required within a short time period there will be price increases, regardless of what computer models say. The potential exists for our members to have to pay tens of millions of dollars in stranded debt on existing coal power plants while also paying for the development of new resources. These new resources carry the potential price tag in the hundreds of millions of dollars. All these cost will be borne by area residents, farmers and businesses.

There is also a risk of reliability issues. If too many utilities retire baseload coal too soon, regional grids could have issues providing adequate power during extreme energy use periods such as the “polar vortex” of two winters ago. We fully support the role renewables play in our energy mix, but it is important to remember that they don’t produce power when the sun doesn’t shine and the wind doesn’t blow. And no commercial-scale, affordable battery storage systems are yet available.

Lastly, I would encourage the Department of Health to consider the following investments made by Minnkota and its member-cooperatives when developing the State Implementation Plan:

- \$425 million already has been invested in emission control projects at the Minnkota-operated Milton R. Young Station in recent years. These improvements have dramatically reduced nitrous oxide, sulfur dioxide and mercury emissions.
- Nearly 30 percent of Minnkota’s electric generation capacity comes from wind – one of the highest percentages among all utilities in the United States.
- Minnkota operates one of the most advanced demand response programs in the nation, which has allowed Minnkota to avoid building additional fossil fuel resources. With the push of a button, Minnkota can shed 350 megawatts of load in winter when demand is highest. That is one of the best things you can do to help the environment with today’s technology. Again, we receive no credit for that.
- On behalf of its Minnesota members, Minnkota administers an energy efficiency and conservation program that reduces electricity demand by 1.5 percent annually.

I want to emphasize something important here. We are not against environmental goals. In fact, we have done some very good things, at considerable expense, as mentioned previously. Energy-efficiency and energy conservation as well as a strong demand response program are the right things to do. Furthermore, we urge the state of North Dakota to thoroughly research those options and help advocate solutions for consumers who might have to pay millions on stranded debt of existing resources. Please remember, reliable and affordable electricity has been the backbone of this nation’s economy. Those two tenets must still exist going forward. That is what we are advocating for.