

Consolidated Edison proceeds: PUC hearing vs. Northwestern

By Bob Mercer on Apr 3, 2017 at 5:44 p.m.



(Matt Gade / Republic)

PIERRE — Consolidated Edison Development gets four days to make its case next week before the South Dakota Public Utilities Commission, regarding NorthWestern Energy's position on avoided costs for power that ConEd wants to supply from wind farms in Brule, Aurora and Sanborn counties.

NorthWestern Energy's expert holds that his model is correct. ConEd Development's expert conducted an analysis that priced it higher.

In a March 31 memorandum ConEd pointed out a "critical flaw" in NorthWestern Energy's approach: "There is no evidence that those prices are either valid or representative of the wholesale market prices at which NWE completes transactions."

The evidentiary hearing is Tuesday, April 11, through Friday, April 14, in room 413 of the Capitol. It starts at 8 a.m. CT with exhibit marking and gets into full gear at 9 a.m. with arguments.

Juhl Energy, the predecessor to ConEd, began negotiation with NorthWestern Energy in October 2015. The sides eventually agreed the negotiation was pointless and PUC intervention was necessary.

ConEd purchased the wind farms last year. They are Brule County Wind, located near Kimball; Aurora County Wind, located near White Lake; and Sanborn County Wind, located near Letcher.

The wind farms, each 20 megawatts, are eligible under federal law to supply NorthWestern Energy at full avoided cost.