



Bismarck-Mandan, North Dakota

The Center of North America's Wind Energy Corridor





★ Bismarck-Mandan, North Dakota



BISMARCK-MANDAN DEVELOPMENT ASSOCIATION

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Welcome to Bismarck-Mandan, North Dakota, the Center of North America's Wind Energy Corridor.

If you are a manufacturer or assembler of turbines, towers, blades and other wind energy components, we invite you to consider the Bismarck-Mandan region for your company's next expansion.

Our region has a rich history of traditional energy development involving coal, natural gas and oil. Today, those natural resources are being supplemented with enormous investments in renewable energy sources such as ethanol, biodiesel and especially wind energy.

North Dakota, along with our surrounding states and Canadian provinces, rank first in wind energy potential according to the US Department of Energy. This wind energy potential, the pro-renewable energy support provided by state and federal policymakers and the continued development of wind energy generation facilities in the Upper Midwest and Prairie Provinces, makes Bismarck-Mandan an ideal location for manufacturing and assembly facilities.

In reviewing the information provided herein, you will find that Bismarck-Mandan offers a very competitive business climate, a well-educated and dedicated workforce and a community committed to growing your company and the families who live here.

Once again we invite you to consider Bismarck-Mandan, North Dakota. For more information, please contact us.

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Regional Wind Energy Cluster

North Dakota and the surrounding states and provinces are in the heart of tremendous wind energy opportunities. In fact, North Dakota has long been identified by the Department of Energy and its research laboratories as having the greatest wind energy resource and potential for wind generation development in the lower 48 states.

The US Department of Energy's "Wind Powering America" website provides validated state wind maps including North Dakota and the entire Midwest at http://www.eere.energy.gov/windandhydro/Windpoweringamerica/wind_maps.asp.

North Dakota Wind Energy Projects

Information detailed below was gathered by the ND Department of Commerce using information made available to the public by the news media. Please note that these projects are in varying stages of operation. While some projects may be fully operational, others are still in the planning phase and should not be considered a certainty just yet.

Facility/ Location	Parent Company	Projected Capacity	Estimated Facility Cost	Project Status
Fort Totten Wind Project – Fort Totten		0.1 megawatts	Unknown	Completed
Grafton Technical College Wind Project - Grafton		0.1 megawatts	Unknown	Completed
Langdon Wind Project – Langdon	FPL Energy Operating Services Inc	159 megawatts	\$250,000,000	Completed
ND Wind Energy Center I – Edgeley	FPL Energy Operating Services Inc	41 megawatts	\$64,800,000	Completed
ND Wind Energy Center II – Kulm	FPL Energy Operating Services Inc	21 megawatts	\$33,600,000	Completed
Oliver II Wind Energy Center – Center	FPL Energy Operating Services Inc	48 megawatts	\$76,800,000	Completed
Oliver Wind Energy Center – Center	FPL Energy Operating Services Inc	50.6 megawatts	\$80,000,000	Completed
Petersburg Wind Project – Petersburg	Minnkota Power Cooperative	0.9 megawatts	\$1,440,000	Completed
Prairie Winds – Minot	Basin Electric Power Cooperative	2.6 megawatts	\$4,160,000	Completed
Richardton Abbey Wind Project – Richardton		0.1 megawatts	Unknown	Completed
Turtle Mountain Wind Project – Belcourt		0.1 megawatts	Unknown	Completed
Valley City Wind Project – Valley City	Minnkota Power Cooperative	0.9 megawatts	\$1,440,000	Completed
Velva Windfarm LLC – Velva	Acciona Wind Energy USA, LLC	12 megawatts	\$10,000,000	Completed

Facility/ Location	Parent Company	Projected Capacity	Estimated Facility Cost	Project Status
Wilton Wind Energy Center – Wilton	FPL Energy Operating Services Inc	49.5 megawatts	\$79,200,000	Completed
Ashtabula Wind Project – Valley City	FPL Energy Operating Services Inc	200 megawatts	TBD	Proposed
BP Alternative Energy – Wishek		300 megawatts	TBD	Proposed
Frey Winds LLC – Minot		100 megawatts	TBD	Proposed
Gascoyne I Wind Park – Mandan	Crownbutte Wind Power LLC	20 megawatts	TBD	Proposed
Gascoyne II Wind Park – Gascoyne	Crownbutte Wind Power LLC	200 megawatts	TBD	Proposed
Just Wind LLC – Mound		81 megawatts	TBD	Proposed
M-Power LLC – Finley	Griggs-Steele Empowerment Zone	150 megawatts	\$300,000,000	Proposed
Peak Wind Development, LLC – Tower City		200 megawatts	\$250,000,000	Proposed
PPM Rugby Wind Farm – Rugby	PPM Energy	150 megawatts	\$240,000,000	Proposed
Prairiewinds ND 1, Inc. – Bismarck	Basin Electric Power Cooperative	115.5 megawatts	\$240,000,000	Proposed
Prairiewinds ND 1, Inc. – Bismarck	Basin Electric Power Cooperative	4.5 megawatts	\$11,000,000	Proposed
Crow Lake – Bismarck	Basin Electric Power Cooperative	100 megawatts	\$230,000,000	Proposed
Roughrider Wind - Stanley	Green Wing Energy	300 megawatts	TBD	Proposed
Sequoia Energy - Rolla		200 megawatts	TBD	Proposed
Langdon Wind Project II – Langdon	FPL Energy Operating Services Inc.	40 megawatts	Unknown	Under Construction
Tatanka Wind Power LLC – Forbes	Acciona Wind Energy USA, LLC	90 megawatts	Unknown	Under Construction

Additional Information

North Dakota

Additional information on wind energy projects in ND can be found at <http://www.awea.org/projects>.

Midwest

Information on wind energy projects for others states in the upper Midwest can be found at <http://www.awea.org/projects>. This website also provides additional information such as spreadsheets and rankings that may be useful.

Canada

Specific information regarding wind energy development activities across Canada (including the Prairie Provinces) can be found at http://www.canwea.ca/production_stats.cfm.

This site will provide you specific information regarding the following:

Current Federal/Provincial Wind Energy Initiatives	Canada's Current Installed Capacity
Projects Contracted and/or Under Construction	Canada's Wind Tracker

Wind Industry Players

Major wind energy players in the Bismarck–Mandan, North Dakota region include:

Electric companies:

Florida Power and Light	Iberdola
Xcel Energy	Minnkota Power Cooperative
Minnesota Power	Ottertail Power Company
Montana Dakota Utilities	Basin Electric Cooperative

Manufacturers/Suppliers/Service Providers:

DMI, West Fargo, ND	LM Glasfiber, Grand Forks, ND
Mid America Steel, Bismarck, ND	Mandan Steel Fabricators, Mandan, ND
Nordic Fiberglass, Devils Lake, ND	Wanzek Construction, Fargo, ND
EAPC Windpower, Bismarck, ND	Knight and Carver, Howard, SD

Market Potential and Opportunities

North Dakota continues to be ranked first in wind energy potential by the Department of Energy. This wind energy potential, the pro-renewable energy support provided by policymakers, and the continued interest by the energy industry to develop wind energy in the Upper Midwest and Prairie Provinces, make North Dakota an ideal location for manufacturing and assembly facilities.

BMDA has very close working and personal relationships with the North Dakota Governor's office and our entire Congressional delegation in Washington, D.C. We will provide companies that locate manufacturing and/or assembly facilities in our community the opportunity to meet and visit with these elected officials and their respective staffs to discuss state and national wind power development opportunities.

Further, BMDA will facilitate discussions with power generation companies located in North Dakota such as Basin Electric, Otter Tail Power and Montana Dakota Utilities Company.

BMDA will also facilitate discussions with companies such as Florida Power and Light, that are currently developing additional wind farms throughout the state and region.

Access To And Developability Of Supply Chain

Primary Suppliers

The Bismarck-Mandan region of North Dakota is located near the geographic center of North America. Due to this central location, Bismarck is well-suited to access suppliers and vendors located on either the east or west coast of the United States and Canada. Listed below are suppliers located within the immediate region.

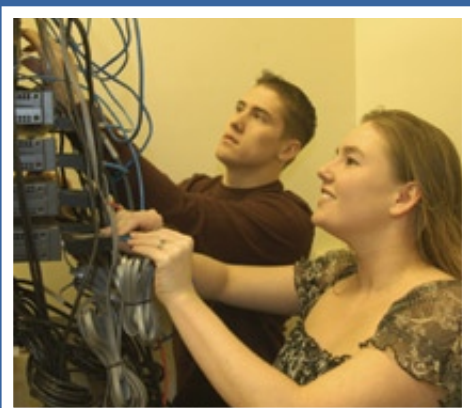
Secondary Suppliers

The Bismarck-Mandan region offers a large mixture of secondary suppliers due to North Dakota's unique experience in both traditional fossil fuels and a growing renewable fuels economy. North Dakota is serviced by a variety of factory representatives and local firms that support the coal, oil, gas, wind, ethanol and biofuels industries with sundry items and other materials.

Manufacturers	NAICS Code	Components
Conductix Inc. (Insul-8 Corporation) 10102 F Street Omaha, NE 68127 402-339-9300 www.conductix.com	221112	Balance of System
Cooper Power Systems 2300 Badger Drive Waukesha, WI 53188-5961 262-896-2400 www.cooperindustries.com	334515	Balance of System
G & W Electric 3500 W.127th Street Blue Island, IL 60406 708-388-5010 www.gwelec.com	334515	Balance of System
Wanzek Construction Inc. PO Box 2019 16553 37R Street S.E. Fargo, ND 58107-2019 701-282-6171 www.wanzek.com	237310	Balance of System
EAPC Engineers-Architects 121 East Broadway Avenue Bismarck, ND 58501 701-258-3116 www.eapc.net/wind	541330	Construction Administration Wind Energy Consulting Wind Pro Software
Crownbutte Wind Power LLC Tim Simmons 919 South 7th Street, Suite 503 Mandan, ND 58554 701-663-8825 www.crownbutte.com	221119	Data Collection Permitting Turbine Sale/ Installation Maintenance Site Management
Kringstad Ironworks PO Box 11 Park River, ND 58270-0011 www.kingstadiron.com	333298	Fabrication/ Manufacturing



Manufacturers	NAICS Code	Components	Manufacturers	NAICS Code	Components
Lean Technologies 1339 Eastern Avenue Grafton, ND 58237 701-352-9620 www.leantechnologiesllc.com	332311	Fabrication/ Manufacturing	LM Glasfiber ND PO Box 5637 1580 S. 48th Street Grand Forks, ND 58206-5637 701-780-9910 www.lmglasfiber.com	326199A141	Rotor Blades
Steffes Corporation 3050 Highway 22 North Dickinson, ND 58601 701-456-7425 www.steffes.com	333415	Fabrication/ Manufacturing	Mandan Steel Fabricators 2522 Memorial Highway Mandan, ND 58554 701- 663-0321 www.rommesmo.com/mandan.html	332420	Steel Fabrication
Nordic Fiberglass 415 2nd Street Devils Lake, ND 58301 701-662-4280 www.nordicfiberglass.com	335932	Fiberglass Utility Boxes	Mid-American Steel PO Box 2299 Bismarck, ND 58502-2299 701-258-9600 www.midamsteel.com	522213	Steel Fabricator
Lindquist Machine Corporation 610 Baeten Road Greenbay, WI 54304 920-713-4100 www.lmc-corp.com	3336127438	Gear Boxes	DMI Industries PO Box 938 420 Main Avenue E. West Fargo, ND 58078 701-282-6959 www.dmiindustries.com	3315111116 3323125106	Tower Flange and Bolts Towers
NEG Micron USA, Inc Rolling Meadows, IL	3336127438 326199A141 3315113221 3345197	Gear Boxes Nacelle Case Nacelle Frame Sensor/Data Loggers Complete Turbines	Custom Welding & Metal Fabricating Inc. 2121 Julep Road St Cloud, MN 56301 320-251-1306 www.customwelding.com	3323125106	Towers
Winergy AG (Flender Service) 950 Tollgate Road Elgin, IL 60123-9397 +49 (0)2871 92 4 (No listed US Number) www.winergy-ag.com	3336127438	Gear Boxes	ROHN Industries 6718 W. Plank Road Peoria, IL 61604 309-663-5608 www.radiancorp.com	3323125106	Towers
ComDel Innovation, Inc. 2100 1 5th Street North Wahpeton, ND 58075-3148 701-671-6060 www.comdelinc.com	332116	Machine Tooling/ Manufacturing	SMI and Hydraulics 401 Lone Tree Street Porter, MN 56280 507-296-4551 www.smihyd.com	3323125106	Towers
AI Machining PO Box 218 Wahpeton, ND 58075 701-642-8820 www.aimachining.com	332710	Industrial Machining	Valmont Industries Inc. 20805 Eaton Avenue Farmington, MN 55024 651-463-8990 www.valmont.com	3315111116 3323125106	Tower Flange and Bolts Towers
American Superconductor 15775 W. Schaefer Court New Berlin, WI 53151 262-901-6000 www.amsuper.com	3359993219 3323125106	Power Electronics Towers			
Magnetek Alternative Energy Division N49 W13650 Campbell Drive Menomonee Falls, WI 53051 866-381-2035 www.alternative-energies.com	3359993219	Power Electronics			



Economic Climate And Growth Prospects

In 2007, the annual average number of people employed in the Bismarck-Mandan MSA was 60,479. This is an increase of 2,121, or 3.63%, from 2006 when there were 58,358 people employers in the MSA. The 2006 annual average wage in the MSA was \$32,834, an increase of 3.2% over 2005's average of \$31,810.

National recognition of the Bismarck-Mandan region also continues. In April 2008, Forbes Magazine ranked Bismarck fifth in its annual list of the "Best Smaller Metros for Business and Careers." The MSA has been in the Forbes top five each of the past four years.

According to the Northeast-Midwest Institute, North Dakota's gross state product in 2006 was \$26.4 billion. That number has increased each year since 2002 as follows:

2002 - \$ 19,880,000,000
2003 - \$ 21,672,000,000
2004 - \$ 22,715,000,000
2005 - \$ 24,935,000,000
2006 - \$ 26,385,000,000

Bismarck-Mandan is home to a number of stable, large employers who contribute millions to our local economy each year. Some of these companies, along with the number of employees, include:

Bobcat Company (Manufacturing) – 1,022
Coventry Healthcare (Customer Service) – 384
Aetna Life Insurance Company (Customer Service) – 635
MDU Resources Group (Energy) – 717
Basin Electric Power Cooperative (Energy) – 461
Unisys Corporation (Customer Service) – 350
Tesoro Petroleum (Energy) – 237
Mid-America Steel (Manufacturing) – 50
Mandan Steel Fabricators (Manufacturing) – 50
St. Alexius Medical Center – 3,000
Medcenter One Health Systems – 2,010



Labor Quality And Availability

Labor Quality

Bismarck-Mandan workers are among the most productive and dependable in the nation. Dedication to hard work blended with our history of plain-spoken honesty creates a general attitude of respect for employment and property. This attitude proves itself time and again with statistics like consistently low employee absenteeism, low employee turnover and low work stoppage rates.

The Bismarck-Mandan Development Association conducts a biennial Labor Availability and Workforce Needs Study in conjunction with Job Service North Dakota. The surveys are conducted in odd numbered years, with final reports completed in July of those years. The survey executive summary is available on the BMDA website at <http://www.bmda.org/workforce>.

Several highlights from the 2007 study are below:

- 70% of employers reported having 10% or less turnover.
- 89% of employers reported having 6% or less daily absenteeism.
- Work disruptions due to labor disputes were all but non-existent with the vast majority—in excess of 99%—of employers.
- The average length of employment at current job is 105 months; the median length of employment at current job is 60 months.
- The median years of management experience for survey respondents is 11.6 years.
- Employers rank 48% of applicants as having excellent or above the midpoint problem-solving skills.
- Employers reported no shortage of applicants with good teamwork skills, with 53% ranked as excellent or above average.
- The working age population of Bismarck-Mandan is well-educated. 92% of the survey respondents had achieved their high school diploma (or equivalent) and 28.5% had at least a 4-year college degree.
- 31% of the adults in the area are willing to consider employment opportunities.
- 53% of potential job seekers have received some job skills training in the past three years.

Population Growth

The latest US Census Bureau estimates indicate the Bismarck-Mandan MSA is enjoying the largest percentage population increase since 2000 in the state. In fact, the estimated population increase for the Bismarck-Mandan MSA from 2000 to 2007 is nearly 9%. Below you will find US Census population estimates for the Bismarck MSA.

Geographic area	Population Estimates							Census 2000 April 1, 2000
	July 1, 2007	July 1, 2006	July 1, 2005	July 1, 2004	July 1, 2003	July 1, 2002	July 1, 2001	
Burleigh County	77,316	75,384	73,900	72,504	71,712	70,922	70,087	69,416
Morton County	25,926	25,754	25,498	25,322	25,167	25,216	25,147	25,303
Bismarck MSA	103,242	101,138	99,398	97,826	96,879	96,138	95,234	94,719

Union Activity

North Dakota is a "Right-to-Work" state. Although some limited union activity does exist, the right of persons to work may not be denied or abridged on account of membership or non-membership in any labor union or labor organization.

Workforce Training

Bismarck State College has been designated by the North Dakota Legislature as the higher education entity responsible for delivering workforce training to business and industry in the Southwest quadrant of the state of North Dakota. The staff of the Workforce Training Unit will work to build relationships by partnering with business, industry and select organizations. These relationships will lead to specifically customized training for employers and employees, thus building the strength of your workforce long into the future.

A letter from BSC President Dr. Larry Skogen and a summary of training opportunities available to wind energy related manufacturing and assembly companies through Bismarck State College follows.



May 2008

Greetings,

Bismarck State College (BSC) is pleased that you are considering Bismarck-Mandan as a location for your company's growing needs. We are excited about the opportunity to assist with your employment, education and training needs and develop a lasting partnership with your company.

BSC offers traditional diploma, certificate and associate degree programs, as well as a Bachelor of Applied Science in Energy Management. We have numerous transfer programs and 30 vocational technical programs, seven of which are energy-related. Moreover, we partner with other institutions in the North Dakota University System to offer numerous bachelor and master degrees on our campus. This year we had in excess of 3,400 students enrolled in our credit courses. Bismarck State College can become a resource for your employees through our credit programs such as Mechanical Maintenance, Welding, Electronics, Transportation and Supply Chain Management, and Business.

In addition, BSC is committed to providing training opportunities to area businesses and has served over 300 businesses in the past 12 months. The division of Continuing Education, Training and Innovation serves over 19,000 people annually by providing training and continuing education opportunities to the Southwest region of the state. We will work with you to develop and/or provide customized ongoing training opportunities for your employees. Attached you will find our training commitment.

As testament to our ability to work with your company, BSC, as the National Energy Center of Excellence, has developed strong energy partnerships across the nation. For example, we are an educational partner and provider for the Energy Providers Coalition for Education (EPCE). Their web site is www.EPCEonline.org. This and other partnerships have led BSC in serving over 39 companies nationally.

Representative of our ability to meet workforce needs, in May 2007 U.S. Energy Secretary Samuel Bodman officially designated Bismarck State College as the National Power Plant Operations Technology & Educational Center. And in 2008 we received federal funding to establish The Great Plains Energy Corridor Office.

We look forward to the opportunity to meet with representatives from your company to further discuss how BSC can be of assistance with your educational and employee training needs.

Sincerely,

Larry C. Skogen, Ph.D.
President

Labor Availability

The labor force analysis below was conducted by the Job Service North Dakota-Bismarck office. The analysis shows the number of individuals currently employed in occupations typically required for turbine, blade, tower and component part manufacturing. Salary information for those occupations is also included.

Labor Force Analysis for Bismarck–Mandan, ND

Provided by Job Service North Dakota - Bismarck • May 2008

Available workforce in the following occupations

The numbers in this report include individuals who have specialized training and/or experience in the specific occupational areas listed below.

POSITIONS	Labor Force	Salary information
Team/Mechanical Assembler	400	\$11.00 - \$14.62 /hr
Electrical Assembler	310	\$10.00 - \$14.72 /hr
Production Supervisor	1530	\$14.78 - \$28.48 /hr
Fiberglass Laminators	60	\$ 9.79 - \$14.38 /hr
Welders, Brazers, Solderers	1690	\$11.76 - \$19.03 /hr
Painters, Construction	430	\$11.75 - \$15.91 /hr
Sandblasters	210	\$12.80 - \$19.33 /hr
Machinists	440	\$10.91 - \$20.49 /hr
QA Inspector	21	\$15.80 - \$24.49 /hr
Production & Expediting Clerk	320	\$12.37 - \$22.32 /hr
Crane and Tower Operator	120	\$13.94 - \$24.85 /hr
Shipping/Receiving Clerk	1530	\$ 9.70 - \$16.54 /hr
Purchasing/Procurement Manager	670	\$23.79 - \$43.72 /hr
Sales Manager	670	\$22.31 - \$44.49 /hr
Administrative Assistant	3560	\$12.50 - \$19.36 /hr
Marketing Manager	330	\$25.30 - \$45.75 /hr

Note – These numbers are the estimated employment for the occupational titles in North Dakota. All job announcements are listed on our website at www.jobsnd.com; our website averages more than 10,000 page views per day.

Note – Salaries may vary due to specialized skills required, responsibilities and expectations for specific positions.

A new employer in the Bismarck-Mandan area offering full-time employment and a competitive wage and benefit package can expect to see the number of interested applicants to exceed the average of 4-5 individuals per position offered by the employer. The growth the Bismarck-Mandan area is experiencing has substantially increased the number of talented individuals and their families moving to our area. The growth in our workforce is expected to continue for the foreseeable future.

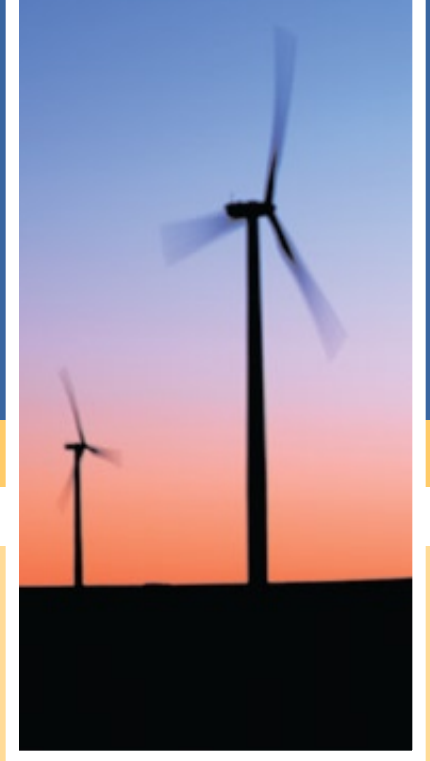


Costs Of Doing Business

Workers' Compensation Insurance

Based on a \$21,300 payroll cap effective July 1, 2007.

Average cost for all manufacturing per \$100 payroll	\$ 4.68
Average cost for all office workers (8,805) per \$100 payroll	\$ 0.42
Maximum weekly benefit	\$ 653



Unemployment Insurance

2008 taxable base \$22,100

Average percentage rate among all employers (based on 2004 total wages)	0.88%
Average percentage rate for new employers (non-construction)	2.08%
Maximum weekly benefit effective July 1, 2007	\$385

Corporate Income Tax

North Dakota corporate income tax rates range from 2.6% to 6.5%.

Property Tax

2007 property tax rates for Burleigh and Morton Counties:

	Commercial (10% of assessed value)		Residential (9% of assessed value)	
	Bismarck - Burleigh County	Mandan - Morton County	Bismarck - Burleigh County	Mandan - Morton County
City Millage (includes park)	127.59	147.07	127.59	147.07
County Millage	51.92	124.07	51.92	124.07
School Millage	229.42	232.57	229.42	232.57
Special District Millage (State Medical)	1.00	1.00	1.00	1.00
Total Millage	409.93	504.71	409.93	504.71
Assessment Ratio (%)	50%	50%	50%	50%
Effective Rate per \$100	2.05%	2.52%	1.84%	2.27%

Sales Tax

State sales tax	— 5.0%
Local sales tax	— 1.0%
Total sales tax	— 6.0%

Sales tax by utility

Electric power – exempt

Natural gas – 1.0% (exempt effective 7/1/09)

Fuel oil – 2 cents per gallon (exempt effective 7/1/09)

Water – exempt

Telephone sales tax rates (state and local combined)

Local area – 5.0%

Long distance in state – 5.0%

Long distance out of state – exempt

Machinery, equipment, materials and software subject to sales/use tax

EXEMPT

Industrial/manufacturing machinery – certain machinery for new and expanding industry is exempt

Computer and telecommunications equipment for a new primary sector business

Building construction materials for a new or expanding agricultural commodity processing facility

Manufacturers' raw materials

Custom software

TAXABLE

Office machinery

Pollution control (air)

Pollution control (water)

Office furniture / fixtures / equipment

Office building construction materials

Non-manufacturing and non-ag Industrial building construction materials

Canned software

Industrial/manufacturing machinery – certain machinery for new and expanding industry is exempt



Other Taxes

No personal property tax.

No inventory tax.

No production tax.

Business tax incentives can be applied for and granted for corporate income tax and corporate property tax.

Utilities

The large reserves of lignite coal, natural gas and oil in the Bismarck-Mandan area make North Dakota a net exporter of natural gas and electricity. Our energy is competitively priced, often with reduced industrial rates for large energy users.

Bismarck-Mandan also has an abundant supply of water — the Missouri River flows between the two cities, and there's even more water in an immense, nearly untapped aquifer. In addition, Lake Sakakawea (the third largest man-made reservoir in the U.S. in terms of storage volume) and the Garrison Dam (with a storage capacity of 23.8 million acre-feet and five turbines) are within an hour's drive of Bismarck-Mandan.

Electric rates

(Primary service is applicable to customers that own their own transformers, related equipment and distribution facilities downstream of the meter, satisfactory to the company so the customer can receive service and be metered at primary voltages of 2,400 volts or greater)	Demand Component		Energy Cost
	Winter (Oct - May)	Summer (June - Sept)	
	\$5.254 / Kw	\$8.254 / Kw	3.255¢ / Kwh
Secondary Service	Demand Component		Energy Cost
	Winter (Oct - May)	Summer (June - Sept)	
	\$8.224 / Kw	\$11.224 / Kw	3.336¢ / Kwh
Montana-Dakota Utilities Company			

Natural gas rates

Average Cost for Industrial Users (\$ per mcf)	\$.719/dk - plus cost of gas (2003 Avg was \$4.29/dk)
Firm Contract Rates	\$.473/dk - plus cost of gas (2003 Avg was \$4.29/dk)
Interruptible Service Rates	\$.719/dk - plus cost of gas (2003 Avg was \$4.29/dk)
Montana-Dakota Utilities Company	

Water and waste water

Major Source of Water	Missouri River	
Water Treatment		
Name of Provider	City of Bismarck	City of Mandan
Rated Capacity (mgd)	32	12
Average Daily Demand (mgd)	10.4	3
Peak Demand (mgd)	30	7.3
Chemical Breakdown of Water	Calcium 30, Magnesium 9, Total Hardness 100, Total Alkalinity 52, pH 8.8, Sodium 63	Calcium 72, Total Hardness 126, Magnesium 70, Ph 9.2
Cost per 1,000 Gallons	\$2.65	\$2.49
Water Connection Fee	No connection fee other than cost of meter and tap. Required improvement cost handled as special assessment and trunk charges which vary by size and location of site.	No connection fee.
Sewer Treatment		
Name of Provider	City of Bismarck	City of Mandan
Type of Service	Secondary Treatment - Trickling Filters	Extended Aeration Activated Sludge
Rated Capacity (mgd)	7.5	5
Average Daily Demand (mgd)	6.2	1.5
Peak Demand (mgd)	9.2	2.2
Cost per 1,000 Gallons	\$2.02	\$1.53
Sewer Connection Fee	No connection fee.	No connection fee.

Land / Facility Availability & Costs

The cities of Bismarck and Mandan have a number of excellent private sites available that are suitable for manufacturing and assembly facilities. Most of the available sites provide easy, direct access to both Interstate 94 and US Highway 83. Sites with direct access to rail within our Northern Plains Commerce Centre (NPCC), a "Premier Transloading Centre," are also available and may provide an ideal location to access the various transportation amenities available within the Centre.

Land costs will vary and will depend greatly on location, infrastructure and the amenities available at each respective site. We anticipate land acquisition costs between \$2-6 per sq. ft., and will likely be negotiated depending upon the quality of the company/project itself, how much capital investment is involved, along with the quantity and quality of new jobs to be created. BMDA will work closely with companies considering locating facilities in Bismarck-Mandan to identify the site that best meets their requirements at the most affordable cost possible.

We estimate the cost of construction of a 100,000 sq. ft. facility with 26' sidewalls, appropriate loading docks, HVAC, electrical, office space, etc. to be approximately \$100-120/sq. ft. inclusive of everything except the raw land cost. (This estimate is provided by a local contractor who recently completed the construction of a 110,000 square foot facility for the Bobcat Company in Bismarck, North Dakota.)

Expedited Building Program (EBP)

BMDA is pleased to offer wind energy-related manufacturing and assembly companies our Expedited Building Program (EBP). The EBP's purpose is to assist companies locating in Bismarck-Mandan in constructing a new facility within 120 days of signing the contract with the builder. General contractors of Bismarck-Mandan have a long history of constructing commercial and industrial buildings within 120 days of a signed contract. Examples include Sykes Enterprises (43,000 sq. ft. completed in 107 days) and Coventry Healthcare (45,000 sq. ft. completed in 78 days).

Bismarck Industries

Bismarck Industries (BI), a sister corporation to BMDA, could assist in building a facility to meet the exact specifications of wind energy manufacturers and assemblers and develop a long-term lease of the building with a prospective tenant. Bismarck Industries has been involved in a number of these kinds of projects for companies like Unisys Corporation (53,000 sq. ft.), Aetna (Phase I & II - 75,000 sq. ft.) and Sykes Enterprises (two separate buildings - 43,000 sq. ft. each). Bismarck Industries' purpose is to encourage and assist the economic development activities within the Bismarck-Mandan region and as such will negotiate lease agreements at below market rates as an incentive for companies to locate within our community.

Access To Critical Infrastructure

Bismarck-Mandan, North Dakota is located in the center of the Upper Midwest/Great Plains States and Prairie Provinces of Canada. Our community is located on Interstate 94 (east/west) and US Highway 83 (north to Canada and south to Texas) with most of the US truck lines serving our community. Bismarck-Mandan is located approximately 425 miles from Minneapolis, 825 miles from Chicago, 700 miles from Denver and 1200 miles from Seattle.

Bismarck-Mandan is currently developing the Northern Plains Commerce Centre (www.npccbismarck.com). The NPCC is an industrial, distribution, warehouse, logistics and technology park with immediate access to road, rail and air transport which will allow companies to improve their ability to efficiently distribute products with the Northern Plains Region and globally. The NPCC has been designated as a "Premier Transloading Facility" (with intermodal capabilities) and is served by both the Burlington Northern Santa Fe RR and the Dakota Missouri Valley & Western short line RR which connects directly with the Canadian Pacific RR. The NPCC is physically located next to the Bismarck Municipal Airport.

The following is a breakdown of existing services:

Air Services: Two major air carriers serve Bismarck-Mandan. Northwest Airlines provides connection to the Minneapolis International Airport with a one hour flight time. United Express provides a direct connection to Denver, CO with a flying time of approximately an hour and a half.

Rail Services: Bismarck-Mandan is fortunate to be served by two major rail systems. Burlington Northern Santa Fe (BNSF) services a major portion of the US and with the interconnecting national rail system, can reach all destinations. The other provider is the Dakota Missouri Valley Western Rail System which is affiliated with the Canadian Pacific Soo Line Rail System.

Highway System Network: Bismarck-Mandan is located at the junction of two major highway systems. Interstate 94, a four-lane system that runs from the West Coast to the East Coast, passes directly through Bismarck-Mandan. US Highway 83 runs north/south from Canada to Texas. A complete selection of all the national truck-carriers is available and most have a physical presence in Bismarck-Mandan.

Incentives For Manufacturers Of Wind Devices

The Bismarck-Mandan community approaches each economic development project on a case-by-case basis. Incentives provided to any company are based on quality and quantity of jobs to be created, the financial and management commitment to the project, and the overall strength of the company. We will work diligently to provide the best package available upon completion of a thorough due diligence process that justifies the public investment.

The following is a list of potential incentives that companies involved in manufacturing turbines, blades, towers and other related component parts may qualify for should they choose to locate in Bismarck-Mandan, North Dakota. They have been divided into three categories: Financial Incentives, Tax Incentives and Workforce Incentives.

A. FINANCIAL INCENTIVES

Bismarck Vision Fund and Mandan Growth Fund

These two separate community economic development funds are available to projects that represent the creation of high-quality new employment and new capital investment. These funds receive an annual allocation of community sales tax funds. The funds can be used to make direct loans, provide new job creation grants, take equity positions and participate in matching available state and federal grant/loan programs such as the Bank of North Dakota's PACE interest rate buy down program which can assist the business in "buying down" the interest on a commercial loan.

PACE Interest Rate Buydown

The Bank of North Dakota's PACE program provides up to a total of \$385,000 to "buy down" the amount of interest a primary sector business will pay for commercial financing. The \$385,000 is essentially a grant to the business and can be used for financing real estate, machinery and equipment.

MATCH Program

The Bank of North Dakota's MATCH program is available to businesses who are financially rated by national rating agencies like Standard and Poors or Moody's. The business must be "A" rated or better. Should the company qualify, they would be able to borrow in excess of \$15 million dollars at a rate that is set at $\frac{1}{4}$ to $\frac{1}{2}$ point above similar-termed US Treasury notes.

North Dakota Development Fund

A state of North Dakota program that will provide debt or equity funding to qualified projects. The level of loans or equity investments range between \$300,000 and \$500,000. The board may adjust the limit when deemed appropriate.

SBA 504 Program

An SBA sponsored program provides up to 40% or \$4 million in financing for plant acquisition, construction, renovation or expansion including the purchase of land. It can also be used for the purchase and installation of machinery and equipment. The program normally requires a local lender to provide 50% of the financing, and the business must inject at least 10% of the total funds. The remaining 40% is then provided through the 504 Program and offers fixed-rate financing for terms of up to 10 years for loans that finance machinery and equipment and up to 20 years for real estate loans.

Lewis and Clark Regional Council

The Lewis and Clark Regional Council offers a variety of programs and services to foster economic growth and community development in a 10-county region centered in Bismarck-Mandan. Loan limits for primary sector businesses are \$100,000-\$500,000 with long term fixed interest rates of 3-6%.

Angel/Venture Capital

Bismarck-Mandan is also home to Northern Plains Investments LLC (NPI), a local angel investor network associated with RAIN Source Capital. RAIN Source Capital is a multi-state network of RAIN® funds that works with angel investors who are interested in supporting growing companies. RAIN SourceSM helps bring together like-minded angel investors to form individual RAIN funds – and then provides these funds with capital, a process for due diligence, legal templates, management support, access to deal flow and other resources. In addition to the NPI, BMDA has established relationships with the venture capital community within the upper Midwest. BMDA would be pleased to facilitate discussions between the venture capital community and prospective companies looking to expand in Bismarck-Mandan.

B. TAX INCENTIVES

Property Tax Abatement

In Bismarck and Mandan, each city can provide a 5-year 100% property tax abatement on buildings used to manufacture turbines, blades, towers and related component parts. (Application must be submitted to the City of Bismarck or Mandan prior to occupancy of an existing facility or prior to construction of a new facility.) In addition to, or instead of, an exemption, local governments may negotiate payments in lieu of property tax for a period of up to 20 years from the date project operations begin.

North Dakota Sales Tax Exemption

A new or expanding wind energy manufacturing company may exempt machinery or equipment from sales and use taxes if used primarily for manufacturing.

North Dakota Income Tax Exemption

Manufacturers of turbines, blades, towers and related component parts should qualify for a 5-year 100% state income tax exemption.

Workers Compensation

North Dakota offers the lowest workers compensation rates in the nation. Exact calculations for the possible rates for a company involved in manufacturing can be determined by job classification and wages.

North Dakota Unemployment Insurance

North Dakota's unemployment insurance rates are very competitive on a national basis and are determined by an experience-rating system which establishes the rate based on the basis of the employer's experience with the unemployment insurance program.

Personal Property or Inventory Tax

North Dakota does not have an inventory tax or any personal property tax (i.e. no property tax on items such as inventory, accounts receivable, equipment or materials in process), nor does it have a commercial revenue or gross receipts tax.

Research Expense Credit

An individual, estate, trust, partnership, corporation, or limited liability company is allowed an income tax credit for conducting research in North Dakota. The credit is equal to a percentage of the excess of qualified research expenses in North Dakota over the base period research expenses in North Dakota. Qualified research expenses and base period expenses are the same as defined in Internal Revenue Service Code Section 41. The applicable percentage is equal to 25% on the first \$100,000 of excess expenses in a year. For excess expenses over \$100,000 in a year, the applicable percentage for tax years through 2016 ranges from 8% to 20%.

C. WORKFORCE INCENTIVES

Job Service North Dakota has available a variety of federal and state resources to fund workforce training. Below are two programs exclusively available to companies that locate manufacturing facilities in North Dakota.

Workforce 20/20 Program:

The Workforce 20/20 Program provides matching funding to employers to offset the cost of training incumbent workers and new employees. Training funded under the Workforce 20/20 Program is limited to North Dakota residents.

North Dakota New Jobs Training Program:

The North Dakota New Jobs Training Program provides incentives to businesses that are creating new employment in primary sector industries. The program provides a means for businesses to obtain no-cost funding to offset workforce-related costs associated with start up and training of new employees.

The North Dakota New Jobs Training Program captures the North Dakota state income tax withholding generated from individuals filling new job positions, identified in a New Jobs Training Agreement, for up to a 10-year period starting from the effective date of the Agreement.



Tax Incentives For The Installation Of Wind Devices

To encourage the development of North Dakota's abundant renewable energy sources, the North Dakota Legislature approved an income tax credit and property and sales tax exemptions for the installation of solar, wind or geothermal energy devices. The following is a brief summary of each as they apply to wind energy.

Income Tax Credit

Any individual, estate, trust or corporation which files a North Dakota income tax return may claim a credit of 3% of the actual cost of acquisition and installation of a wind energy device. The credit is a direct, dollar-for-dollar reduction of the North Dakota income tax liability. The credit is allowed in each of five tax years (total 15%).

Property Tax Exemptions

Any owner of locally assessed real property who installs a wind energy device can claim a property tax exemption on any property tax that would be due on the installed wind energy device. The exemption is allowed for five years following the date the device is installed.

Sales Tax Exemptions

The exemption applies to any sales or use tax that would be due in the construction of a wind-powered electrical generating facility between July 2001 and January 2011. The owner of a qualifying wind-powered electrical generating facility must receive prior approval from the State Tax Commissioner to qualify for the exemption at the time of the purchase.

Property Tax Reduction

The taxable value of a centrally assessed wind turbine electric generation unit with a nameplate generation capacity of 100 kilowatts or more on which construction is completed before January 1, 2011, is calculated at three percent of assessed value instead of 10 percent (which applies to other property). A centrally assessed wind turbine electrical generation unit is a unit that produces electric power for public use.

North Dakota Wind Energy Policy Developments

During the 2005 North Dakota Legislative Session, the following Wind Energy Incentives were approved:

A North Dakota Transmission Authority, which will promote new and substantial investment in transmission lines in North Dakota.

A provision to allow the trading of premium renewable energy credits to plants in other states, which promotes the development of wind energy in North Dakota.

A provision to raise the jurisdictional threshold for siting electrical power generation facilities from 50 to 100 MW, reducing the regulatory burden for wind energy companies to site plants in North Dakota. Below the threshold, the company doesn't require siting approval from the PSC.

A provision to reduce the maximum siting application fee for a power conversion facility or a transmission corridor from \$150,000 to \$100,000 and to return to the applicant any portion of the fee unspent by the state in the siting process.

A reduction in the assessed value of a wind turbine electric generation unit from 3 percent to 1.5 percent to promote the commencement of construction on wind facilities.

During the 2007 North Dakota Legislative Session, the following Wind Energy Incentives were approved:

The legislative assembly established a state renewable and recycled energy objective that 10 percent of all electricity sold at retail within the state by the year 2015 be obtained from renewable energy and recycled energy sources. The objective must be measured by qualifying megawatt hours delivered at retail or by certificates representing credits purchased and retired to offset non-qualifying retail sales.

Created an income tax credit for installation of geothermal, solar or wind energy device whereby any taxpayer filing a North Dakota income tax return may claim a credit for the cost of a geothermal, solar or wind energy device installed before January 1, 2011.

OTHER INCENTIVES

The Database of State Incentives for Renewables & Efficiency (DSIRE) provides a comprehensive source of information on state, local, utility and federal incentives that promote renewable energy including wind. Please visit their website at <http://www.dsireuse.org/>.

Quality Of Life

Bismarck-Mandan consistently ranks at or near the top of quality of life measurements such as safety, healthcare, education, recreation and environment. People and businesses thrive where they feel safe and connected, where they are supported and enriched. Quality schools, excellent medical care, ample recreational possibilities, community involvement and neighborhood support continue to make Bismarck-Mandan's quality of life hard to beat.

Schools – K through 12

In Bismarck-Mandan, our education opportunities run from pre-school to graduate studies, in public and private institutions. Our elementary and secondary students consistently score well above the national average in standard testing at all levels. The Bismarck Public School District was awarded "Blue Ribbons" from business magazine *Expansion Management* for producing outstanding students on sensible budgets for three years.

	Bismarck Public	Mandan Public	Bismarck & Mandan Private
Elementary enrollment (K-8)	7,186	2,091	1,164
Secondary enrollment (9-12)	3,444	1,016	431
Average daily attendance rate	96.7%	96.6%	N/A
Graduates	782 (2007)	235 (2008)	109 (2008)
Student teacher ratios			
Elementary School	20 (K-6)	16 (K-8)	N/A
Secondary School	N/A	18 (9-12)	N/A
ACT			
% of students taking test	79%	78%	N/A
Average score	21.85	21.8	N/A
High school senior planning to attend 4-year, 2-year or vocational college	92%	84%	N/A

Schools – Higher Education

Bismarck's higher education institutions offer one-, two-, and four-year degrees, as well as advanced degrees in numerous areas.

Bismarck State College (BSC)

Bismarck State College is a two-year college with a Spring 2008 enrollment of 3,531 and 779 graduates in 2008. BSC offers freshman and sophomore academic transfer courses in at least 40 areas of study and over 25 vocational-technical programs. Several bachelor's degree programs are available through cooperative programs with Dickinson State University and Minot State University. BSC's Distance Education offers courses and several complete programs online. Bismarck State College is a workforce training provider for the Southwest quadrant of North Dakota. BSC is committed to being the premier provider of innovative, results-oriented workplace training for the businesses and industries included in the Southwest region. By being fully responsive to workforce training needs, Bismarck State College helps provide business and industry in North Dakota with the most competitive workforce in the nation. Training is provided in the following areas: computers, technical, employee development and organizational development.





The University of Mary

The University of Mary is a private, four-year institution with a Spring 2008 enrollment of 2,869 and a total of 940 degrees awarded in 2008. The university offers 33 bachelor's degrees and five master's degrees. The university is home to 17 varsity sports teams. The Harold Schafer Leadership Center and the Butler Center for Lifelong Learning enhance the overall educational quality of the university. The University of Mary is available to work with private industry for training programs that are directed to meet industry needs.

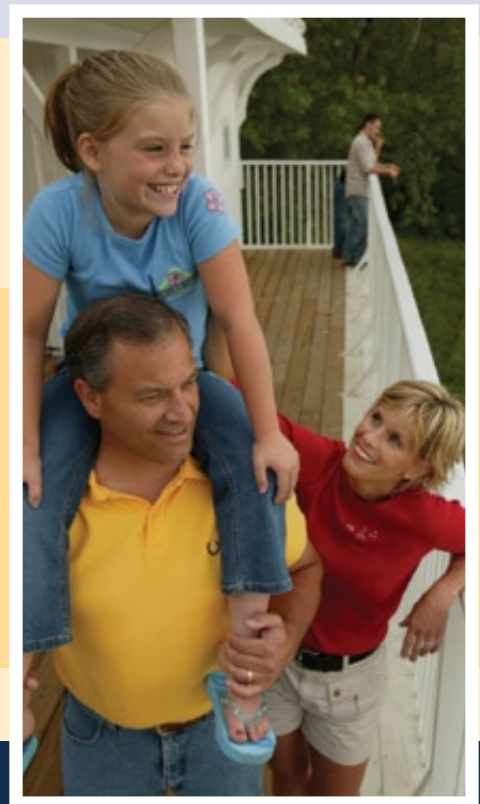
United Tribes Technical College (UTTC)

UTTC is operated by the five Native American tribes wholly or in part in North Dakota. Its Fall 2007 enrollment was 554 with 99 graduates in 2008. UTTC offers 14 Associate of Applied Science degrees and nine certificate programs. Students fulfill their degree requirements by taking both vocational and general education courses. Certificate programs can usually be completed in two to three semesters and AAS Degrees are completed in four or five semesters. United Tribes Technical College is also involved in Distance Education and Cooperative Education Programs.

Crime rates

Crime rates in Bismarck-Mandan are consistently ranked among the lowest in the nation. In addition, the state of North Dakota has been ranked "America's Safest State" for 10 of the past 12 years. The table below compares Bismarck MSA and national statistics for the 2005 FBI Index of Crime.

	Bismarck MSA Rate per 100,000 inhabitants	National Rate per 100,000 inhabitants
Violent Crime	192.5	437.5
Property Crime	2,241.5	3,334.5
Forcible Rape	29.2	30.9
Robbery	11.1	149.4
Aggravated Assault	150.2	287.5
Burglary	415.2	729.4
Larceny Theft	1,691.2	2,206.8
Motor Vehicle Theft	135.1	398.4



Cost of living

Bismarck-Mandan, North Dakota has been deemed a "Five Star Community" by *Expansion Management* magazine's Quality of Life Quotient, was ranked #4 on the Forbes list of Best Small Metros for Business and Careers, and has been designated an All-America City. And to top it off, Bismarck-Mandan is an affordable place to live. The community offers housing, groceries, utilities and transportation all below the national average.

The ACCRA Cost of Living Index measures the relative price levels for consumer goods and services in participating areas. The average for all participating places equals 100, and each participant's index is read as a percentage of the average for all places.

The first quarter 2007 ACCRA Cost of Living Index for Bismarck-Mandan is:

Composite Index	93.8
Grocery Items	96.5
Housing	80.3
Utilities	108.3
Transportation	97.7
Healthcare	95.8
Misc. Goods & Services	98.00

The following table offers sample cost of living comparisons between Bismarck-Mandan and other U.S. cities. The table shows what your salary would need to be in Bismarck-Mandan in order to maintain the same purchasing power of a \$60,000 salary in the other cities. It also compares the cost of grocery items, housing, transportation and healthcare. The data used in this calculator is provided by ACCRA. The data is generated from an average of the past four quarters ending 2007 first quarter.

		Bismarck-Mandan cost compared to listed cities			
To maintain the same purchasing power, a \$60,000 salary in the following cities	Needs to be this in Bismarck-Mandan, ND	Grocery Items	Housing	Transportation	Healthcare
San Jose, CA	\$36,263	32.9% lower	67.9% lower	12.7% lower	20.0% lower
Denver, CO	\$54,788	6.8% lower	26.2% lower	0.9% higher	8.8% lower
Tampa, FL	\$56,830	3.5% lower	18.0% lower	5.9% lower	0.7% higher
Indianapolis, IN	\$58,527	0.8% lower	17.1% lower	5.1% lower	0.4% higher
Ames, IA	\$58,515	5.3% higher	14.2% lower	4.1% lower	0.2% lower
Boston, MA	\$41,251	19.3% lower	52.5% lower	11.1% lower	27.0% lower
St. Cloud, MN	\$55,860	3.6% lower	14.5% lower	2.9% lower	3.5% lower
Las Vegas, NV	\$51,707	2.9% lower	37.8% lower	7.2% lower	9.2% lower
Cleveland, OH	\$56,420	10.2% lower	13.1% lower	2.3% lower	5.3% lower
Olympia, WA	\$54,093	13.5% lower	18.0% lower	8.7% lower	18.9% lower
Green Bay, WI	\$59,600	7.1% higher	9.0% lower	4.2% lower	0.4% lower
Cheyenne, WY	\$55,235	8.3% lower	24.1% lower	1.7% higher	0.1% higher



Healthcare

Two regional medical centers, Medcenter One Health Systems and St. Alexius Medical Center, as well as a wide array of clinics are located in Bismarck. The hospitals and clinics are state-of-the-art, with 526 beds available and 355 physicians to serve you. In addition, SCCI Hospital in Mandan offers 41 beds for long-term acute care.

The Medcenter One MRI Center recently completed an extensive upgrade of the high field scanner. In addition to the high field scanner, the Center has the only open scanner in western North Dakota. Medcenter One’s new Tom & Frances Leach Kidney Dialysis Center houses 15 new stations, the dialysis unit’s offices, exam room and conference room to better meet the needs of the community and surrounding area.

St. Alexius Medical Center has been awarded the HealthGrades Distinguished Hospital Award for Clinical Excellence. Of the 4,700 hospitals nationwide that were rated, St. Alexius was one of 164 to receive the award. St. Alexius also received the HealthGrades Distinguished Hospital Award for Excellence in Patient Safety.

Housing

Bismarck-Mandan offers available housing at affordable prices. The Bismarck-Mandan Board of Realtors reports the following average 2007 single family home sales prices:

Average Selling Prices 2007	Bismarck	Mandan
All Single Family	\$178,392	\$141,436
Single Family Home – 4 Bedrooms or more	\$202,052	\$171,346
Single Family Home – 3 Bedrooms	\$162,781	\$129,846
Condominium or Twinhome	\$149,698	\$128,424





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