

3. PROJECT INFORMATION

3.1 Proposed Ownership

GRE would be the owner of the proposed transmission line. MP would own the Tower Substation and the Embarrass Switching Station, as well as the 46 kV connections to the existing 46 kV Line #32.

3.2 Permittees

MP and GRE will be named as permittees for this Project. Transfer of the permit to any other person or organization is not anticipated.

Contact information for MP and GRE are provided below.

Permittee: Minnesota Power
30 West Superior Street
Duluth, Minnesota 55802-2093

Contact: Robert Lindholm
Phone: (218) 722-5642, ext. 3342
Fax: (218) 723-3916
Email: rlindholm@allete.com

Permittee: Great River Energy
17845 East Highway 10
PO Box 800
Elk River, Minnesota 55330

Contact: Carole L. Schmidt
Phone: (763) 241-2272
Fax: (763) 241-6072
Email: cschmidt@greenergy.com

3.3 Project Location

The proposed Tower Project is located between Kugler and White Townships in St. Louis County, Minnesota (Table 3-1).

Table 3-1 Project Location

Sections	Township	Range	Township Name
5, 8, 17, 20, 29, 32	61N	15W	Kugler
5, 8, 17, 20, 29, 32	60N	15W	Embarrass
5, 6, 7	59N	15W	White (NE)

3.4 Project Schedule

Construction timing for the Project is shown in Table 3-2.

Table 3-2 Construction Schedule for Tower–Embarrass HVTL

Year	Project	Miles
2008–2009	Build Tower Substation and Embarrass Switching Station	—
2008–2009	Build single circuit 115 kV line between Tower Substation and Embarrass Switching Station; and Build two 46 kV lines between Tower Substation and existing 46 kV Line #32	14 0.6

3.5 Project Cost Analysis

3.5.1 Project Costs

The cost estimate for construction of the Tower 115 kV transmission line Project is divided into five components as shown in Table 3-3.

Table 3-3 Estimated Project Costs

Tower Substation	Embarrass Switching Station	115 kV Transmission Line	46/46 kV Line Construction	Permitting, Easement and Land Acquisition	Total Estimated Project Costs
\$1,790,000	\$2,490,000	\$3,779,000	500,000	\$1,133,000	\$9,692,000

3.5.2 Operation and Maintenance Costs

The annual cost of transmission line right-of-way maintenance currently averages approximately \$350 per mile.

In addition to these right-of-way maintenance costs, annual operating and maintenance costs associated with 115 kV transmission voltages in Minnesota average approximately \$600 per mile. Storm restoration, annual inspections, and ordinary replacement costs are included in these operating and maintenance costs.