

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendraye
Marshall Johnson
Ken Nickolai
Thomas Pugh
Phyllis A. Reha

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Petition of Northern States
Power Company d/b/a Xcel Energy and
Dairyland Cooperative for a Route Permit for a
115 kV and 161 kV Transmission Line from
Taylors Falls to Chisago County Substation

ISSUE DATE: February 12, 2007

DOCKET NO. E-002/TL-06-1677

ORDER ACCEPTING ROUTE PERMIT
APPLICATION AS COMPLETE,
AUTHORIZING SELECTION of PUBLIC
ADVISOR, AND COMBINING
ENVIRONMENTAL REVIEW AND PUBLIC
HEARING WITH CERTIFICATE OF NEED
APPLICATION

PROCEDURAL HISTORY

On December 6, 2006, Xcel Energy and Dairyland Power Cooperative (Applicants) filed a notice of intent to submit an application for a route permit for the Chisago County to Taylors Falls transmission project, following the procedures for alternative review authorized by Minn. Rule 4400.2000, subp. 2.

On January 5, 2007, Applicants filed the route permit application under the alternative review process for the transmission line project.

Applicants filed an application for a certificate of need on November 15, 2006, for the Minnesota portion of the same transmission project.¹

On January 18, 2007, the Department of Commerce Energy Facility Permitting staff (the Department) filed comments on Applicants' route permit application.²

¹ Docket No. E-002//CN-04-1176.

² The Department also filed comments on January 2, 2007, in the certificate of need docket on the completeness of the certificate of need application.

The Commission met on January 25, 2007, to consider the matter. At the hearing, the Commission heard from all parties, as well as members of the public, John Reinhardt and Carol Overland.

On the same date that it issued this Order, the Commission issued a Notice and Order for Hearing³ and an Order Accepting Certificate of Need Application As Substantially Complete Pending submission of Additional Data.⁴

FINDINGS AND CONCLUSIONS

I. Summary of Action

In this Order, the Commission finds that Applicants' application for a route permit is substantially complete and accepts it, authorizes the Department to name a public advisor for the route permit process, and combines certain aspects of this route application with the application for a certificate of need being considered in Docket No. E-002/CN-04-1176.

II. Applicants' Route Permit Application

Applicants proposed to build a new 115/161 kV high voltage transmission line (HVTL) from the central part of Chisago County south of North Branch through Lindstrom and through Taylors Falls, where it would cross the St. Croix River.

The proposal would replace an existing 69 kV transmission line with a new 115 and 161 kV line between the Chisago County substation near North Branch, Minnesota and the Apple River substation near Amery, Wisconsin, for approximately 40 miles. The Minnesota portion of the project, approximately 18 miles, consists of a 115 kV line between the Chisago substation and a new Lawrence Creek substation that would be located on the west side of Taylors Falls. The 161 kV portion of the project would run from the new Lawrence Creek substation to the St. Croix River, where it would cross into Wisconsin.

III. The Department's Comments and Recommendations

The Department stated that it conducted a completeness review of Applicants' Chisago County to Apple River route permit application and concluded that the application meets the content requirements of Minn. Rules, Part 4400.2100 and is, therefore, complete. The Department clarified that acceptance of the application would allow Department staff to initiate and conduct the public participation and environmental review process.

³ Docket No. E-002/CN-04-1176; E-002/TL-06-1677.

⁴ Docket No. E-002/TL-04-1676.

Regarding the environmental assessment, the Department stated that the Chisago to Apple River route permit application and certificate of need dockets are examples where joint environmental review can provide the required review consistent with due process, an expeditious consolidated environmental analysis that is less confusing to the public.

As to the public hearings required for the routing proceeding and the certificate of need proceeding, the Department recommended that the Commission authorize the Department to request the Administrative Law Judge assigned to these dockets to hold joint public hearings on the two dockets.

Finally, the Department expressed the view that an advisory task force was unnecessary in this matter.

IV. Public Comments

Two members of the public appeared at the Commission hearing on this matter to address particular concerns, specifically, the issue of encouraging and increasing public participation in the routing process through an advisory citizen task force.

V. Commission Analysis and Action

Based on the Department's recommendation and its own analysis, the Commission finds that the permit application filed by Applicants for the Chisago County to Apple River route is complete. The Commission clarifies that this decision simply allows the Department to initiate and conduct the public participation and environmental review processes and reflects no opinion regarding the substance of Applicants' proposed route.

The Commission finds that Department's recommendation that the Commission authorize it (the Department) to appoint a public advisor is reasonable and the Commission will do so.

Regarding the Department's proposal of a joint environmental review: if (as here) an applicant requests a route permit before the Department has completed the environmental report required in related certificate of need proceedings, Minn. Rules, Part 4410.7060 authorizes the Commission to allow the Department to prepare an environmental assessment in accordance with Minn. Rules, Part 4400.2750 in lieu of the environmental report required under Minn. Rules, Part 4410.7020.

The Commission finds that it is appropriate to do so in this case. The Commission agrees with the Department that joint environmental review can provide the required review consistent with due process, an expeditious consolidated environmental analysis that is less confusing to the public.

The Commission disagrees, however, with the Department's initial observation that an advisory task force may not be needed in this case and instead concurs with the views of the public, expressed at the meeting, that an advisory task force would be useful and relevant in this proceeding. Accordingly, the Commission will authorize the Department Energy Facility Permitting staff to establish an advisory task force and develop a proposed structure and charge for the Task Force at this time.

ORDER

1. The Commission accepts Applicants' Chisago County to Apple River transmission line route permit application as complete.
2. The Commission authorizes the Department of Commerce Energy Facilities Permitting staff to begin the alternative review process under Minnesota Rules 4400.2000-2950.
3. The Commission authorizes the Department of Commerce Energy Permitting Facility staff to name a public advisor in this case.
4. The Commission hereby combines the environmental review documents and procedures in Docket No. E-002/CN-04-1176 and E-002/TL-06-1677. The Department is authorized to initiate and conduct the environmental review process.
5. The Commission authorizes the public hearings in E-002/CN-04-1176 and E-002/TL-06-1677 to be held jointly.
6. The Commission authorizes Department and Commission staff to request assignment of an Administrative Law Judge to schedule, notice, and preside over the joint public hearing(s) authorized in Order Paragraph 5.
7. The Commission authorizes the Department Energy Facilities Permitting staff to establish an advisory task force and develop a proposed structure and charge for the task force.
8. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION


Burl W. Haar
Executive Secretary

(S E A L)

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STATE OF MINNESOTA)
)SS
COUNTY OF RAMSEY)

AFFIDAVIT OF SERVICE

I, Margie DeLaHunt, being first duly sworn, deposes and says:

That on the 12th day of February, 2007 she served the attached

ORDER ACCEPTING ROUTE PERMIT APPLICATION AS COMPLETE,
AUTHORIZING SELECTION OF PUBLIC ADVISOR, AND COMBINING
ENVIRONMENTAL REVIEW AND PUBLIC HEARING WITH CERTIFICATE OF NEED
APPLICATION.

MNPUC Docket Number: E-002/TL-06-1677

- XX By depositing in the United States Mail at the City of St. Paul, a true and correct copy thereof, properly enveloped with postage prepaid
- XX By personal service
- XX By inter-office mail

to all persons at the addresses indicated below or on the attached list:

- Commissioners
- Carol Casebolt
- Peter Brown
- Eric Witte
- Marcia Johnson
- AG
- David Jacobson
- Bob Cupit
- Ken Wolf
- Bret Eknes
- Mary Swoboda
- Jessie Schmoker
- Sharon Ferguson - DOC
- Julia Anderson - OAG
- Curt Nelson - OAG

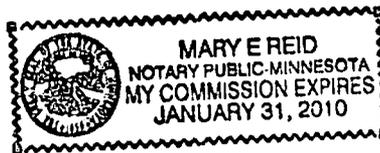
Margie DeLaHunt

Subscribed and sworn to before me,

a notary public, this 12 day of

February, 2007

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Notary Public



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