

**SITE PERMIT**

**FOR CONSTRUCTION OF A**

**LARGE ELECTRIC POWER GENERATING PLANT**

**IN**

**SHERBOUNE COUNTY, MINNESOTA**

**ISSUED TO**

**GREAT RIVER ENERGY**

**PUC DOCKET NO. ET2/GS-07-715**

In accordance with the requirements of Minnesota Statute 216E and Minnesota Rules Chapter 7849.5010 - .6500, this Site Permit is hereby issued to:

**GREAT RIVER ENERGY**

Great River Energy (GRE) is authorized by this permit to construct a new natural-gas fuel, simple-cycle electric generating facility capable of producing 175 megawatts (MW) on the site of the Elk River Station Generating Plant in Sherboune County, Minnesota, identified in this Permit and in compliance with the conditions specified in this Permit.

Approved and adopted this 24<sup>th</sup> day of April, 2008

BY ORDER OF THE COMMISSION

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Burl W. Haar,  
Executive Secretary

Issued: April 24, 2008

## **I. SITE PERMIT**

The Minnesota Public Utilities Commission (Commission) hereby issues this Site Permit to Great River Energy, pursuant to Minnesota Statute 216E and Minnesota Rules Chapter 7849, to construct a new natural-gas fuel, simple-cycle electric generating facility capable of producing 211 megawatts (MW) during typical winter conditions (175 MW summer rating) on the site of the Elk River Station Generating Plant in Sherburne County, Minnesota.

## **II. PROJECT DESCRIPTION**

The project consists of adding one natural gas-fired, simple-cycle combustion turbine generator to GRE's existing refuse-derived-fuel-fired (RDF-fired) facility (i.e., Elk River Station) near Elk River, Minnesota in Sherburne County. The proposed project consists of a single, simple-cycle combustion turbine generator (CT) with a nominal summer generating capacity of 175 MW and other associated facilities. The facility will use natural gas and ultra-low sulfur distillate fuel oil.

The Elk River campus currently includes the Elk River Station, a RDF-fired combustor that co-produces electricity, and GRE's Elk River corporate offices. The CT site is an area of approximately 11-acres in the northeast portion of the campus.

An existing 69-kilovolt (kV) transmission line segment extending 5.6 miles in length from the Elk River site will be upgraded with new conductors and new poles. No change in voltage of the existing lines is necessary; therefore, no PUC High Voltage Transmission Line Route Permit is required. No other lines will require upgrades due to the project. GRE will obtain natural gas for the project from Northern Natural Gas Company (NNG) by connecting to an existing pipeline nearby. Northern Natural Gas will construct and own a new one-half-mile, 12-inch lateral natural gas pipeline off of its existing 16-inch pipeline located northeast of the project site.

The project description is more specifically described in the Site Permit Application and in the Environmental Impact Statement.

## **III. DESIGNATED SITE**

The project site consists of an approximately 11-acres in the northeast portion of the Elk River campus.

The project location and site layout are shown in the attached figures.

The site is more specifically described in the Site Permit Application and in the Environmental Impact Statement.

## **IV. PERMIT CONDITIONS**

The following conditions shall apply to the construction of the facility.

**A. Site Plan.** The Permittee shall submit to the Commission three (3) copies of a work/site plan at least fourteen (14) days prior to the commencement of construction activity. This plan will include the cut/fill/grading diagrams, the location and placement of the various structures to be constructed, including all electrical equipment, pollution control equipment, roads, and other associated facilities. The Permittee shall have the right to move or relocate any of these structures after construction commences, but the Permittee shall file an amended site plan with the MPUC at least twenty-four (24) hours prior to implementation.

## **B. Construction Practices**

**1. Application.** The Permittee shall follow those specific construction practices and material specifications described in the Site Permit Application, unless this Permit establishes a different requirement in which case this Permit shall prevail.

**2. Field Representative.** At least fourteen (14) days prior to commencing on-site activity, the Permittee shall advise the MPUC in writing of the person or persons designated to be the field representative for the Permittee with the responsibility to oversee compliance with the conditions of this Permit. This person's address, phone number, and emergency phone number shall be provided to the MPUC, who may make the information available to local residents and public officials and other interested persons. The Permittee may change its field representative at any time upon written notice to the MPUC.

**3. Roads.** At least fourteen (14) days prior to commencing on-site activity, the Permittee shall advise the MPUC and other appropriate governing bodies having jurisdiction over roads, of all state, county, and city roads that will be used during that phase of the project. Where practical, existing roadways shall be used for all activities associated with construction of the facility. Wherever practical, all-weather roads shall be used to deliver heavy components to and from the project site. The Permittee shall, prior to construction activities, make satisfactory arrangements with the appropriate state, county, and local governmental bodies having jurisdiction over the roads to be used for construction, for any repair and maintenance of those roads resulting from the transportation of equipment and materials. The Permittee shall notify the MPUC of such arrangements prior to the start of construction activities.

## **C. Completion of Construction.**

**1. Plans and Specifications.** Within one hundred twenty (120) days after completion of construction of the facility, the Permittee shall submit to the MPUC the "as built" site layout.

**2. GPS Data.** Within one hundred twenty (120) days of completion of construction, the Permittee shall submit to the MPUC, in the format requested by the MPUC, geo-spatial information (GIS compatible maps, GPS coordinates, etc.) for the power plant and associated facilities.

**D. Other Requirements.** The Permittee shall comply with all applicable state rules and statutes. The Permittee shall obtain all required permits for the project and comply with the conditions of these permits. The anticipated permits and approvals required for the project are listed in Table 1-1 of the Application for a Generating Plant Site Permit and in Table 5-1 of the Environmental Impact Statement.

**E. Delay in Construction.** If the Permittee has not commenced construction or improvement of the project within four (4) years from the date of issuance of this Permit, the MPUC shall consider suspension of the Permit in accordance with Minn Rule 4400.3750.

## **V. PERMIT AMENDMENT**

This permit may be amended by the MPUC. Any person may request an amendment of this permit pursuant to Minn Rule 4400.3840, by submitting a request to the Commission in writing describing the amendment sought and the reasons for the amendment. The Commission will mail notice of receipt of the request to the Permittee. The MPUC may amend the permit after affording the Permittee and interested persons such process as is required.

## **VI. TRANSFER OF PERMIT**

The Permittee may request that the MPUC transfer this permit to another person or entity. The Permittee shall provide the name and description of the person or entity to whom the permit is requested to be transferred, the reasons for the transfer, a description of the facilities affected, and the proposed effective date of the transfer. The person to whom the permit is to be transferred shall provide the MPUC with such information as the MPUC shall require in determining whether the new permittee can comply with the conditions of the permit. The MPUC may authorize transfer of the permit after affording the Permittee, the new permittee, and interested persons such process as is required.

## **VII. REVOCATION OR SUSPENSION OF THE PERMIT**

The MPUC may initiate action to revoke or suspend this permit. The MPUC shall act in accordance with the requirements of Minnesota Rule part 4400.3950 to revoke or suspend the permit.

# FIGURES