



# Minnesota Department of Transportation

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**Fax**

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No. of pages to follow: 1

Date: August 4, 2008

To: Name: David Birkholz

Company: Office of Energy Security

Office telephone: \_\_\_\_\_

Fax # 651-297-7891

From: Chris Moates

Office/Section: Mn/DOT Planning

Message: Wapsipinicon Wind Project Certificate of Need, IP6646/WS-08-334

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August 4, 2008

David Birkholz  
Office of Energy Security  
85 7<sup>th</sup> Place East, Suite 500  
St. Paul, MN 55101-2198

**RE: Wapsipinicon Wind Project Certificate of Need, IP6646/WS-08-334**  
**I-90 CS 5080**  
**MN 16 CS 5003**

Dear Mr. Birkholz:

Minnesota Department of Transportation (Mn/DOT) District 6 staff has reviewed the documents associated with the Certificate of Need request for Wapsipinicon Wind Project. Similar comments contained herein were submitted during the permitting process for the Grand Meadow Wind Project and are repeated for public record.

There are potential impacts related to Mn/DOT interests in the form of proposed routing of transmission lines in the vicinity of Interstate 90 and Minnesota State Highway 16. In addition, any work and possible placement of structures adjacent to and within Mn/DOT right of way is of concern.

Please note that Mn/DOT's accommodation policy, which is listed online at <http://www.dot.state.mn.us/utility/files/pdf/appendix-b.pdf>, will help in linking the District's permitting process with the transmission line project by providing the common ground by which both Mn/DOT and enXco would operate. Please also note that in relation to Interstate highway concerns, Mn/DOT does not allow longitudinal utilities within freeway right of way.

Any needs for working within Mn/DOT right of way or the proposal of temporary or permanent accesses should be coordinated with Tom Streiff, District 6-East Permits Supervisor, at 507-286-7592.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script that reads "Chris Moates".

Chris Moates  
District 6 Planning Director

cc: Nelrae Succio, Greg Paulson, Mark Trogstad-Isaacson, Peter Waskiw  
Tom Streiff, File  
DOCS-#631432



James Hartson  
59931 300<sup>th</sup> St., Waltham, MN. 55982

Phone Number - 507-567-2293  
Fax Number - 507-567-2293

Email: greenacreswind@kmwb.net

FAX TRANSMITTAL FORM

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To:	Name: David Birkholz	From: James Hartson
CC:	Phone: 651-296-2878	Date Sent: 8-4-08
Fax: 651-297-7891	Number of Pages: 8 pages including the FAX cover sheet	

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Message:



August 2, 2008

David Birkholz  
Project Manager  
Energy Facility Permitting  
85 7<sup>th</sup> Place East Suite 500  
St. Paul, MN. 55101-2198

Re: Docket #IP6646/WS-008-334

My public comment:

It appears both Enexco and SMMPA have ignored the rules set by the 85<sup>th</sup> Legislative session as defined in H.F. no. 2253. Refer to lines 4.1 through 4.10 (exhibit 1). As a farmer and landowner involved in a c-bed project in Mower County, I am not aware of any attempt by SMMPA to identify our 50 MW project even though our MISO application has been in the queue since 5/24/07 and have watched as nearly 1800 MW have been entered in the queue after ours in Mower County alone (refer to attached Midwest ISO exhibit 2).

Some people believe there is an attempt to circumvent the first come, first approved process by these large mostly foreign developers. Since our project has received much publicity as it is the areas first farmer owned project, many neighbors would like to do a C-bed project of their own and have contacted me about this. I have requested a condition be placed on the approval of the 6 mile overhead line. This request was made at two public hearings and the developer said no.

The condition would be that any C-bed project along the line could use it to transmit their power to market. Similar language is included in H.F. no. 2253 lines 4.11 through 4.16. This is a requirement for C-bed projects. Shouldn't there be continuity for the wind industry?

I am enclosing a reprint dated Feb. 1, 2008 of a pioneer press article about a Mr. Michael Bull of the of the Minnesota Office of Energy Security. It seems Mr. Bull's concern about slow growth of community based energy development projects is real and what I see going on here in Mower County may help explain some of the reasons. (refer to exhibit 4)

Oh, and did I mention that Enexco is a French owned company. Most of the landowners at the hearings I attended were under the impression that all this wind energy development was going to make us less dependent on foreign energy. Not so in this project. I wonder if SMMPA told all of the residents of Austin and Rochester and 16 other communities that \$450 million of their electric bill was going to be spent with the French? (refer to 4/8/08 article exhibit 3).

As a landowner, farmer and 65 year old retired officer with a Fortune 500 Company, I believe the applicants for this proposed certificate of need ignored or disregarded many of the requirements of H.F. no. 2253 in regard to C-bed projects. SMMPA did not make a good faith effort to identify and negotiate with owners of C-bed projects. Has the apparent disregard for the new C-bed legislation been the cause of slow C-bed project development as Mr. Bull spoke of earlier this year?

If the state continues to "rubber stamp" these large projects without requiring the law to be followed, C-bed projects will be lost forever. This application should be



denied: based on the applicants not meeting the minimum requirement of H.F. no. 2253.

Respectfully submitted,

James Hartson  
59931 300<sup>th</sup> St.  
Waltham, MN. 55982

507-567-2293

publiccmt

*Exhibit I*

- 3.32 projects under contract and the amount of C-BED energy purchased.
- 3.34 (c) The commission shall consider the efforts and activities of a utility to purchase
- 3.35 energy from C-BED projects when evaluating its good faith effort towards meeting the
- 4.1 renewable energy objective under section 216B.1691.
- 4.3 (d) A utility may not own a non-C-BED renewable energy project, nor enter into
- 4.5 a contract with an independent power producer to purchase power from a non-C-BED
- 4.6 renewable energy project unless it has made a good-faith effort to identify and negotiate
- 4.9 with owners of C-BED projects.
- 4.10 (e) Before issuing a request for proposals for eligible energy projects to satisfy
- 4.11 its standard obligation under section 216B.1691, a municipal power agency or a
- 4.12 generation and transmission cooperative must offer its member distribution utilities an
- 4.13 opportunity to supply that energy through a partnership with a community-based energy
- 4.14 development project or to enter into a power purchase agreement to purchase energy from
- 4.15 a community-based energy development project.
- 4.16 Subd. 6. **Property owner participation.** To the extent feasible, a developer of a
- 4.17 C-BED project must provide, in writing, an opportunity to invest in the C-BED project to
- 4.18 each property owner on whose property a high-voltage transmission line is constructed
- 4.22 that will transmit the energy generated by the C-BED project to market. This subdivision
- 4.24 applies if the property is located and the owner resides in the county where the C-BED
- 4.26 project is located.
- 4.27 Subd. 7. **Other C-BED tariff issues.** (a) A community-based project developer
- 4.28 and a utility shall negotiate the rate and power purchase agreement terms consistent with
- 4.29 the tariff established under subdivision 4.
- 4.34 (b) At the discretion of the developer, a community-based project developer and
- 4.34 a utility may negotiate a power purchase agreement with terms different from the tariff
- 4.34 established under subdivision 4.
- 4.34 (c) A qualifying owner, or any combination of qualifying owners, may develop a
- 4.34 joint venture project with a nonqualifying ~~wind renewable~~ energy project developer.
- 4.34 However, the terms of the C-BED tariff may only apply to the portion of the energy
- 4.34 production of the total project that is directly proportional to the equity share of the project
- 4.34 owned by the qualifying owners.
- 4.34 (d) A project that is operating under a power purchase agreement under a C-BED
- 4.34 tariff is not eligible for net energy billing under section 216B.164, subdivision 3, or for
- 4.34 production incentives under section 216C.41.
- 4.34 (e) A public utility must receive commission approval of a power purchase
- 4.34 agreement for a C-BED tariffed project. The commission shall provide the utility's
- 4.34 ratepayers an opportunity to address the reasonableness of the proposed power purchase
- 4.34 agreement. Unless a party objects to a contract within 30 days of submission of the
- 4.34 contract to the commission the contract is deemed approved.

*?*

*?*  
*Conservation*  
*rights of land*

Subd. 8. **Community energy partnerships.** A utility providing electric service  
to retail or wholesale customers in Minnesota and an independent power producer may  
participate, and is encouraged to participate, in a community-based energy development  
project as owner, equity partner, or provider of technical or financial assistance, subject to  
the limits specified in this section.

Sec. 2. Minnesota Statutes 2006, section 216B.1645, is amended by adding a  
subdivision to read:  
Subd. 2a. **Utility ownership of renewable resources.** (a) A utility may construct,  
own, and operate generation facilities used to satisfy the requirements of section  
216B.1691, notwithstanding any competitive resource acquisition process established  
under section 216B.2422, subdivision 5.  
(b) In lieu of any competitive resource acquisition process, a utility that intends to  
construct, own, or operate facilities under this section must file with the commission

Midwest ISO - Generation Interconnection Queue

*Exhibit 2*

MIDWEST ISO GENERATION INTERCONNECTION QUEUE - 07/22/2008

Download: Excel  
Status Definitions

Project Num	Queue Num	Queue Date	Control Area	Study Zone	County	State	Max Summer Output (MW)	Max Winter Output (MW)	Point of Interconnection	In-Service Date	Inter-Connection Serv. Type	Type of Generating Facility	Fuel Type	Study Status	IA Status	Susp Status
G113	37111-01	08/08/2001	ALTW	3	Mower	MN	200	200	Adams substation	12/01/2003	ER		Wind IC/FC	IAP		Suspe
G153	37211-03	11/16/2001	GRE	3	Mower	MN	200	200		05/01/2003	ER		Wind W			
G172	37978-01	12/23/2003	NSP	3	Mower	MN	300	300	Adams Sub	11/18/2005	ER	WT	Wind IC/SIC IAE			
G269	37579-01	11/19/2002	NSP	3	Mower	MN	100	100		10/01/2004	ER		Wind IP/W			
G330	37722-01	04/11/2003	ALTW	3	Mower	MN	19	19		06/01/2003	ER		Wind IC/FC	IAP/IS		
G362	37894-02	09/30/2003	GRE	3	Mower	MN	200	200	Pleasant Valley Sub	12/01/2005	NR		Wind SIE FAE	IAP		
G625	38771-02	02/23/2006	DPC	4	Mower	MN	10	10		03/01/2007	ER		Wind FEP			
G669	38939-03	08/10/2006	NSP		Mower	MN	200	200	Adams - Rochester 161 kV	04/01/2008	NR		Wind FEP			
G801	39226-02	05/24/2007	GRE		Mower	MN	50	50	161 kV GRE line in southw	12/31/2009	NR		Wind SIE			<i>our C-Bed Project</i>
G824	39279-05	07/16/2007	Xcel		Mower	MN	200	200	T-103-N, R-16-W	08/15/2010	NR		Wind SIE			
G856	39336-02	09/11/2007	Xcel		Mower	MN	200	200	Adams 161 kV substation	12/01/2009	NR		Wind			
G857	39336-03	09/11/2007	Xcel		Mower	MN	400	400	345 kV Adams substation	12/01/2009	NR		Wind SIE			
G907	39395-01	11/09/2007	GRE		Mower	MN	450	450	Pleasant Valley peaking p	10/15/2011	ER		Wind SIE			
G910	39400-01	11/14/2007	GRE		Mower	MN	99	99	Pleasant Valley 345 kV su	11/30/2010	NR		Wind SIE			
G911	39400-02	11/14/2007	GRE		Mower	MN	99	99	Pleasant Valley 345 kV su	11/30/2011	NR		Wind SIE			
G912	39400-03	11/14/2007	GRE		Mower	MN	99	99	Pleasant Valley 345 kV su	11/30/2012	NR		Wind SIE			
H011	39561-01	04/23/2008	-		Mower	MN	250	250	new Frankfort Corner Swit	07/01/2011	NR		Wind FEP SIP			

# business

*Rochester paper 4-8-08*

*Exhibit 3*

## ENERGY / WIND FARM

# SMMMPA signs 20-year windpower agreement

By Bob Freund  
freund@postbulletin.com

DEXTER — Southern Minnesota Municipal Power Agency plans to purchase enough electricity to power 39,000 homes with its largest windpower deal to date.

The Rochester-based utility will buy the output from 67 wind turbines being constructed this year in Mower County by a subsidiary of enXco Inc. SMMMPA supplies electricity to Rochester, Austin and 16 other Minnesota cities, whose local utilities then re-sell it to their customers.

SMMMPA signed a 20-year agreement for the wind-made energy on April 3, said Dan Hayes, who manages the agency's wind operations. Purchases over the two decades are estimated at \$450 million. "It was a big decision for us," Hayes said.

SMMMPA is taking half of the power generated by the Wapsipinicon Wind Project, expected to crop up out of fields generally in Pleasant Valley and Grand Meadow townships in Mower County. EnXco will build the generators this year, Hayes said. The timetable calls for the turbines to start churning up electricity by Dec. 31 this year.

However, the SMMMPA portion of the project still must obtain permits from the Minnesota Public Utilities Commission, Hayes said. The project also needs permission to send its power out on electric lines from an industry agency that manages the electrical network. The project area includes the route of a major area transmission line running from Byron through the Adams area.

SMMMPA has committed to buy all the electricity from 67 windmills in the Wapsipinicon project, which will be owned and operated by enXco.

## WAPSIPINICON WINDPOWER

**Development:** Wapsipinicon Wind Farm

**Location:** North and east of Dexter, west of Interstate 90, primarily in Pleasant Valley Township, Mower County.

**Size:** 67 wind turbines

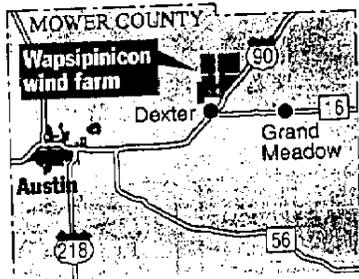
**Generating capacity:** 100.5 megawatts (million watts)

**Developer and owner:** Wapsipinicon Wind Project L.L.C., a subsidiary of enXco Inc.

**Target date for operation:** Dec. 31, 2008

**Source:** Southern Minnesota Municipal Power Agency, enXco Inc.

**Southern Minnesota Municipal Power Agency plans to buy electricity generated by 67 wind turbines from this development over 20 years, starting at the end of 2008.**



Power giant Xcel Energy of Minneapolis is buying the other half of the 205-megawatt project for its own use. Xcel already has obtained a state permit for its turbines. Unlike SMMMPA, Xcel bought both the turbines and their output and will operate them after enXco completes construction.

With the latest long-term purchase, SMMMPA now has locked in enough windpower to supply 40 percent of its renewable energy target under state law. "We need about 340 megawatts (of renewable energy) by 2025," Hayes said.

SMMMPA owns six wind turbines at Fairmont and Redwood Falls in Minnesota. Late last year it also announced a

compact to buy 36 megawatts worth of power — about 14,000 homes' worth — from a wind farm in Faribault County.

*A version of this story appears today in the Austin Post-Bulletin.*

## ENERGY / CONTRACT

# Austin's original power plant probably will be shut down

By Bob Freund  
freund@postbulletin.com

Austin's original power plant might be moth-balled in the next two years after more than

are not those units," he said

SMMMPA also does not need the plant, which is comparatively small, to supply continuous electricity. Fired by natural gas, it also is fairly

Exhibit 2



February 1, 2008  
Minnesota

## State sets lofty goal for wind energy

*Proposed output level by 2010 will require new projects*

To meet Minnesota's renewable energy goals, Gov. Tim Pawlenty wants 800 megawatts of wind energy developed through a grassroots state program by 2010.

Unfortunately, just 2.5 megawatts of wind power are "up and spinning" at the moment, a state official said Thursday, leaving 797.5 megawatts to be installed within the next two years.

To get more wind turbines up and running quickly, Michael Bull, the assistant director of the Minnesota Office of Energy Security, said the Pawlenty administration is planning to propose tweaks to its 3-year-old Community-Based Energy Development program, hoping to attract more farmers and other landowners in windy parts of the state like the southwest to participate in wind projects.

Speaking to a wind energy conference in Bloomington sponsored by the law firm of Fredrikson & Byron, which advises on renewable energy, Bull said the state has 235 megawatts of C-BED wind power under contract, including 160 megawatts to Minneapolis-based Xcel Energy, and there are 630 more megawatts of C-BED wind power under negotiation with developers. But the low number of projects already up and working is a concern.

Bull is feeling pressured to meet the governor's goal, but it is not mandated by law. The state's renewable energy law requires 6,000 megawatts of electricity be produced through a renewable resource by 2025.

Under the law, Minnesota utilities must get at least 25 percent of their power from a renewable source by then, and Xcel Energy, the state's largest utility, must show 30 percent of its power came from a renewable source by 2020.

The Energy Security Office is proposing changes to the C-BED law, as it is known, that would sweeten the rates allowed under the projects.

To avoid a rate increase for energy customers, however, the office wants each kilowatt of C-BED-produced energy to count more when it is used to offset conventionally produced energy.

In other words, if a C-BED project using the new models develops 1 megawatt of wind energy, it will count anywhere from 1.1 megawatts to 1.2 megawatts toward the utility's goal of meeting its state mandate.

This adjustment for C-BED projects would shave about 70 megawatts of renewable energy off of the state mandate of 6,000 megawatts of wind energy by 2025, Bull said.

## State sets lofty goal for wind energy [National Wind Watch]

A Exhibit 4

The state also is hoping the changes will encourage utilities to work closer with wind projects to help them overcome the costs of creating a wind farm, Bull said.

He wants to encourage utilities that are developing their own wind farms to tack on C-BED projects and boost their total production.

"I've told the utilities we need you to be more proactive to get these projects up and running," Bull said. "It is not enough for you to sign a contract and sit back and wait to see what happens."

Renewable energy advocates generally support the changes but are wary about calculating C-BED-produced energy differently, said Beth Soholt, executive director of Wind on the Wires, an advocacy group for wind energy.

Renewable energy advocates fought hard to get the state mandates and they worry that if an exception is made for C-BED, others might ask for similar exemptions.

"It's a slippery slope," Soholt said. "How would you say no to someone else?"

The proposals will be worked on in a task-force committee before they are submitted to the Legislature next month, Bull said. Soholt and Bull said they expect the differences can be worked out.

By Leslie Brooks Suzukamo  
Pioneer Press

[1] twincities.com

31 January 2008

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URLs in this post:

[1] twincities.com: [http://www.twincities.com/business/ci\\_8134192?nclick\\_check=1](http://www.twincities.com/business/ci_8134192?nclick_check=1)

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