



414 Nicollet Mall
Minneapolis, Minnesota 55401-1993

October 24, 2008

VIA ELECTRONIC FILING

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101

Re: In the Matter of the Xcel Energy's Route Permit Application for the Lake Yankton to Marshall Transmission Line Project in Lyon County E-002/TL-07-1407; OAH Docket No. 12-1013-19647-2

Application for Approval of Minor Alteration

Dear Dr. Haar:

I write on behalf of Permittee Northern States Power Company, a Minnesota corporation ("Xcel Energy" or the "Company") to request that the Minnesota Public Utilities Commission ("Commission") approve a minor alteration for the Lake Yankton to Marshall 115 kV Transmission Line Project pursuant to Minnesota Rule 7849.5980. The proposed alteration resulted from candid and productive discussions with affected landowners and should be approved because it will not result in significant changes in the human or environmental impact of the facility.

Procedural History

On August 29, 2008, the Commission issued a Route Permit ("Route Permit") for the approximately 16-mile transmission line between the Lake Yankton north of Balaton to the Southwest Marshall Substation in Marshall. The northern three-mile segment of the project attracted significant debate during the routing proceedings. In all, seven alternatives were evaluated in the Environmental Assessment for this portion of the line.

On September 3, 2008, Charles Kauffman, Betty Kauffman and other landowners who live along 250th Street and 240th Avenue (also known as CSAH 7) in Section 18 of Marshall Township (collectively the "Kauffmans") filed a "Petition After the Commission Decision"

("Kauffman Motion"). In their motion, the Kauffmans requested the Commission consider a new alternative that had not been previously presented in the routing process. The proposed Kauffman Alternative, which the Kauffmans stated was acceptable to neighboring landowners, would move the line north of the approved route along 250th Street. Specifically, with the Kauffman Alternative, the line would go north from 250th Street between 230th Avenue and CSAH 7 and pass over and across agricultural land to CSAH 7.

On October 8, 2008, the Commission considered the Kauffman Motion and determined that the record relating to that 4,500 foot portion of the approved route that would be affected by the Kauffman Motion should be reopened and reexamined. The Commission also encouraged the Kauffmans and the Company to meet with the Kauffmans regarding the proposal.

On October 13, 2008, Company land agents met with the affected landowners in Marshall to review the Kauffman Alternative. These informative discussions resulted in the development of a technically feasible route segment that is acceptable to the Company and the landowners ("Revised Kauffman Alternative"). A diagram of the proposed centerline is attached.

Discussion

The Commission is authorized under Minnesota Rule 7849.5980 to approve a minor alternation to a high voltage transmission line provided the alteration does not result in significant changes in the human or environmental impact of the facility. *Id.* The Company requests that the Commission grant its request to construct the proposed 115 kV line along the Revised Kauffman Alternative because the alteration to the route centerline initially approved in the Route Permit will not result in significantly different impacts and because the Revised Kauffman Alternative has the support of affected landowners.

In its Answer to the Kauffman Motion, Xcel Energy described the relative impacts of the Kaufmann Proposal (modifying the approved route, A-1) and A-1. The relative impacts of the Revised Kauffman Proposal and the approved route, A-1 are nearly identical and are summarized below.

Relative Impacts of Approved Route (A-1) and Revised Kauffman Alternative

	A-1 (approved)	Revised Kauffman Alternative
Homes within 100 feet	1	0
Homes within 200 feet	8	0
Agricultural Land	0	4,000 feet (approximate)
Length following existing right-of-way	4,500 feet (approximate)	0 feet

The comparison table shows that the two segments are approximately the same length and that the Revised Kaufmann Alternative would impact fewer homes than Segment A-1, but would have greater impacts on agricultural land. On balance, the Revised Kauffman Alternative would not significantly change the human or environmental impact of the facility.

The Kauffmans have reviewed and support Xcel Energy's request for authorization to make a minor alteration to the Lake Yankton – Marshall 115 kV project to construct the line along the Revised Kauffman Alternative. On Thursday of this week, the owners of the two parcels upon which the line would be placed, Joseph Cauwels and Wild Brothers, LLC, have executed options with Xcel Energy for the easements that would be required should the Commission approve this minor alteration request.

In addition, Xcel Energy has conferred with Greg Mathiowetz of Highway 59 Company, LLP, the company that owns property abutting 250th Street that is adjacent to a portion of the Revised Kauffman Alternative. Mr. Mathiowetz stated that the company does not object to the proposal because the Revised Alternative would place the transmission line on the neighboring property owned by Cauwels and would not require any acquisition of land from Highway 59 Company, LLP.

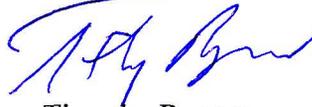
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Conclusion

For the reasons set forth above, Xcel Energy requests that the Commission grant a minor alteration to the Lake Yankton – Marshall 115 kV project and authorize construction along the proposed centerline shown on the enclosed map.

Please call me with any questions.

Sincerely,

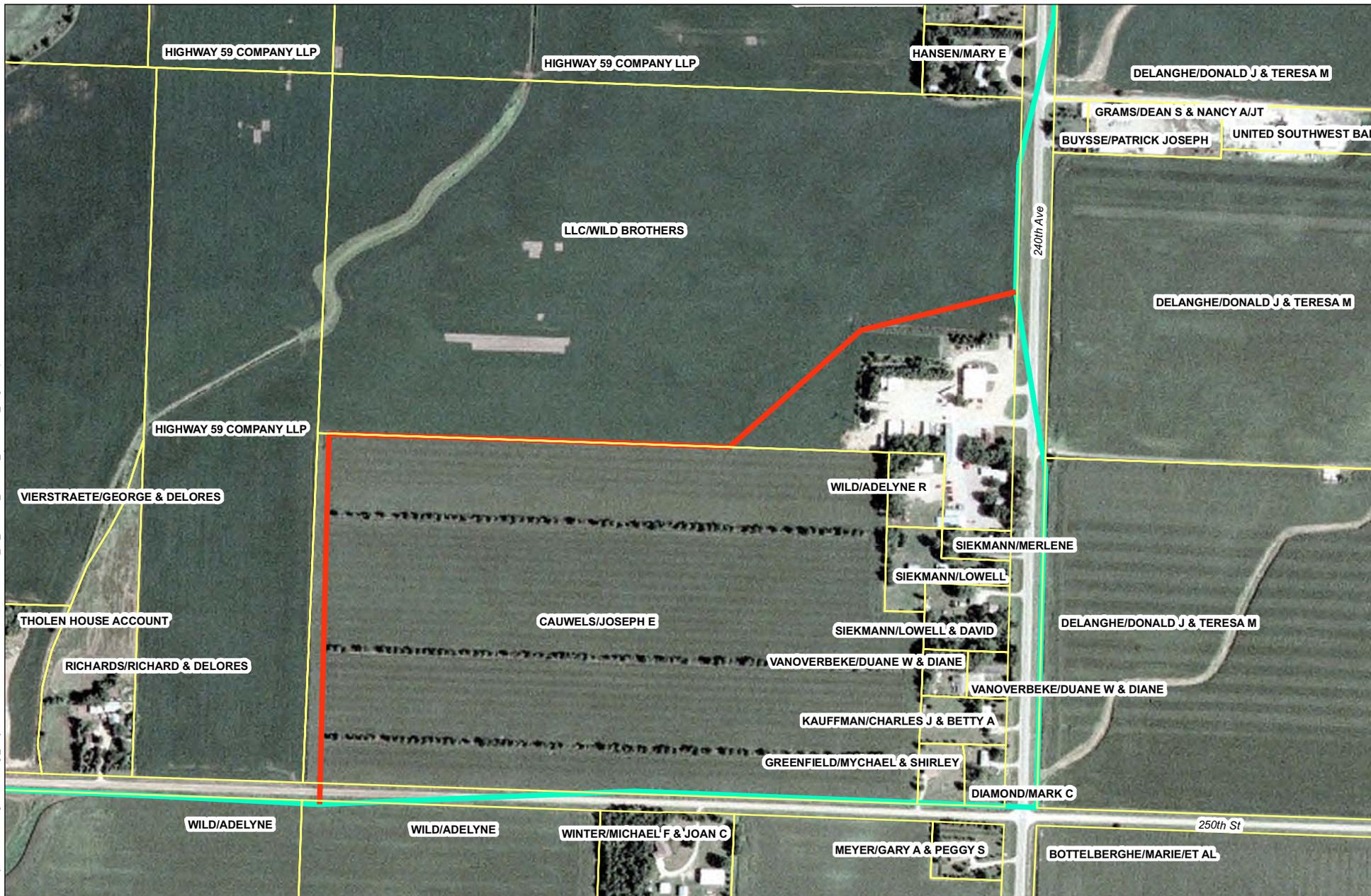


Timothy Rogers
612-330-1955

Enclosure

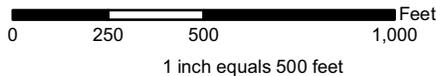
cc: Scott Ek
Kevin Stroup

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Application for Approval of Minor Alteration
 BRIGO - Lake Yankton to Marshall
 Xcel Energy - Proposed Transmission Line #5546

Map developed by:
 Xcel Energy
 Siting and Land Rights -- jwf
 October 17, 2008



Disclaimer: This information is believed to be correct but is subject to change is not warranted.

-  Approved A-1 Route
-  Revised Kauffman Alternative
-  Lyon Co. Assessor Parcel Boundary

N