



BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**COMMENTS AND RECOMMENDATIONS OF THE
MINNESOTA OFFICE OF ENERGY SECURITY
ENERGY FACILITY PERMITTING STAFF**

DOCKET NO. E002/TL-07-1407

Meeting Date: August 14, 2008

Agenda Item # _____

Company: Xcel Energy

Docket No. E002/TL-07-1407

**In the Matter of the Application of Xcel Energy for a Route Permit for the
Lake Yankton to Marshall Transmission Line Project in Lyon County**

Issue(s): Should the Commission find that the Environmental Assessment and the record adequately address the issues identified in the Scoping Decision? Should the Commission issue a route permit identifying a specific route and permit conditions for the proposed Lake Yankton to Marshall Transmission Line Project in Lyon County?

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Relevant Documents (in Commission Packet)

Initial Filing- Route Permit Application – Xcel Energy January 14, 2007
Xcel Energy Letter Proposing Design Modification May 13, 2008
Environmental Assessment May 30, 2008
ALJ's Summary of Testimony at Public Hearings July 30, 2008

The enclosed materials are work papers of the Office of Energy Security Energy Facility Permitting Staff. They are intended for use by the Public Utilities Commission and are based on information already in the record unless otherwise noted.

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Statement of the Issues

Should the Commission find that the Environmental Assessment and the record adequately address the issues identified in the Scoping Decision? Should the Commission issue a route permit identifying a specific route and permit conditions for the proposed Lake Yankton to Marshall Transmission Line Project in Lyon County?

Introduction and Background

Xcel Energy proposes to build a 115 kilovolt (kV) high voltage transmission line (HVTL) from its existing Lake Yankton Substation near Balaton to the existing Marshall Municipal Utilities (MMU) Southwest Marshall Substation. On January 14, 2008, Xcel Energy filed a route permit application for the Lake Yankton to Marshall Transmission Line Project (the Project).

The proposed Project is the third of three transmission line route permits to be considered by the PUC for Xcel Energy's (Xcel) "Buffalo Ridge Incremental Generation Outlet" (BRIGO) transmission project.

The BRIGO transmission project is part of a series of measures intended to increase transmission capacity to export wind energy generated on the Buffalo Ridge to Xcel Energy's customers. Xcel indicates that the three proposed BRIGO transmission lines will increase the transmission outlet capacity on the Buffalo Ridge from approximately 825 megawatts (MW) to approximately 1,175 MW and resolve electric reliability issues in the city of Marshall.

The Minnesota Public Utilities Commission (PUC or Commission) issued a Certificate of Need (CON) to Xcel for the BRIGO transmission project on September 14, 2007. In its Order, the PUC required that Xcel file route permit applications for all the three BRIGO transmission lines no later than January 2008 and take necessary steps to have the lines constructed and in-service no later than spring 2009.¹

Project Area

The Xcel Energy Lake Yankton to Marshall Transmission Project is proposed in Lyon County, Minnesota. The proposed route begins north of Balaton at the existing Lake Yankton Substation and terminates at the Southwest Marshall Substation on the southern boundary of Marshall. Nearly the entire proposed route runs parallel to state, county and township road rights-of-way (ROW).

The area along the proposed route is rural and dominated by agricultural land uses. The area contains some rural homes and farmsteads and concentrations of residential development near Marshall. Several transmission, distribution lines and pipelines are present along portions of the route.

¹ PUC Docket E002/CN-06-154, <https://www.edockets.state.mn.us/EFiling/ShowFile.do?DocNumber=4772937>

Project Description

The length of the proposed transmission line route is approximately 15.7 miles. Xcel also proposes to install associated facilities including improvements to both substations to accommodate the new transmission line.

The Environmental Assessment (EA) conducted by the Office of Energy Security (OES) Energy Facilities Permitting (EFP) staff provides a detailed description and analysis of Xcel's proposed route, as well as several alternative route segments. Nearly the entire 15.7 mile long proposed and alternative routes run parallel and immediately adjacent to existing ROW, except the northern most two miles in Lake Marshall Township Sections 17 and 18.

Xcel is requesting a 400 foot wide route and proposes to construct the transmission line primarily on private lands within 10 feet outside of the road ROW it parallels where possible.

Xcel Energy proposes to utilize steel, single circuit transmission line structures with braced horizontal insulators designed to carry 115 kV conductors throughout the approved route. These structures are 90 feet tall and will have an average span of 700 feet between structures.

Xcel's May 13, 2008, letter and public hearing testimony proposed to use the braced post transmission structures and shows a cross section drawing and photo of the structures. The transmission right-of-way (easement area) width requirement for the 115 kV transmission project would be 75 feet wide where the line travels cross country and 42.5 feet where the line runs parallel to road ROW.²

Regulatory Process and Procedures

A route permit from the Commission is required to construct an HVTL, which is a transmission line and associated facilities capable of operation at 100 kilovolts or more. The Power Plant Siting Act requirement became law in 1973 in Minnesota Statutes, 216E.001 through 216E.18. The rules to implement the permitting requirement for an HVTL are in Minnesota Rules Chapter 7849.

The Application was reviewed under the Alternative Review Process (Minnesota Rules 7849.5510) of the Power Plant Siting Act (Minnesota Statutes Chapter 216E). Under the Alternative Review Process, an applicant is not required to propose any alternative sites or routes. OES EFP staff holds initial public information/scoping meeting, develops a scoping decision recommendation, prepares a document called an EA, and holds public hearing. The Commission has six months to reach a final permit decision under the Alternative Process from the time an application is accepted

Application & Acceptance

On November 1, 2007, a letter was filed with the Commission by Xcel noticing its intent to submit a Route Permit Application under the Alternative Permitting Process. On January 14,

² Exhibit 3

2008, Xcel filed a Route Permit Application for the Project (Exhibit 3). The Commission accepted the Application as complete on February 8, 2008.

Public Information and EA Scoping Meeting

On March 4, 2008, EFP staff held the initial public information/scoping meeting at the Lyon County Government Center in Marshall. Approximately 25 people, excluding OES staff and the Applicant's representatives, attended the meeting. The purpose of the public meeting was to provide the public with information about the Project, afford the public an opportunity to ask questions and present comments, and to solicit input on the content of the EA.

During the initial public information/scoping meeting concern was raised about the portion of Xcel's proposed route (approximately 1 mile) that is proposed to run diagonally, cross country through portions of Lake Marshall Township Section 17. Some members of the public commented that this segment would place the transmission line unacceptably close to the Klien Addition suburban subdivision, and would have agricultural and future development impacts. Several comments were received proposing several route alternatives to evaluate in the EA.

Five comment letters were received, including three comments proposing alternatives to the route proposed by Xcel Energy.

The EA Scoping Decision was signed by the Director of the OES on March 27, 2008. The EA was made available on May 30, 2008.

Public Hearing

OES EFP staff requested that the Office of Administrative Hearings assist the OES by assigning an ALJ to preside over the public hearing and provide a summary of testimony at the public hearing.

ALJ Steve Mihalchick conducted a public hearing during the evening of June 26, 2008, at the Lyon County Government Center in Marshall, Minnesota. Approximately 25 persons attended the hearing. The ALJ provided the opportunity for members of the public to air their views regarding the proposed route and alternative routes of the 115 kV HVTL. The comment period closed on July 11, 2008, and 26 comment letters were received by the ALJ. The ALJ filed his summary of testimony at the public hearing on July 30, 2008.

As indicated in the ALJ's summary of public comments (Exhibit 22), all of the controversy and nearly all of the comments received regarding the Project involves the routing of the northern most two miles of the transmission line through Lake Marshall Township Sections 17 and 18. Nearly all of the 26 comments (Exhibit 21) received by the ALJ either opposed the proposed route and supported one of the route alternatives, or opposed one or all of the route alternatives and supported the proposed route. Comments were submitted by individual landowners along the proposed and alternative routes, the Klien Addition homeowners association, and the Lyon County Board of Commissioners.

Standards for Permit Issuance

The Power Plant Siting Act sets standards and criteria and outlines the factors to be considered in determining whether to issue a permit for a HVTL (Minnesota Statute 216E and Minnesota Rules 7849.5900). Also, the law allows the PUC to place conditions on HVTL permits (Minnesota Statute 216E.03 and Minnesota Rule 7849.5960).

DOC EFP Staff Analysis and Comments

The OES EFP staff has attached proposed Findings of Fact, Conclusions and Recommendation (Attachment A) and a proposed Route Permit (Attachment B). A list of documents that are part of the record in this proceeding is included on the attached Exhibit List (Attachment C). EFP staff made these documents available to the public on August 1, 2008. The Findings indicate that the permitting process has been conducted in accordance with Minnesota Rules Chapter 7849, identify route impacts and mitigation measures, and make conclusions of law. The proposed Route Permit includes measures to ensure the line is constructed in a safe, reliable manner and that impacts are minimized or mitigated.

Staff Analysis

The southern 13 miles of the proposed transmission line route have attracted no controversy and little public comment or inquiry, other than requests to know on which side of the road Xcel intends to build the transmission line. All of the controversy about the route is focused on the northern most two to three miles of the proposed route and alternatives A-1 and A-2 through Lake Marshall Township Sections 17 and 18.

The EFP staff has reviewed Xcel Energy's proposed route and the alternative route segments in Lake Marshall Township sections 17 and 18 in the EA and at the public hearing. Permitting the transmission line along the proposed route or along the route alternatives in Lake Marshall Township Sections 17 and 18 requires a careful balancing of impacts and priorities.

In Sections 17 and 18, Xcel's proposed route runs primarily diagonally, cross county across agricultural lands, along a small stream and wetlands, and bisects lands intended to be developed by the landowner in the near future, but has no homes within 200 feet of the route centerline. Alternative routes A-1 and A-2, both run almost exclusively along existing road ROW and have 20 and 22 homes within 200 feet of the centerline of the alternative routes.

A table comparing the impacts of the proposed route with alternatives A-1 and A-2 from Xcel Energy's hearing testimony (Exhibit 17, page 11) is found below:

EVALUATION CRITERIA	ROUTE NAMES		
	PROPOSED ROUTE	ALTERNATIVE A-1	ALTERNATIVE A-2
Residences within 100 feet	0	0	0
Residences within 100-200 feet	0	20	22
Length through future development*	4,100 ft.	0	0
Length along existing or natural corridors	14,128 ft.	17,825 ft.	17,600
Length across agricultural land	2,900 ft.	0	0
Total Length	17,028 ft.	17,825 ft.	17,600 ft.
Costs	\$1,020,000	\$1,133,000	\$1,150,000

* Areas for future development were those areas where landowners indicated that they have preliminary plans to develop the land.

Alternatives A-1 and A-2 both reduce the amount of agricultural lands impacted by approximately 2,900 feet, and reduce impacts to lands likely to be developed in the future by approximately 4,100 feet compared with the proposed route. Alternatives A-1 and A-2 maximize the use of existing road ROW by approximately 3,700 feet and 3,472 feet more than the proposed route. However, A-1 and A-2 are slightly more expensive, longer, and are much closer to more homes than the proposed route.

The public comments received during the comment period clearly establish that there is no consensus among members of the public living nearby the proposed route and alternative route. Residents of the Klien Addition, a suburban style subdivision more than 600 feet from the proposed route, strongly oppose Xcel's proposed route. Residents along alternatives A-1 and A-2, mostly rural residences along and within 200 feet from the centerlines of 240th Street, 250th Street and County Highway 7, strongly oppose alternative routes A-1 and A-2.

The EFP staff believe that any of the three main routes under consideration (the proposed route, Alternative A-1 and Alternative A-2) could be permitted by the PUC. Xcel Energy's permitting analyst stated in hearing testimony that the Company continues to support its proposed route because "in comparison to the other alternatives, it minimizes impacts to residences. These other two alternatives [A-1 and A-2] are, however, viable route options, and the Company is not opposed to routing this transmission line along either of these alternative routes."³

In this case, and in every transmission line routing case, the EFP staff is guided by the principle of minimizing the proliferation of new ROW in areas where existing ROW can be utilized and by the Power Plant Siting Act's criteria and standards to minimize human and environmental impacts of transmission line routing.

³ Exhibit 17, pages 9-10

EFP staff believe that the Alternative A-1 strikes the right balance of minimizing proliferation of new ROW and minimizing agricultural impacts in Lake Marshall Township by routing the transmission line immediately adjacent to road ROW and avoiding impacts to lands slated for future development. When compared with Xcel's proposed route, A-1 has greater impacts on nearby residences. A-1 has approximately 20 homes 100 - 200 feet from the centerline of the transmission line route (adjacent road centerline). It appears that the transmission line can be built on the opposite side of the road (and at least 120 feet) from all, except perhaps one, of the homes along the A-1 route segment.

As discussed earlier, when compared to Xcel's proposed route, Alternative A-1 has fewer impacts on agricultural lands by routing the line along road ROW, which reduces the amount of agricultural land exposed to potential crop and soil damage as the route can be accessed from the adjacent road. A-1 has less impact on lands slated for future development by avoiding these lands. A-1 also takes a more direct route to the Southwest Marshall Substation, but is slightly longer (800 feet) and slightly more expensive (\$113,000) than Xcel's proposed route within Lake Marshall Township Sections 17 and 18.

PUC Decision Options

A. Approve and Adopt the Findings of Fact, Conclusions of Law and Order for the Xcel Energy Lake Yankton to Marshall Transmission Project which:

1. determines that the Environmental Assessment and record created at the public hearing address the issues identified in the EA Scoping Decision;
2. approves the proposed route modified by the A-1 alternative segment for the construction of the transmission line and;
3. issues a high voltage transmission line Route Permit, with appropriate conditions, to Xcel Energy.

B. Approve and Adopt the Findings of Fact, Conclusions of Law and Order for the Xcel Energy Lake Yankton to Marshall Transmission Project which:

1. determines that the Environmental Assessment and record created at the public hearing address the issues identified in the EA Scoping Decision;
2. approves the proposed route for the construction of the transmission line and;
3. issues a high voltage transmission line Route Permit, with appropriate conditions, to Xcel Energy.

C. Approve and Adopt the Findings of Fact, Conclusions of Law and Order for the Xcel Energy Lake Yankton to Marshall Transmission Project which:

1. determines that the Environmental Assessment and record created at the public hearing address the issues identified in the EA Scoping Decision;
2. approves the proposed route modified by the A-2 alternative segment for the construction of the transmission line and;
3. issues a high voltage transmission line Route Permit, with appropriate conditions, to Xcel Energy.

D. Approve and adopt the Findings of Fact, Conclusions and Order as above while imposing any further permit conditions as deemed appropriate.

E. Amend the Findings of Fact, Conclusions and Order and Route Permit as deemed appropriate.

F. Make some other decision deemed more appropriate.

EFP Staff Recommendation

Staff recommends Option A.

STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

<p>In the Matter of the Application of Xcel Energy for a Route Permit for the Lake Yankton to Marshall Transmission Line Project in Lyon County</p>	<p>FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER ISSUING A ROUTE PERMIT TO XCEL ENERGY FOR THE LAKE YANKTON TO MARSHALL TRANSMISSION PROJECT MPUC DOCKET NO. E002/TL-07-1407</p>
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The above-captioned matter came before the Minnesota Public Utilities Commission (PUC or Commission) on August 14, 2008, acting on an application by Northern States Power Company, d/b/a Xcel Energy (Xcel or the Company) for a Route Permit to construct a new, 115 kilovolt (kV) high voltage transmission line (HVTL) between the Company's existing Lake Yankton Substation in Lyon County and the existing Southwest Marshall Substation in Lyon County, a distance of approximately 15.7 miles.

A public hearing was held on June 26, 2008. The public hearing record closed on July 11, 2008.

STATEMENT OF ISSUE

Should the Commission find that the Environmental Assessment and the record adequately address the issues identified in the Scoping Decision? Should the Commission issue a route permit identifying a specific route and permit conditions for the proposed Lake Yankton to Marshall Transmission Line Project in Lyon County?

Based upon all of the proceedings herein, the Commission makes the following:

FINDINGS OF FACT

The Applicant

1. The Applicant is Xcel Energy, a Minnesota investor owned utility with headquarters in Minneapolis. Xcel Energy provides electricity services to approximately 1.2 million customers and natural gas services to 425,000 residential, commercial and industrial customers. Xcel Energy also provides electricity service to customers in Wisconsin, South Dakota and North Dakota.

The Project

2. Xcel proposes to construct a 115 kV transmission line and associated substation modifications between the existing Lake Yankton Substation and the existing Southwest Marshall Substation. Xcel Energy will construct, own, and operate the proposed 115 kV transmission line.

3. The Project is part of Xcel Energy's Buffalo Ridge Incremental Generation Outlet (BRIGO) transmission project, which is a series of measures intended to increase transmission capacity to export wind energy generated on Southwestern Minnesota's Buffalo Ridge to Xcel Energy's customers and resolve electric reliability issues in the city of Marshall. The permit application, maps, appendices, and other documents were made available to the public through the PUC Energy Facility and edockets websites.¹

4. The Project is proposed entirely in Lyon County, Minnesota. The proposed route begins north of Balaton at the existing Lake Yankton Substation and terminates at the Southwest Marshall Substation at the southern boundary of Marshall. Nearly the entire proposed route runs parallel to state, county and township road rights-of-way. The area along the proposed route is rural and dominated by agricultural land uses, although some suburban and concentrations of rural residential lands are found near Marshall. Several transmission and distribution lines are present in the area.²

5. In its Application, Xcel identifies the elements of the Project. Construction of approximately 15.7 miles of 115 kV transmission line between the Lake Yankton Substation and the Southwest Marshall Substation and installation of associated facilities to accommodate the new transmission line at the Lake Yankton Substation. The substation facilities will not require expansion of the substation footprint.

6. Xcel Energy proposes to utilize steel, single circuit transmission line structures (poles) with braced post insulators for the proposed line. The structures will average 90 feet tall and will have an average span of approximate 700 feet. Figure 4 in the Environmental Assessment (EA) shows a cross section drawing of a typical 115 kV single pole structures being considered for this Project.

7. The transmission line will utilize 795 aluminum core steel supported (ACSS) conductors, as well as a shield wire to protect the transmission line from lightning.

8. The transmission right-of-way (easement area) width requirement for the 115 kV transmission project would be 75 feet wide. The width of the right-of-way (ROW) cleared will be less in areas where the new transmission line follows an existing linear corridor, such as an existing transmission line or road. Xcel Energy will seek a permanent easement, providing the right to construct, operate and maintain the

¹ The Xcel Lake Yankton to Marshall Transmission Project information is located on the PUC website at: <http://energyfacilities.puc.state.mn.us/Docket.html?Id=19448>

² Exhibit 3

transmission line, for the full width and length of the ROW. Additional ROW may be required for longer spans or special design requirements based on a final survey. ROW width depends on conductor blowout and the recommended clearances to obstructions along the route.³

Procedural History

9. Minnesota Statute 216B.243, subd. 2, states that no large energy facility shall be sited or constructed in Minnesota without the issuance of a Certificate of Need (CON) by the Commission. Minnesota Statute 216B.2421, subd. 2(3) defines a “large energy facility” as any high voltage transmission line with a capacity of 100 kV or more with more than ten miles of length or that crosses a state line. Because the proposed Project is greater than 10 miles in length, a CON is required.

10. The Commission issued a CON to Xcel Energy for the BRIGO transmission project, including the proposed Lake Yankton – Southwest Marshall transmission line, on September 14, 2007. In its Order, the PUC required that Xcel file route permit applications for all the three BRIGO transmission lines no later than January 2008 and take necessary steps to have the lines constructed and in-service no later than spring 2009.⁴

11. On November 1, 2007, a letter was submitted to the Commission by Xcel providing notice of its intent to submit a Route Permit Application under the Alternative Permitting Process set forth in Minnesota Rules 7849.5500 to 7849.5720.⁵

12. On January 14, 2008, Xcel filed a Route Permit Application for the Lake Yankton to Southwest Marshall transmission project.⁶

13. The Commission accepted the Application as complete on February 8, 2008.⁷

14. On January 20, 2008 Xcel Energy published notice of Route Permit Application in the *Marshall Independent* newspaper as required under Minnesota Rule 7849.5550 and on January 29, 2008, Xcel mailed a notice of Route Permit Application to persons required.⁸

15. On February 19, 2008, the OES mailed a combined Notice of Public Information and Environmental Assessment (EA) Scoping Meeting to those persons whose name appeared on the PUC's power plant general notification list, local officials

³ Exhibit 2, Chapters 4 -5

⁴ PUC Docket E002/CN-06-154, PUC Order Granting Certificates of Need
<https://www.edockets.state.mn.us/Efiling/ShowFile.do?DocNumber=4772937>

⁵ Exhibit 1

⁶ Exhibit 2 and Exhibit 3

⁷ Exhibit 6

⁸ Exhibit 8

and property owners along the proposed route in compliance with Minnesota Rule 7849.5550.⁹

16. Xcel published Notice of Application and Notice of Public Information and Environmental Assessment (EA) in the *Marshall Independent* January 20, 2008, in compliance with Minnesota Rules 7849.5500 and 7849.5570.¹⁰

17. A Public Information and EA Scoping meeting was held on March 4, 2008, at the Lyon County Government Center in Marshall, Minnesota, in accordance with Minnesota Rule 7849.5570. Approximately 25 persons attended. During the meeting, several landowners voiced concerns related to transmission line construction, crop damage and the proximity of the proposed transmission line to homes along the proposed route. These issues, along with the typical line routing impacts, were incorporated into the EA Scoping Decision.

18. During the public information meeting, concern was raised about the portion of Xcel's proposed route (approximately the northern most 3 miles) which crosses portions of Lake Marshall Township Sections 17 and 18.

19. Five comment letters were received during the scoping comment period concerning the Lake Yankton to Marshall Transmission Project, including three requesting that OES include specific alternative routes in the EA.¹¹

20. The EA Scoping Decision was signed by the Director of the Office of Energy Security on March 31, 2008.¹²

21. The EA was filed with the PUC and made available on May 20, 2008.¹³

22. Pursuant to Minnesota Rule 7849.5710, Xcel published Revised Notice of Public Hearing in the *Marshall Independent* on June 12, 2008.¹⁴

23. On June 5, 2008, the OES mailed a Revised Notice of Public Hearing to those persons on the project mailing list and to those local governmental representatives required to be served with notice in accordance with Minnesota Statute 216E.03 and Minnesota Rule 7849.5710.¹⁵

24. On June 16, 2008, the Revised Notice of Public Hearing and Availability of Environmental Assessment was published in the *EQB Monitor*.

⁹ Exhibit 7

¹⁰ Exhibit 17

¹¹ Exhibits 9, 10 and 12

¹² Exhibit 11

¹³ Exhibit 12

¹⁴ Exhibit 19

¹⁵ Exhibit 11 and Exhibit 13

25. Administrative Law Judge (ALJ) Steve Mihalchick presided over a public hearing during the evening of June 26, 2008. The public hearing was held at the Lyon County Government Center, 607 West Main Street, Marshall, Minnesota. The ALJ provided the opportunity for members of the public to air their views regarding the proposed route of the transmission line. The comment period closed on July 11, 2008.¹⁶

26. Minnesota Office of Energy Security (OES), Energy Facility Permitting project manager Adam Sokolski appeared at the Public Hearing on behalf of the OES staff and pursuant to Minnesota Rule 7849.5710, subpart 3, provided a presentation describing the Route Permit process, the proposed Project, the EA and introduced documents into the record.¹⁷

27. Xcel Energy employee Timothy Rogers appeared at the Public Hearing on behalf of the Company and testified about the Project, proposed route, human, agricultural and environmental impacts, and other matters related to the Project. Attorneys Lisa Agrimonti and Valerie Herring of the Briggs and Morgan law firm also appeared on behalf of the Company.¹⁸

28. Approximately 25 members of the public attended the Public Hearing. All persons who desired to speak were afforded a full opportunity to make a statement on the record.¹⁹

29. A comment period for written comments was open until July 11, 2008. Twenty six written comments were received.²⁰ On July 30, 2008, ALJ Mihalchick filed a Summary of Testimony at the Public Hearing.²¹

Environmental Assessment Analysis of Proposed Route and Alternative Route

30. The EA was prepared in accordance with Minnesota Rule 7849.5700 and contained all of the information required. The EA evaluated Xcel Energy's proposed route and a number of alternative route segments proposed by the public in Lake Marshall Township Sections 17 and 18.²²

Potential Impacts and Mitigation

31. The total amount of agricultural land that will be permanently impacted by the Project is approximately one half mile greater along the proposed route than along Alternatives A-1 and A-2. Permanent impacts will occur due to the placement of the transmission line poles. Temporary impacts may include soil compaction and crop

¹⁶ Exhibit 22

¹⁷ Id.

¹⁸ Id.

¹⁹ Id.

²⁰ Id. and Exhibit 21

²¹ Id.

²² Exhibit 15

damage within the transmission line right-of-way (ROW). Landowners will be compensated for the use of their land and crop damages through easement payments. Additionally, to minimize loss of farmland and to ensure reasonable access to the land near the poles, Xcel intends to place the poles within 10 feet outside of the road ROW for nearly the entire length of the route, except where Xcel has proposed routing cross country using the proposed route in Lake Marshall Township Section 17. When possible, Xcel will attempt to construct the transmission line before crops are planted or following harvest. Xcel will compensate landowners for crop damage and soil compaction that occur as a result of the Project.²³

32. The proposed transmission lines will be designed to meet or exceed all requirements of the National Electric Safety Code (NESC), which is the utility safety standard that applies to all transmission lines. In addition, the substation facilities will be fenced, and access will be limited to authorized personnel. The proposed transmission line will meet the National Electric Reliability Council's (NERC) reliability standards.

33. The Project will create only nominal corona or noise impacts and mitigation measures are not necessary.

34. There are no areas of concentrated residential or commercial developments immediately adjacent or close to the proposed route. There are residential areas adjacent to route alternatives A-1 and A-2 in Lake Marshall Township Section 17.

35. The transmission line and structures may contrast with surrounding land uses; nearly the entire length of the proposed route and all of route alternatives A-1 and A-2 utilize existing transmission and transportation corridors, and will avoid homes to the greatest extent practicable. Xcel will work with landowners to identify concerns related to the transmission line, including tree clearing, replanting cleared areas, addressing soil compaction and crop damages. The final alignment of the transmission line, where routed along existing roads, can and will cross the road in order to avoid homes and farmsteads to the extent practicable.

36. Socioeconomic impacts will be primarily positive. The Project will create short-term construction expenditures in the area and transmission capacity in order to further develop wind farms in the general area and along Buffalo Ridge, and will resolve electric reliability problems in Marshall.

37. There are public recreational areas, Wildlife Management Areas (WMA), or other public parks near the Project. The Project will not be constructed within these areas and will not impact these resources.

38. Traffic levels may be slightly impacted during construction of the Project, with no impacts anticipated during facility operation; and no mitigation necessary. The operation of the transmission line will have no impact on traffic patterns or usage. The

²³ Exhibits 2, 3, 15 and 17

route permit requires Xcel to cooperate with local units of government on placement of transmission structures in a manner to accommodate planned future road rebuilding and reconstruction plans, including the reconstruction and expansion of 250th Street.

39. The proposed transmission line will not impact active mining operations.

40. The proposed route and the alternative routes do not contain prohibited sites, including National Parks; national historic sites and landmarks, national historic districts; national wildlife refuges; national monuments; national wild, scenic and recreational river ways; state wild, scenic, and recreational rivers and their land use districts; state parks; nature conservancy preserves; state scientific and natural areas; and state and national wilderness areas.

41. Construction of the transmission line will result in no disturbances to the bedrock geology beneath the Project route. Soils exposed during construction may be vulnerable to erosion until stabilized. Some compaction of surface soils may result from the use of heavy construction equipment. Xcel Energy will implement best management practices (BMP) during construction activities to prevent and minimize soil erosion and compaction as stated in the Application and as required by the National Pollutant Discharge Elimination System (NPDES) permit issued by the Minnesota Pollution Control Agency (MPCA).

42. In September 2007, Xcel Energy's archaeological consultant reviewed the records at the Minnesota State Historical Preservation Office (SHPO) and conducted a Phase Ia Cultural Resources Survey, both of which indicate that no known historic or archaeological resources near the proposed route. Impacts to previously identified resources are not anticipated as a result of the Project. In the event that an impact would occur, Xcel Energy would determine the nature of the impact and consult with the SHPO on whether or not the resource was eligible for listing in the NRHP.

43. Limited impacts to trees will occur due to the routing of the transmission line. Trees and tall vegetation will be cleared for approximately 37.5 feet on either side of the 115 kV transmission line along the route. To minimize impacts to trees, Xcel will only remove trees located in the ROW for the transmission lines.

44. There is potential for displacement of wildlife during construction of the Project and the loss of small amounts of habitat from the transmission line route. Displacement of fauna is anticipated to be temporary in nature. Because no long-term population-level effects are anticipated no mitigation will be required.

45. Transmission lines can pose an electrocution danger to large birds such as raptors. Xcel Energy's transmission line design standards provide adequate spacing to eliminate the risk of raptor electrocution, so there are no concerns about avian electrocution as a result of the transmission line.

46. The issue of electromagnetic fields (EMF) was discussed in the EA. EMF, present around any electrical device, have been the subject of much discussion regarding potential human health effects. The intensity of the electric field is related to the voltage of the line and the intensity of the magnetic field is related to the current flow through the conductors. Both magnetic and electric fields decrease in intensity with increasing distance from the source.

47. There is insufficient evidence to demonstrate a causal relationship between EMF exposure and any adverse human health effects. On the basis of the most current information available from the World Health Organization and expert advice of the Minnesota Department of Health, no Minnesota regulations have been established pertaining to magnetic fields from HVTLs.

48. Impacts to air quality will be minimal, temporary, and associated only with ROW clearing and line construction.

49. Construction of the Project will not directly affect surface water resources. During construction, there is a possibility of sediment reaching surface waters as the ground is disturbed by excavation, grading and construction traffic. Though no permanent impacts to water bodies or wetlands are anticipated, Xcel Energy will minimize impacts to wetlands and other water resources by using standard erosion control measures and BMPs. A NPDES permit from the MPCA and Storm Water Pollution Prevention Plan will be required for the Project. Once the Project is complete it will have no impact on surface water quality. No additional mitigation is necessary.

50. At the request of Xcel Energy, the DNR searched the Minnesota Natural Heritage database for known occurrences of rare species and natural communities within the proposed route. The DNR's search resulted in the identification of one Minnesota species of special concern, the Prairie Mimosa (*desmanthus illinoensis*), a native prairie plant species, which was last observed near the Lake Yankton Substation in 1954. No mitigation is necessary.

51. The proposed route and alternatives A-1 and A-2 analyzed in the EA have similar human and environmental impacts, some of which are unavoidable if the Project is permitted and built. None of the routes is expected to cause an irreversible or irretrievable commitment of resources.

52. In its Application, Xcel estimated that the Project will cost approximately \$13,089,000. The Company reduced its cost estimates to approximately \$7,500,000 in its testimony provided at the public hearing.²⁴

Assessment of the Alternatives

53. At the March 4, 2008, Public Meeting, and in public comments, a number of landowners who live along the Company's proposed route in Lake Marshall Township

²⁴ Exhibit 2 and Exhibit 17

Sections 17 and 18, requested that the OES evaluate in the EA several alternatives to the proposed route. These routes included all of the routes evaluated and rejected by Xcel Energy in its route permit application.

54. Impacts from the proposed route and route alternatives in Lake Marshall Township sections 17 and 18 evaluated in this EA are quite similar. Except for minor short-term impacts during construction, there are no impacts to air quality or to noise experienced in the Project Area anticipated from the Project. Impacts with respect to aesthetics, recreation, archaeological and historic features, human health and safety, radio and TV reception, soils and geology, and fauna are anticipated to be the same for all alternatives evaluated. Impacts to land use and agriculture vary among the proposed route and route alternatives in Lake Marshall Township Sections 17 and 18. Areas where there is some variation in impacts among alternatives are summarized by route alternative below. Each route alternative is shown Figure 2 in the Application and in Xcel's hearing testimony.

55. The proposed route has the fewest homes and businesses immediately adjacent to the route (0-200 feet). The proposed route has no homes within 200 feet. The proposed route would be within 200 feet of 1 business. Several comments from residents of the 42 home Klien Addition, a suburban style subdivision in the northwestern quarter section of Section 18, Lake Marshall Township, have expressed the opinion that the proposed route is too close to homes in this area. The Stattlemans and other landowners on 257th Street along the proposed route have commented that the proposed route bisects private parcels between Minnesota Highway 23 and 257th planned for development in the near future.²⁵ The proposed transmission line route and alignment is approximately 600-700 feet from the back side of the nearest homes in the Klien Addition.

56. The proposed route (and Alternative B) in Lake Marshall Township Section 17 runs cross country in undeveloped drainage and floodplain areas for approximately one mile. This section of the route contains no existing road, transmission, distribution or other existing ROW, however, the route is proposed along the border of cultivated fields and lowlands or wetland areas. Portions of the proposed route are within the 100-year floodplain, particularly in the northern half of Lake Marshall Township Section 18.

57. Alternative A-1 is approximately 800 feet longer than the proposed route. Rather than running cross country through Section 17, Lake Marshall Township, A-1 follows 250th Street east 1 mile to CSAH 7, where it turns north and runs parallel to the west side of CSAH 7 for approximately 0.75 mile. At this point, Alternative A-1 turns east and runs cross country 0.5 mile along a ditch and field line to the Southwest Marshall Substation. The last 0.5 mile portion of the alternative is used by the proposed route, A-1, A-2, B, and D-1.

58. Alternative A-1 has the second highest number of homes immediately adjacent to the route (0-200 feet). Alternative A-1 contains no homes within 100 feet, 20

²⁵ Exhibits 9 and 21

homes between 100- 200 feet, and no businesses within 200 feet of the proposed centerline of the route, which is the centerlines of 250th Street and CSAH 7. Most of the homes in Alternative A-1 are located along the west side of CSAH 7 north of 250th Street and south of Highway 23. Only one home is located on the east side of CSAH 7, and it is likely that the transmission line could cross to the western side of the road for a short distance to avoid that home. Electric distribution lines are present along 250th and CSAH 7.

59. In comments filed on May 5, 2008, Marshall Municipal Utilities (MMU) indicated that it no longer plans to build a future transmission line along CSAH 7 south of Highway 23 and north of 250th Street, which was one of the reasons the A-1 route was rejected in Xcel's Application.²⁶ MMU would not object to the Lake Yankton to Marshall transmission line route along CSAH 7 in this area. MMU indicates that it may be able to assign the easements it has acquired for this future transmission line to Xcel Energy in this area.

60. In comments filed on March 24, 2008, Lyon County indicated that it is planning to convert 250th Street to a County State Aid Highway in this area.²⁷ When this occurs, the 250th Street ROW will increase from 60 feet wide to 120 feet wide. Routing the transmission line along 250th Street (common for alternative A-1, C-1, and C-2) may be appropriate, but may require additional consultation and coordination with Lyon County regarding placement of transmission line structures prior to the county expanding the road ROW.

61. Alternative A-2 (250th Street/Highway 7 Alternative) was not evaluated in the Application, but is an attempt by the EFP staff to address concerns raised by the public and provide a route alternative that avoids the potential transportation impacts to 250th Street. The alternative segment begins at the intersection of 240th Street and 230th Avenue, follows 240th Street east approximately 1 mile until reaching the intersection of 240th Street and 240th Avenue (Lyon County Road 7). At this point, the alternative segment follows 240th Avenue (County Road 7) north approximately 1 mile to the intersection of 250th Street and 240th Avenue (County Road 7). At this point, the alternative segment would follow the same route as A-1 to the substation.

62. Alternative A-2 is approximately 575 feet longer than the proposed route. There are no homes within 100 feet, 22 homes between 100-200 feet of the centerline of the route. It appears that the transmission line could run along either side or cross the roads in this route to avoid homes. There are three potential crossings of wetlands or water bodies along this route alternative. Because the line would be built on private lands immediately adjacent to the road ROW, the route would have the same agricultural impacts per mile as the rest of the transmission line.

²⁶ See MMU comments dated May 2, 2008 at:
<https://www.edockets.state.mn.us/EFiling/ShowFile.do?DocNumber=5176334>

²⁷ Exhibit 10, Lyon County comments:
<https://www.edockets.state.mn.us/EFiling/ShowFile.do?DocNumber=5037430>

63. Alternative B is virtually identical to Xcel Energy's proposed route, but rather than running cross country in the northeastern quarter of Section 17, Lake Marshall Township, Alternative B runs along 257th Street, which is about 500 feet (one tenth of a mile) south of the proposed route. There are four homes within 100 feet and one business within 200 feet of the centerline of 257th Street and Alternative B. All of the homes along 257th Street are located on the south side of the street. While this alternative may have fewer impacts on future development of land than the proposed route, the transmission line would be very close (approximately 75 – 125 feet) to the homes and business along 257th Street. Comments received from landowners in the Klien Addition, the Stattlemans and others in the area oppose this route due to its proximity to homes in the Klien Addition and along 257th Street.

64. Alternative C-1 runs along 250th Street starting at 230th Avenue, east approximately 1.5 miles until it turns north at approximately the half section line in Section 17, Lake Marshall Township. At this point the route turns north and runs approximately 0.75 mile across farm fields before terminating at the Southwest Marshall Substation. Alternative C-1 has 1 home within 100 feet, 8 homes between 100-200 feet and no businesses within 200 feet. Alternative C-1 is approximately 950 feet longer than Xcel's proposed route, but runs cross country for a shorter distance (0.75 mile vs. 2.25 miles). The 0.75 mile cross-country portion of Alternative C-1 runs across actively cultivated fields and would adversely impact these fields.

65. Because Alternative C-1 runs along 250th Street, it shares the same potential transportation impacts as Alternative A-1 and C-2. Public comments of the Klien Addition and Stattlemans have generally been supportive of this alternative. The landowner, Don DeLahnge, in Lake Marshall Township Section 17 strongly opposes this route due to high agricultural impacts to his fields caused by this route.²⁸

66. Alternative C-2 runs along 250th Street starting at 230th Avenue, east approximately 1.0 mile until it meets CSAH 7, where the route then turns northeast and travels cross country approximately 1.0 mile to the Southwest Marshall Substation. Alternative C-2 has 1 home within 100 feet, 6 homes between 100-200 feet and no businesses within 200 feet. Alternative C-2 is approximately 1,150 feet shorter than Xcel's proposed route and runs cross country for a shorter distance (approx 1.0 mile vs. 2.25 miles). Alternative C-2 runs diagonally across approximately 1.0 mile of cultivated farmland, which may result in greater impacts to farmland when compared to Xcel's proposed route and Alternative C-1 route due to the longer distance on farmlands and diagonal route across farm fields.

67. Because Alternative C-2 runs along 250th Street, it shares the same potential transportation impacts as Alternative A-1 and C-1. Public comments of the Klien Addition and Stattlemans have generally been supportive of this alternative. The

²⁸ Exhibits 21 and 22.

landowner, Don DeLahnge, in Lake Marshall Township Section 17 strongly opposes this route due to high agricultural impacts.²⁹

68. Alternative D-1 follows the same route as Xcel's proposed route cross country for approximately the first 0.66 mile, but rather than running cross country in the northeastern quarter of Section 17, Lake Marshall Township, Alternative D-1 runs cross country due east along the half section line in Section 17, then across CSAH 7 to the half section line in Section 18. At this point, Alternative D-1 turns north approximately 0.25 mile to the Southwest Marshall Substation. There is 1 home within 100 feet, 1 home between 100-200 feet, and no businesses within 200 feet of the centerline of the route. Alternative D-1 runs across agricultural lands for nearly its entire approximately 2.10 mile length which will result in greater impacts to farmlands when compared to Xcel's proposed route. Public comments have generally opposed this alternative due to potential residential and agricultural impacts.³⁰

69. Alternative D-2 follows the same route as Alternative D-1 up to the point D-2 crosses CSAH 7. At this point, Alternative D-2 turns northeast across farm fields approximately 0.25 mile, then follows the same route as Xcel's proposed route and Alternatives A-1 and B to the Southwest Marshall Substation. There is 1 home within 100 feet, 1 home between 100-200 feet, and 1 business within 200 feet of the centerline of the route. Alternative D-2 is approximately 200 feet longer than Xcel's proposed route. Alternative D-2 runs cross country across agricultural lands for nearly its entire approximately 2.25 mile length which may result in greater impacts to farmlands when compared to Xcel's proposed route. Public comments have generally opposed this alternative due to potential residential and agricultural impacts.³¹

Applicable Statutory Conditions

70. The Project qualifies as a Large Energy Facility under Minnesota Statute 216B.2421, and requires a Certificate of Need from the Commission. The Certificate of Need for this Project was issued to Xcel Energy on September 14, 2007, and is found in PUC docket number E002/CN-06-154. Minnesota Rule 7849.5720, Subpart 3, requires a Certificate of Need to be issued prior to making a final decision a Route Permit application.

71. The Project is eligible for the Alternative Routing Process of the Power Plant Siting Act, Minnesota Statute 216E.04 and Minnesota Rule 7849.5500.

72. Minnesota Statute 216E.03, subdivision 7 and Minnesota Rules 7849.5910 provide considerations in designating sites and routes and determining whether to issue a permit for a large electric power generating plant or a high voltage transmission line.

²⁹ Exhibits 21 and 22.

³⁰ Id.

³¹ Id.

Based on the Findings of Fact, the Commission makes the following:

CONCLUSIONS OF LAW

1. Any of the foregoing Findings more properly designated as Conclusions are hereby adopted as such.
2. The PUC has jurisdiction over the subject matter of this proceeding pursuant to Minnesota Statute 216E.03, subdivision 2.
3. The Project qualifies for review under the Alternative Review Process of Minnesota Statute 216E.04 and Minnesota Rule 7849.5510.
4. The Applicant, the OES and the PUC have complied with all procedural requirements required by law.
5. The OES has completed an Environmental Assessment on this Project as required by Minnesota Statute 216E.04, subdivision 5, Minnesota Rule 7849.5700.
6. The PUC has considered all the pertinent factors relative to its determination of whether a Route Permit should be approved as required by Minnesota Statute 216E.03, subdivision 7 and Minnesota Rule 7849.5910. and considered all the pertinent factors in determining whether the Route Permit should be approved.
7. The conditions included in the Route Permit are reasonable and appropriate.

Based on the Findings of Fact and Conclusions contained herein and the entire record of this proceeding, the Commission hereby makes the following:

ORDER

A Route Permit is hereby issued to Xcel Energy to construct approximately 15.7 miles of 115 kilovolt (kV) transmission line between the Lake Yankton Substation and the Southwest Marshall Substation and associated facilities at the Lake Yankton substation to accommodate the new transmission line. The approved route shall follow the road centerlines as described in Xcel Energy's proposed route for the entire length except as modified to follow the A-1 route alternative through Lake Marshall Townships Sections 17 and 18.

The Route Permit shall be issued in the form attached hereto, with a map showing the approved route.

Approved and adopted this _____ day of August, 2008.

BY ORDER OF THE COMMISSION

Burl W. Haar,
Executive Secretary

**ROUTE PERMIT FOR CONSTRUCTION OF A HIGH
VOLTAGE TRANSMISSION LINE
IN**

LYON COUNTY, MINNESOTA

**ISSUED TO
NORTHERN STATES POWER COMPANY d/b/a XCEL
ENERGY**

PUC DOCKET No. E002/TL-07-1407

In accordance with the requirements of Minnesota Statutes Chapter 216E and Minnesota Rules Chapter 7849, this Route Permit is hereby issued to:

**NORTHERN STATES POWER COMPANY d/b/a XCEL
ENERGY**

Northern States Power Company, d/b/a Xcel Energy (hereinafter referred to as Xcel Energy), is authorized by this route permit to construct a new, 115 kilovolt (kV) high voltage transmission line in Lyon County between the Lake Yankton Substation and the Southwest Marshall Substation, a distance of approximately 15.7 miles. Xcel Energy is authorized to make modifications at the Lake Yankton and Southwest Marshall Substations to accommodate the new 115 kV transmission line.

The transmission line shall be built within the route identified in this permit and as portrayed on the attached official route map, and in compliance with the conditions specified in this permit.

Approved and adopted this _____ day of
August, 2008

BY ORDER OF THE COMMISSION

Burl W. Haar,
Executive Secretary

I. ROUTE PERMIT

The Minnesota Public Utilities Commission (Commission) hereby issues this route permit to Xcel Energy (Permittee) pursuant to Minnesota Statutes Chapter 216E and Minnesota Rules Chapter 7849. This permit authorizes Xcel to construct approximately 15.7 miles of 115 kilovolt (kV) high voltage transmission line (HVTL) and make equipment modifications at the Lake Yankton and Southwest Marshall substations to accommodate the new transmission line.

II. PROJECT DESCRIPTION

Xcel Energy is authorized to build a 15.7 mile, 115 kV transmission line and add associated electrical equipment necessary for connection of the permitted line at the existing Lake Yankton and Southwest Marshall substations

The transmission line authorized by this permit will utilize bundled 795 aluminum conductor steel supported (ACSS) conductors. The line will be constructed on steel transmission structures (poles). Xcel Energy is authorized to use steel, single circuit transmission line structures with braced post insulators carry 115 kV conductor throughout the approved route.

Specialty transmission line structures including, but not limited to, steel or laminated wood post structures on concrete foundations are authorized for long spans, road or waterway crossings, and when circumstances require.

III. DESIGNATED ROUTE

The route designated by the Commission in this permit comprises the segments as described in detail below, as analyzed in the EA, and shown on the Official Route Map attached to this permit. In an effort to maximize Xcel Energy's ability to accommodate individual landowners' needs, a route width of 200 feet on either side of the stated route centerline (centerline of adjacent roads) is approved (400 foot total width). The approved right-of-way (ROW) width is 42.5-feet where the route is adjacent to existing road ROW or clear zones, and up to 75-feet wide where the route travels "cross-country."

Description of Route (See attached map)

The proposed route begins on the south end at the Lake Yankton Substation. The transmission line route will proceed north along 210th Avenue paralleling the existing 115 kV transmission line for approximately 1,700 feet and continuing north to 160th Street. At 160th Street, the transmission line will run east for a mile to 220th Avenue. The 115 kV transmission line will go north following 220th Avenue for eight miles. The line will continue east along the section line

(between Sections 24 and 25, Lynd Township) following a fence line for a mile, and then proceed north along 230th Avenue for another mile.

At this point, the route shall follow the A-1 alternative until the line terminates at the Southwest Marshall Substation. At the intersection of 230th Avenue and 250th Street the route will turn east and follow 250th Street to CSAH 7. At CSAH 7, the route will turn north and run north along CSAH 7 until it reaches the MMU Easement on the east side of CSAH 7 near 257th Street. The route will then turn east for approximately a half-mile and enter the Southwest Marshall Substation from the south side.

The proposed transmission lines will be designed to meet or surpass all relevant local and state codes, and North American Electric Reliability Council (NERC) and Xcel Energy standards. Appropriate standards will be met for construction and installation, and all applicable safety procedures will be followed during and after installation.

IV. PERMIT CONDITIONS

The Permittee shall comply with the following conditions during construction of the transmission line and associated facilities and the life of this permit.

A. Plan and Profile. At least 14 calendar days before right-of-way preparation for construction begins, the Permittee shall provide the Commission with a plan and profile of the right-of-way and the specifications and drawings for right-of-way preparation, construction, cleanup, and restoration for the transmission line. The Permittee may not commence construction until the 14 days has expired or until the Commission has advised the Permittee in writing that it has completed its review of the documents and determined that the planned construction is consistent with this permit. If the Permittee intend to make any significant changes in its plan and profile or the specifications and drawings after submission to the Commission, the Permittee shall notify the Commission at least five days before implementing the changes. No changes shall be made that would be in violation of any of the terms of this permit.

B. Construction Practices.

1. Application. The Permittee shall follow those specific construction practices and material specifications described in the Xcel Energy Application to the Commission for a route permit, dated October 17, 2007, and as described in the EA unless this permit establishes a different requirement, in which case this permit shall prevail.

2. Field Representative. At least 10 days prior to commencing construction, the Permittee shall advise the Commission 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 during construction. The field representative's address, phone number, and emergency phone number shall be provided to the Commission and shall be made available to affected landowners, residents, public officials and other interested persons. The Permittee may change its field representative at any time upon written notice to the Commission.

3. Cleanup. All waste and scrap that is the product of construction shall be removed from the area and properly disposed of upon completion of each task. Personal litter, including bottles, cans, and paper from construction activities shall be removed on a daily basis.

4. Vegetation Removal. The Permittee shall minimize the number of trees to be removed in selecting the right-of-way (ROW). As part of construction, low growing brush or tree species are allowable at the outer limits of the easement area. To the extent practical, low growing vegetation that will not pose a threat to the transmission facility or impede construction should remain in the easement area.

5. Erosion Control. The Permittee shall implement reasonable measures to minimize runoff during construction and shall plant or seed non-agricultural areas that were disturbed where structures are installed.

6. Temporary Work Space. The Permittee shall limit temporary easements to special construction access needs and additional staging or lay-down areas required outside of the authorized ROW.

7. Restoration. The Permittee shall restore the ROW, temporary work spaces, access roads, abandoned ROW, and other private lands affected by construction of the transmission line. Restoration within the ROW must be compatible with the safe operation, maintenance, and inspection of the transmission line.

Xcel Energy shall work with landowners, the DNR, and local wildlife management programs to restore and maintain the right-of-way to provide useful and functional habitat for plants, nesting birds, small animals and migrating animals and to minimize habitat fragmentation in a manner consistent with inspection and safe maintenance of the right-of-way.

Within 60 days after completion of all restoration activities, the Permittee shall advise the Commission in writing of the completion of such activities.

8. Notice of Permit. The Permittee shall inform all employees, contractors, and other persons involved in the construction of the transmission line of the terms and conditions of this permit.

C. Periodic Status Reports. Upon request, the Permittee shall report to the Commission on progress regarding finalization of the route, design of structures, and construction of the transmission line. The Permittee need not report more frequently than quarterly.

D. Complaint Procedure. Prior to the start of construction, the Permittee shall submit to the Commission the company's procedures to be used to receive and respond to complaints. The procedures shall be in accordance with the requirements set forth in the complaint procedures attached to this permit.

E. Notification to Landowners. The Permittee shall provide all affected landowners with a copy of this permit at the time of the first contact with the landowners after issuance of this permit. Xcel Energy shall contact landowners prior to entering the property or conducting maintenance along the route and avoid maintenance practices, particularly the use of fertilizer or pesticides, inconsistent with the landowner's or tenant's use of the land.

Xcel Energy shall work with landowners to locate the HVTL on their property to minimize the loss of agricultural land, forest, and wetlands, with due regard for proximity to homes and property lines.

F. Completion of Construction.

- 1. Notification to Commission.** At least three days before the line is to be placed into service, the Permittee shall notify the Commission of the date on which the line will be placed into service and the date on which construction was complete.
- 2. As-Builts.** Upon request of the Commission, the Permittee shall submit copies of all the final as-built plans and specifications developed during the project.
- 3. GPS Data.** Within 60 days after completion of construction, the Permittee shall submit to the Commission, in the format requested by the Commission, geo-spatial information (GIS compatible maps, GPS coordinates, etc.) for all above ground structures associated with the transmission lines, each switch, and each substation connected.

G. Electrical Performance Standards.

- 1. Grounding.** The Permittee shall design, construct, and operate the transmission line in such a manner that the maximum induced steady-state short-circuit current shall be limited to five milliamperes rms alternating current between the ground and any non-stationary object within the ROW, including but not limited to large motor vehicles and agricultural equipment. All fixed metallic

objects on or off the ROW, except electric fences that parallel or cross the right-of-way, shall be grounded to the extent necessary to limit the induced short circuit current between ground and the object so as not to exceed one milliampere rms under steady state conditions of the transmission line and to comply with the ground fault conditions specified in the National Electric Safety Code (NESC).

2. Electric Field. The transmission line shall be designed, constructed, and operated in such a manner that the electric field measured one meter above ground level immediately below the transmission line shall not exceed 8.0 kV/m rms.

3. Interference with Communication Devices. If interference with radio or television, satellite or other communication devices is caused by the presence or operation of the transmission line, the Permittee shall take whatever action is prudently feasible to restore or provide reception equivalent to reception levels in the immediate area just prior to the construction of the line.

H. Special Conditions

1. Archaeological and Historic Resources. Xcel Energy shall make every effort to avoid impacts to identified archaeological and historic resources when installing the HVTL on the approved route. In the event that an impact would occur, the Applicants will consult with State Historic Preservation Office (SHPO) and invited consulting parties. Where feasible, avoidance of the resource is required. Where not feasible, mitigation for project-related impacts on National Register of Historic Properties (NRHP)-eligible archaeological and historic resources must include an effort to minimize project impacts on the resource.

2. Wetlands/Water Resources. Wetland impact avoidance measures that shall be implemented during design and construction of the transmission line will include spacing and placing the power poles at variable distances to span and avoid wetlands. Unavoidable wetland impacts as a result of the placement of poles shall be limited to the immediate area around the poles. To minimize impacts, construction in wetland areas shall occur in the winter. If necessary, wooden or composite mats will be used to protect wetland vegetation. All requirements of the USACE (wetlands under federal jurisdiction), MDNR (Public Waters/Wetlands), and County (wetlands under the jurisdiction of the Minnesota Wetland Conservation Act) shall be met.

Impacts to floodplains, in particular the placement of power pole structures, shall be avoided to the maximum extent possible by placing these structures above the floodplain contours outside of the designated floodplain, and by spanning the floodplain with the transmission line.

If construction activities at the substation and switching station will result in the disturbance of one acre or more of soils, a National Pollutant Discharge Elimination System (NPDES) stormwater permit will be required. Erosion control measures and Best Management Practices (BMPs) shall be followed during these activities.

3. Accommodation of Existing and Planned Infrastructure. Xcel Energy is required to work with the townships and counties along the route to accommodate their concerns regarding drain tiles, pole depth and placement in relationship to existing roads and road expansion plans, including Lyon County's planned expansion and reconstruction of 250th Street.

I. Other Requirements.

1. Applicable Codes. The Permittee shall comply with applicable North American Electric Reliability Council (NERC) construction standards and requirements of the National Electric Safety Code (NESC) including clearances to ground, clearance to crossing utilities, clearance to buildings, ROW widths, erecting power poles, and stringing of transmission line conductors.

2. Other Permits. The Permittee shall comply with all applicable state rules and statutes. The Permittee shall obtain all required local, state and federal permits for the project and comply with the conditions of these permits. A list of the required permits is included in the permit application and the environmental assessment. The Permittee shall submit a copy of such permits to the Commission upon request.

3. Pre-emption. Pursuant to Minnesota Statutes 216E.10, subdivisions 1 and 2, this route permit shall be the sole route approval required to be obtained by the Permittee and this permit shall supersede and preempt all zoning, building, or land use rules, regulations, or ordinances promulgated by regional, county, local and special purpose government.

J. Delay in Construction. If the Permittee have not commenced construction or improvement of the route within four years after the date of issuance of this permit, the Commission shall consider suspension of the permit in accordance with Minnesota Rule 7849.5970.

V. PERMIT AMENDMENT

The permit conditions in Section IV. may be amended at any time by the Commission. Any person may request an amendment of the conditions of this permit 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 Commission may amend the conditions after affording the Permittee and interested persons such process as is required.

VI. TRANSFER OF PERMIT

The Permittee may request at any time that the Commission 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 Commission with such information as the Commission shall require to determine whether the new Permittee can comply with the conditions of the permit. The Commission 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 Commission may initiate action to revoke or suspend this permit at any time. The Commission shall act in accordance with the requirements of Minnesota Rules part 7849.6010 to revoke or suspend the permit.

**PUBLIC UTILITIES COMMISSION
COMPLAINT REPORT PROCEDURES FOR
HIGH VOLTAGE TRANSMISSION LINES**

1. Purpose

To establish a uniform and timely method of reporting complaints received by the Permittee concerning the Permit conditions for site preparation, construction, cleanup and restoration, and resolution of such complaints.

2. Scope

This reporting plan encompasses complaint report procedures and frequency.

3. Applicability

The procedures shall be used for all complaints received by the Permittee.

4. Definitions

Complaint: - A statement presented by a person expressing dissatisfaction, resentment, or discontent as a direct result of the HVTL and associated facilities. Complaints do not include requests, inquiries, questions or general comments.

Telephone Complaint: - A person presenting a Complaint by telephone shall indicate whether the Complaint relates to (1) a substantive Routing Permit matter, (2) a HVTL location matter, or (3) a compensation matter. All callers must provide the following information when presenting a Complaint by telephone: (1) name; (2) date and time of call; (3) phone number; (4) email address (if available); (5) home address; (6) parcel number.

Substantial Complaint: – Written complaints alleging a violation of a specific Route Permit condition that, if substantiated, could result in Permit modification or suspension pursuant to the applicable regulations.

Person: - An individual, partnership, joint venture, private or public corporation, association, firm, public service company, cooperative, political subdivision, municipal corporation, government agency, public utility district, or any other entity, public or private, however organized.

5. Responsibilities

Everyone involved with any phase of the HVTL is responsible to ensure expeditious and equitable resolution of all complaints. It is therefore necessary to

establish a uniform method for documenting and handling complaints related to this HVTL project. The following procedures will satisfy this requirement:

- A. The Permittee shall document all complaints by maintaining a record of all applicable information concerning the complaint, including the following:
 1. Name of the Permittee and project.
 2. Name of complainant, address and phone number.
 3. Precise property description or tract numbers (where applicable).
 4. Nature of complaint.
 5. Response given.
 6. Name of person receiving complaint and date of receipt.
 7. Name of person reporting complaint to the PUC and phone number.
 8. Final disposition and date.
- B. The Permittee shall assign an individual to summarize complaints for transmittal to the PUC.

6. Requirements

The Permittee shall report all complaints to the PUC according to the following schedule:

Immediate Reports: - All substantial complaints shall be reported to the PUC by phone or by e-mail the same day received or on the following working day for complaints received after working hours. Such reports are to be directed to HVTL Permit Compliance at the following:
DOC.energypermitcompliance@state.mn.us or 1-800-657-3794. Voice messages are acceptable.

Monthly Reports: - By the 15th of each month, a summary of all complaints, including substantial complaints received or resolved during the proceeding month. Such summaries shall be sent to Dr. Burl W. Haar, Executive Secretary, Minnesota Public Utilities Commission, Metro Square Building, 121 7th Place East, Suite 350, St. Paul, MN 55101-2147. A copy of each complaint shall be sent to Permit Compliance, Minnesota Department of Commerce, 85 7th Place East, Suite 500, St. Paul, MN 55101-2198.

Unresolved Complaints: - The permittee shall submit all unresolved complaints to the PUC for resolution by the PUC, where appropriate, no later than 45 days after the date of the submission.

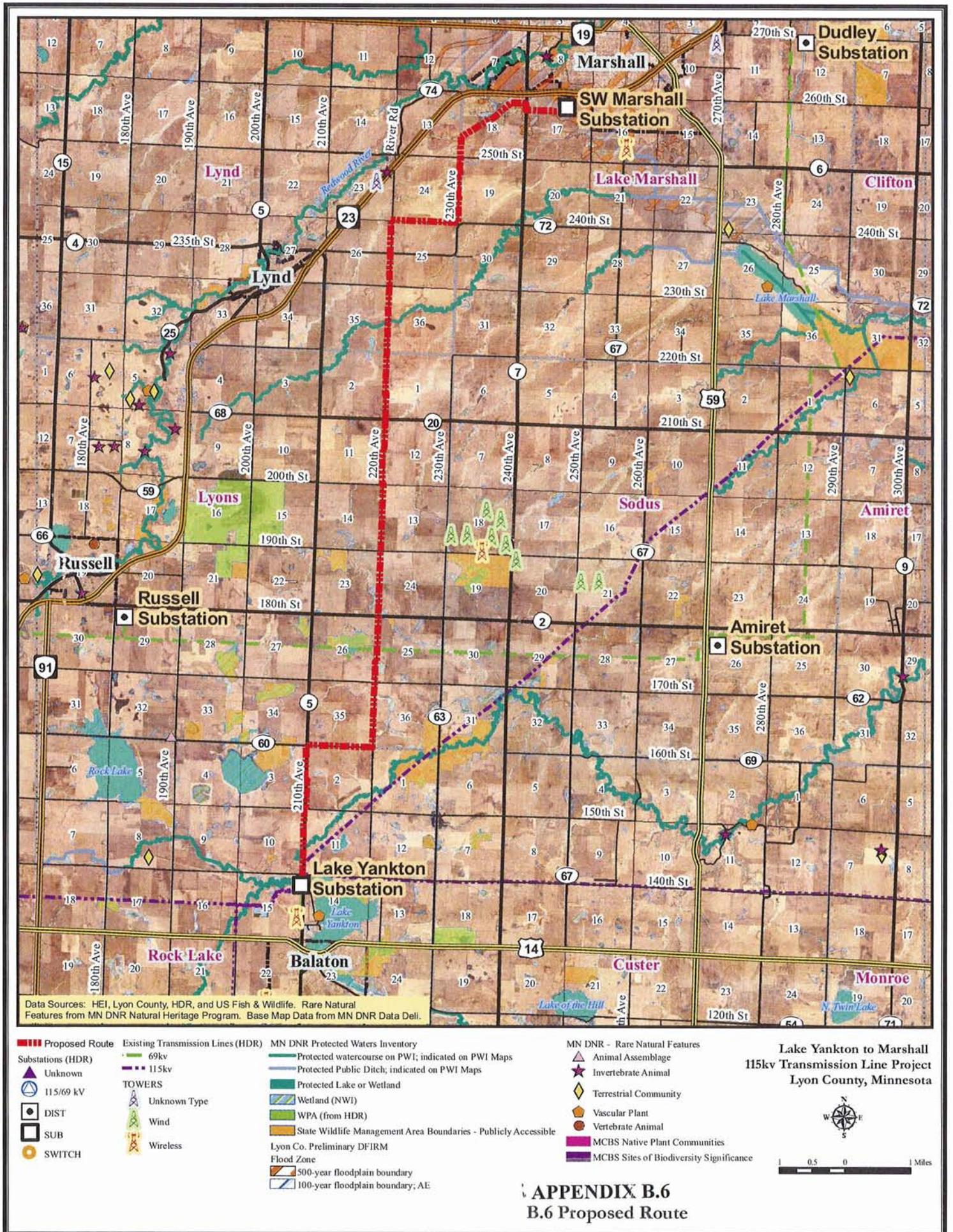
7. Complaints Received by the PUC

Copies of complaints received directly by the PUC from aggrieved persons regarding site preparation, construction, cleanup, restoration, operation and maintenance shall be promptly sent to the Permittee.

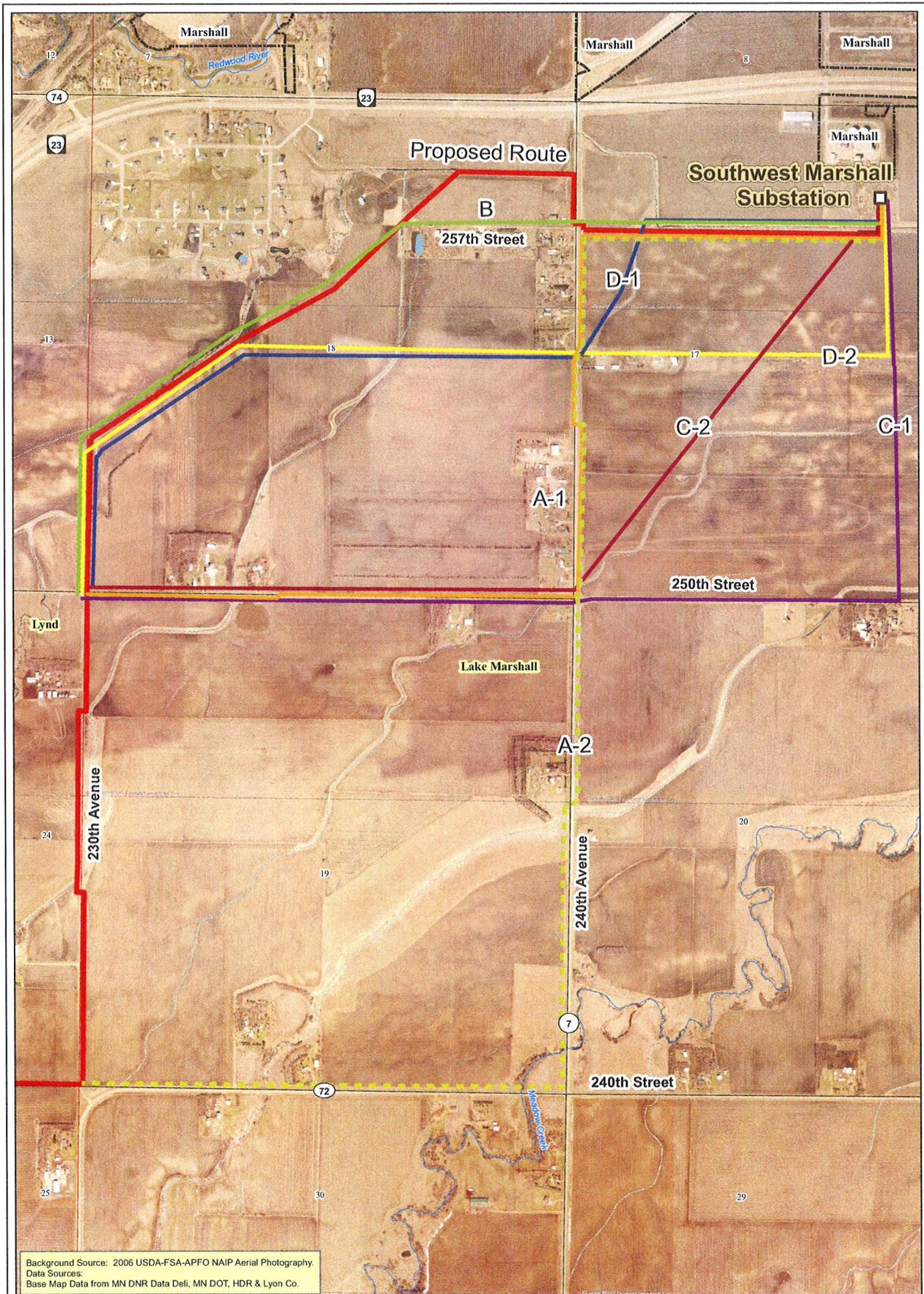
Initial Screening: - Commission Staff shall perform an initial evaluation of unresolved Complaints submitted to the Commission. Complaints raising substantive Routing Permit issues shall be processed and resolved by the Commission. Staff shall notify Xcel Energy and the Complaining person if it determines that the Complaint is a Substantial Complaint. With respect to such Complaints, each party shall submit a written summary of its position to the Commission no later than ten days after receipt of the Staff notification. Staff shall present Briefing Papers to the Commission, which shall resolve the Complaint within twenty days of submission of the Briefing Papers.

Condemnation/Compensation Issues: - If the Commission's Staff initial screening determines that a Complaint raises issues concerning the just compensation to be paid to landowners on account of Xcel Energy's acquisition of HVTL easements, Staff shall recommend to the Executive Secretary that the matter be resolved under the provisions of Minnesota Statutes, Chapter 117. If the Executive Secretary concurs, he shall so report to the Commission and the matter shall be dealt with in the HVTL condemnation proceedings as an issue of just compensation.

FIGURE 1



APPENDIX B.6
 B.6 Proposed Route



Background Source: 2006 USDA-FSA-APFO NAIP Aerial Photography.
 Data Sources:
 Base Map Data from MN DNR Data Deli, MN DOT, HDR & Lyon Co.

- | | | |
|-----------------|----------------|-----------------------------------|
| Alternative_A-1 | Proposed Route | Towers |
| Alternative_A-2 | Substation | Unknown Type |
| Alternative_B | Unknown Type | Wind |
| Alternative_C-1 | 115/69 kV | Wireless |
| Alternative_C-2 | Dist. | Existing Transmission Lines (HDR) |
| Alternative_D-1 | Sub. | 69kv |
| Alternative_D-2 | Switch | 115kv |

- | | |
|-----------------------|------------------------|
| Centerline (River) |
600 300 0 600 Feet |
| Stream (Perennial) | |
| Stream (Intermittent) | |

**B.5-2 Section 17, 18 & 19
 Preliminary Route Details**

Lake Yankton to Marshall
 115kv Transmission Line Project
 Lyon County, Minnesota



**XCEL ENERGY LAKE YANKTON TO SOUTHWEST MARSHALL
TRANSMISSION PROJECT**

PUBLIC HEARING EXHIBIT LIST

**In the Matter of the Application for a Route Permit for the Lake Yankton –
Marshall 115 kilovolt Transmission Line Project**

PUC Docket No. E002/TL-07-1407

DOC Exhibit No.	Exhibit	Date	eDockets Document Number
1	Notice of Intent to File Application Under the Alternative Permitting Process	November 1, 2007	4827728
2	Cover Letter to Route Permit Application	January 14, 2008	4897775
3	Route Permit Application (1 of 2)	January 14, 2008	4897776
	Route Permit Application (2 of 2)	January 14, 2008	4897777
	Route Permit Application Appendix A	January 14, 2008	4897779
	Route Permit Application Appendix B1	January 14, 2008	4897780
	Route Permit Application Appendix B2	January 14, 2008	4897782
	Route Permit Application Appendix C	January 14, 2008	4897783

DOC Exhibit No.	Exhibit	Date	eDockets Document Number
	Route Permit Application Appendix D	January 14, 2008	4897784
	Route Permit Application Appendix E	January 14, 2008	4897785
4	Notice of Public Utilities Commission Meeting	January 25, 2008	4907121
5	Department of Commerce Energy Facilities Permitting Staff Comments and Recommendations to the Commission on Completeness of the Application	January 30, 2008	4912909
6	PUC Order Accepting Application	February 8, 2008	4931501
7	Notice of Application Acceptance, Public Information and Scoping Meeting	February 19, 2008	4946630
8	Affidavit of Service and Publication	February 19, 2008	4946624
9	Public Comments	March 12, 2008	5017775
10	Comments of the Lyon County Board of Commissioners	March 24, 2008	5037430
11	Environmental Assessment Scoping Decision	March 31, 2008	5044934 5343583
12	Comments of Marshall Municipal Utilities	May 5, 2008	5176334
13	Xcel Energy Letter Describing Design Modification	May 13, 2008	5204284
14	Notice of Availability of Environmental Assessment and Public Hearing	June 2, 2008	5251585
15	Environmental Assessment	June 2, 2008	5251582

DOC Exhibit No.	Exhibit	Date	eDockets Document Number
16	Revised Notice of Public Hearing and Environmental Assessment	June 5, 2008	5264785
17	Direct Timothy Rogers, Xcel Energy	June 25, 2008	5308926
18	Xcel Energy Letter: BRIGO Projects Status Report	June 25, 2008	5308919
19	Affidavits of Service and Publication	July 10, 2008	5343584 5343585
20	Xcel Energy Letter Clarifying Ditch Characteristics	July 11, 2008	5344899
21	Public Comments	Various	5373475 5373476 5373478 5373479 5373480
22	Administrative Law Judge's Summary of Public Comments	July 30, 2008	5394438