



**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

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

**DOCKET No. IP-6603/WS-08-1449**

Meeting Date: February 12, 2009.....Agenda Item # \_\_\_\_\_

Company: **Project Resources Corporation on behalf of Lakeswind Wind Power Partners, LLC**

Docket No. **IP-6603/WS-08-1449**

**In the Matter of the Lakeswind Wind Power Partners, LLC Application for a Large Wind Energy Conversion System (LWECS) Site Permit for the Lakeswind Wind Power Plant in Becker, Clay and Ottertail Counties.**

Issue(s): Should the Public Utilities Commission (Commission) accept the Lakeswind Wind Power Partners, LLC application for a Large Wind Energy Conversion System site permit as complete, assign a Public Advisor, and issue a draft LWECS site permit?

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**Relevant Documents**

Lakeswind Wind Power Partners, LLC LWECS Site Permit Application.....January, 2009

The enclosed materials are the work papers of the Office of Energy (OES) Security Energy Facility Permitting Staff (EFP). They are intended for use by the Public Utilities Commission and are based on information already in the record unless otherwise noted. This document can be made available in alternative formats, i.e., large print or audio tape by calling (651) 201-2202 (Voice) or 1-800-627-3529 (TTY relay service).

## **Documents Attached**

1. Site Map
2. Proposed Draft Site Permit

See eDocket filings (08-1449) at <https://www.edockets.state.mn.us/EFiling/search.jsp>, or the PUC website at: <http://energyfacilities.puc.state.mn.us/Docket.html?Id=19892> for project related documents.

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## **Statement of the Issues**

Should the Commission accept the Lakeswind Wind Power Partners, LLC Application for a Large Wind Energy Conversion System site permit as complete and assign a Public Advisor in the matter. Additionally, should the Commission issue a draft LWECS site permit?

## **Introduction and Background**

Lakeswind Wind Power Partners, LLC has submitted a site permit application for the proposed 60 megawatt (MW) Lakeswind Wind Power Plant in Becker, Clay and Ottertail Counties.

### ***Project Location***

The Lakeswind Wind Power Plant Project is located in southeastern Clay County, southwestern Becker County and northwestern Ottertail County as shown on the accompanying map. The Project site is located in four townships, Parke: Sections 19, 20, 25, 26, 29, 30 and 32 through 36; Tansem: Sections 1 through 5 and 8 through 30; Cormorant: Sections 30 and 31 and Scrambler: Sections 6 and 19 through 21. The Project boundary encompasses approximately 20,000 acres. As of the date of this application, the Applicant had obtained lease and easement agreements with most of the landowners within the site.

### ***Project Description***

The Project for which a permit is being requested includes the following associated facilities:

1. A wind turbine layout consisting of up to 40, 1.5 MW GE wind turbine generators or similar model;
2. Approximately 9 miles of new access roads; and
3. Approximately 9 miles of underground electrical collection system cables; and
4. Approximately 7 miles of overhead feeder lines

The Applicant is negotiating a Power Purchase Agreement (PPA) with Xcel Energy. The Applicant's goal is to complete the construction of the Project and achieve a commercial operation date of December 31, 2009.

## **Regulatory Process and Procedures**

A site permit from the Commission is required to construct a Large Wind Energy Conversion System, which is any combination of wind turbines and associated facilities with the capacity to generate five megawatts or more of electricity. This requirement became law in 1995. The Minnesota Wind Siting Act is found at Minnesota Statutes Chapter 216F. The rules to implement the permitting requirement for LWECS are in Minnesota Rules Chapter 7836. Lakeswind Wind Power Partners, LLC filed an application with the Commission for a site permit on January 21, 2009.

### ***Certificate of Need***

A Certificate of Need (CN) from the Commission for a large electric power generating plant is not required because Xcel Energy has an approved bidding plan in place.

### ***Application Acceptance***

Minnesota Rule 7836.0600 states that: “Within 30 days after receipt of an application for a site permit, the Commission shall accept, conditionally accept, or reject the application.” The required contents of a site permit application are specified in Minnesota Rule 7836.0500.

### ***Public Advisor***

Minnesota Rule 7836.0700 states: “Upon acceptance of an application for a site permit, the PUC shall designate a staff person to act as the public advisor on the project.” The Commission can authorize OES to name a staff member from the EFP staff as the public advisor or assign a Commission staff member.

### ***Preliminary Determination***

Minnesota Rule 7836.0800 states that: “Within 45 days after acceptance of the application by the PUC, the PUC shall make a preliminary determination whether a permit may be issued or should be denied. If the preliminary determination is to issue a permit, the PUC shall prepare a draft site permit for the project. The draft site permit must identify the permittee, the proposed LWECS, and proposed permit conditions.”

Issuing a draft site permit does not confer authority to construct an LWECS. The Commission may change, amend or modify the draft site permit in any respect before final issuance or may deny the site permit at a later date. EFP staff is requesting Commission issuance of a draft site permit for this project.

### ***Public Participation Process***

Minnesota Rule 7836.0900 describes the public notice and participation process required to be conducted for LWECS site permits.

## **OES EFP Staff Analysis and Comments**

The Application has been reviewed by the EFP staff pursuant to the requirements of Minnesota Rules Chapter 7836 (Wind Siting Rules). The application provides all of the information required by Minnesota Rule 7836.0500 in a format that all members of the public can access. Acceptance of the Application will allow staff to initiate the public review and participation process.

EFP staff used the information in the Application and experience with other LWECS projects as a guide for evaluating whether a permit may be issued for the Project or should be denied, pursuant to Minnesota Rule 7836.0800. EFP staff finds that the available information is sufficient to conclude that it is appropriate to make a preliminary determination that a site permit may be issued for the Lakeswind Wind Power Plant Project. EFP staff has prepared a draft site permit identifying the permittee, the proposed LWECS, and proposed permit conditions. The proposed draft site permit is attached to these Comments and Recommendations. Commission approval of the draft site permit will allow for distribution of the public notice and the draft site permit, will initiate the public review process and will begin a formal public comment period.

### **Commission Decision Options**

#### **A. Application Acceptance**

1. Accept the Lakeswind Wind Power Partners, LLC Application for the 60 MW Lakeswind Wind Power Plant Project.
2. Reject the Application as incomplete and issue an order indicating the specific deficiencies to be remedied before the Application can be accepted.
3. Find the Application complete upon the submission of supplementary information.
4. Make another decision deemed more appropriate.

#### **B. Public Advisor**

1. Authorize the Minnesota Office of Energy Security Energy Facilities Permitting staff to name a public advisor for this project.
2. Appoint a Commission staff person as public advisor.
3. Make another decision deemed more appropriate.

#### **C. Preliminary Determination and Authorization of a Draft Site Permit**

1. Make a preliminary determination that a draft site permit may be issued; and approve the attached proposed draft site permit for the Lakeswind Wind Power Plant Project for distribution and public comment. Authorize EFP staff to initiate the public participation process found in Minnesota Rule 7836.0900.

2. Make a preliminary determination that a draft site permit may be issued; and amend or modify the attached proposed draft site permit for the Lakeswind Wind Power Plant Project for distribution and public comment. Authorize EFP staff to initiate the public participation process found in Minnesota Rule 7836.0900.
3. Delay making the preliminary determination on a draft site permit to a date within 45 days after accepting the application as complete.
4. Make a preliminary determination that a draft site permit should be denied.
5. Make some other decision deemed more appropriate.

**DOC EFP Staff Recommendation:** Staff recommends option A1, B1 and C1.