

Numerous public meetings and hearings will be held throughout the process. The September open houses are the first of many that the CapX 2020 utilities plan to host, and your involvement is essential. If you are unable to attend the upcoming open houses, feel free to submit comments at www.capx2020.com or call or email us.

* The dates and locations of the CapX 2020 open houses are listed on the inside.

INVITATION TO PUBLIC MEETINGS

Dear Landowner,

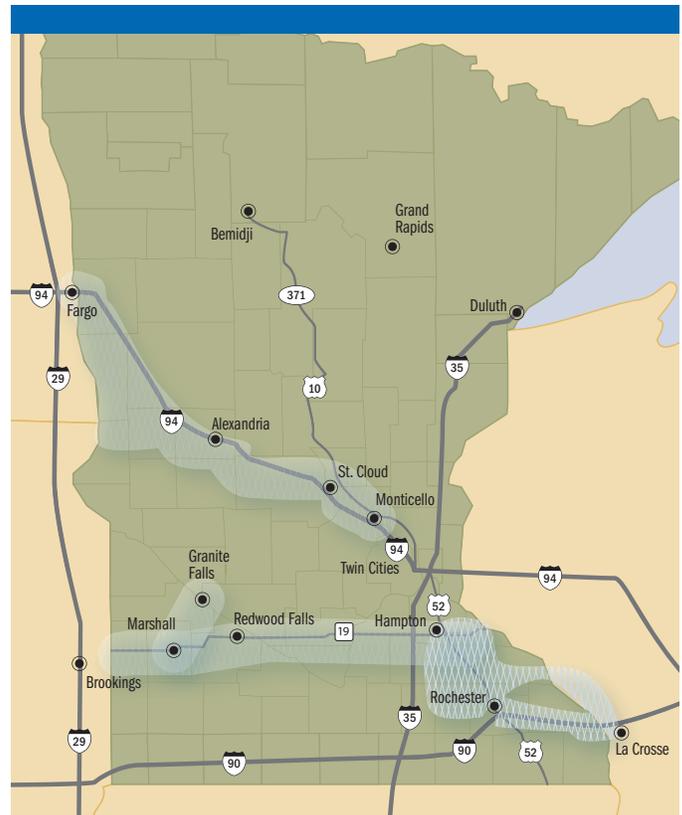
In July you were sent a Notice Plan letter by a group of regional utilities informing you of the proposal for three major transmission lines that would ensure customers in Minnesota and the surrounding region receive continued reliable, low-cost electricity, and increase access to renewable energy sources. CapX 2020, a joint initiative of these 11 transmission-owning utilities in Minnesota and the surrounding states, filed a Certificate of Need application for this project on August 16, 2007, with the Minnesota Public Utilities Commission.

The CapX 2020 utilities have scheduled open houses in your area to provide information on the proposed high voltage lines and to answer your questions.

These proposed lines represent one of the largest single transmission initiatives in the region in decades, possibly spanning more than 600 miles. The approximate lengths and general location of the lines are as follows:

- A 200-mile, 345-kilovolt (kV) line between Brookings, SD, and the southeast Twin Cities, plus a related 345-kV line between Marshall and Granite Falls, MN
- A 250-mile, 345-kV line between Fargo, ND, and Alexandria, St. Cloud and Monticello, MN
- A 150-mile, 345-kV line between the southeast Twin Cities, Rochester, MN, and La Crosse, WI

Following a rigorous public process, the Minnesota Public Utilities Commission will likely decide whether the lines are needed by early 2009. If it is determined that the projects are needed, the Commission will decide routes for the new lines in separate proceedings. Portions of the proposed lines also will require approvals by federal officials and by regulators in North Dakota, South Dakota and Wisconsin.



Contact information for the three projects:

Brookings, SD-SE Twin Cities
888-473-2279
brookingsinfo@capx2020.com

Fargo-Alexandria-St. Cloud-Monticello
866-876-2869
fargoinfo@capx2020.com

SE Twin Cities-Rochester-La Crosse
800-238-7968
lacrosseinfo@capx2020.com

Brookings, SD-SE Twin Cities (345-kV)

Monday, September 10

3:00 p.m.-7:00 p.m.
Wind Energy Center
2390 County Hwy 1
Hendricks, MN 56136

Tuesday, September 11

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
Prairie Events Center
1507 East College Drive
Marshall, MN 56258*



Wednesday, September 12

3:00 p.m.-7:00 p.m.
Kilowatt Center
600 Kilowatt Drive
Granite Falls, MN 56241

Thursday, September 13

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
Max's Grill
1325 West Lincoln Ave.
Olivia, MN 56277*

Tuesday, September 18

3:00 p.m.-7:00 p.m.
Redwood Falls Area Community Center
901 Cook St.
Redwood Falls, MN 56258

Wednesday, September 19

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
Arlington Community Center
204 Shamrock Drive
Arlington, MN 55307

Thursday, September 20

3:00 p.m.-7:00 p.m.
Pla-Mor Ballroom
1913 9th St. E.
Glencoe, MN 55336

Tuesday, September 25

3:00 p.m.-7:00 p.m.
Park Ballroom
300 Lexington Ave. S
New Prague, MN 56071

Wednesday, September 26

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
Archer House
212 Division St.
Northfield, MN 55057

Thursday, September 27

3:00 p.m.-7:00 p.m.
Holiday Inn
20800 Kendrick Ave.
Lakeville, MN 55044

* Coordinated with Biennial Transmission Planning meeting- www.minnelectrans.com

Fargo-Alexandria-St. Cloud-Monticello (345-kV)

Tuesday, September 11

3:00 p.m.-7:00 p.m.
Best Western Bigwood Conference Center
921 Western Ave.
Fergus Falls, MN 56537

Wednesday, September 12

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
Courtyard by Marriot
1080 28th Ave. S.
Moorhead, MN 56560*

Thursday, September 13

3:00 p.m.-7:00 p.m.
Holiday Inn
5637 Highway 29 S.
Alexandria, MN 56308

Wednesday, September 19

9:00 a.m.-12:00 p.m.
Ramada
2115 S. 6th St.
Brainerd, MN*

Tuesday, September 25

3:00 p.m.-7:00 p.m.
American Legion
265 County Road 173
Melrose, MN 56352

Wednesday, September 26

5:30 p.m.-8:00 p.m.
West Central High School
303 County Road 2
Barrett, MN 56311

Thursday, September 27

3:00 p.m.-7:00 p.m.
American Legion
505 Pine St.
Clearwater, MN 55320

* Coordinated with Biennial Transmission Planning meeting- www.minnelectrans.com



SE Twin Cities-Rochester-La Crosse (345-kV)

Tuesday, September 11

3:00 p.m.-7:00 p.m.
Riverport Inn
900 Bruski Drive
Winona, MN 55987

Wednesday, September 12

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
International Event Center
7333 Airport View Drive SW
Rochester, MN 55902*

Thursday, September 13

3:00 p.m.-7:00 p.m.
Coffee Mill Golf Course and Country Club
180 Coffee Mill Drive
Wabasha, MN 55981

Tuesday, September 25

3:00 p.m.-7:00 p.m.
Red Wing Community Library, Foot Room
225 East Ave.
Red Wing, MN 55066

Wednesday, September 26

9:00 a.m.-12:00 p.m.; 3:00 p.m.-7:00 p.m.
Archer House
212 Division St.
Northfield, MN 55057

Thursday, September 27

3:00 p.m.-7:00 p.m.
Holiday Inn
20800 Kendrick Ave.
Lakeville, MN 55044

* Coordinated with Biennial Transmission Planning meeting- www.minnelectrans.com

CapX2020 UPDATE

CapX 2020 Web Site is Useful Information Tool

Please visit the CapX 2020 Web site at www.capx2020.com for information and updates. The site includes an overview of the projects, maps of proposed line corridors, information on regulatory processes, and a glossary of transmission and electricity terms. Visit the Web site for photos of transmission line and wind turbine construction, a calendar of upcoming open houses and public meetings, and to contact CapX 2020 with any questions or feedback on the projects.

www.capx2020.com

CapX 2020 to Organize Work Groups for Community Involvement

In early 2008 the three 345-kV CapX 2020 project managers will hold a series of meetings where small groups of community representatives will come together to discuss the individual projects. The work groups will be comprised of stakeholders representing various parties with an interest in the routing process. These meetings will help to ensure that the project managers receive community input about the proposed routes. Local government officials, representatives from agriculture, state and federal agencies, and environmental groups, among others, will be invited to join these work groups.

The work groups will be asked to participate in a series of meetings over the next six months to help identify and confirm some of the criteria used in proposing routes, evaluate local routing issues and provide feedback on initial ideas the utilities have developed for narrowed corridor and route options. This input will assist in the development of refined corridors that will be presented at a second round of CapX 2020 open houses in Spring 2008.

If you are interested in participating in a routing work group, please contact us through the Web site at www.capx2020.com or call one of the toll-free project phone numbers. Work group meeting summaries will be posted on the CapX 2020 Web site.



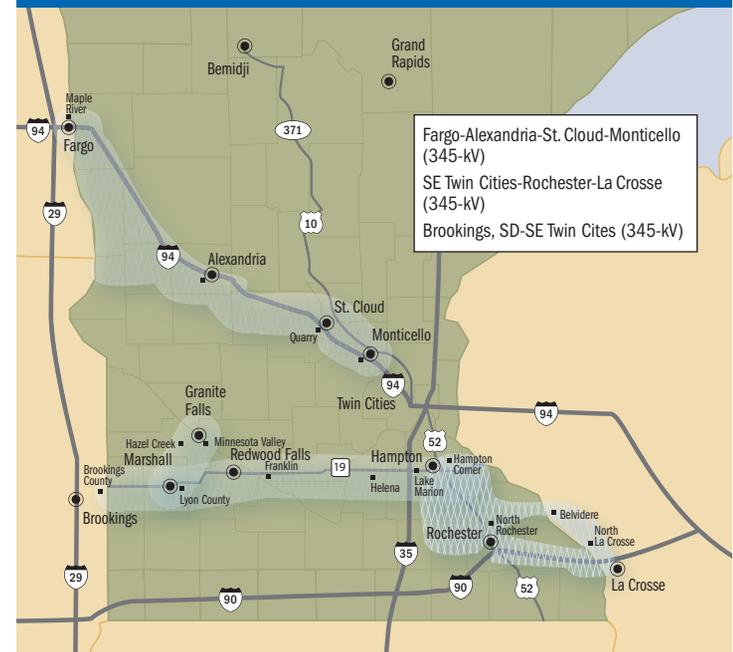
The CapX 2020 utilities hosted 24 open houses in September and October to provide information on the proposed high voltage lines and to answer questions

CapX2020

Delivering electricity you can rely on

Presorted
First-Class Mail
U.S. Postage
PAID
Saint Paul, MN
Permit No. 3302

CapX 2020 Group 1 proposed project study corridors



Contact information

E-mail addresses and toll-free numbers for the three projects:

Brookings, SD – SE Twin Cities
(888) 473-2279 • brookingsinfo@capx2020.com

Fargo – Alexandria – St. Cloud – Monticello
(866) 876-2869 • fargoinfo@capx2020.com

SE Twin Cities – Rochester – La Crosse
(800) 238-7968 • lacrosseinfo@capx2020.com

CapX2020 UPDATE



10 Public Meetings

Minnesota Department of Commerce Public Meetings

Monday, December 10

12:00 p.m.-2:00 p.m.
Courtyard by Marriot
1080 28th Ave. S.
Moorhead, MN 56560

6:00 p.m.-8:00 p.m.
Best Western Events Center
921 Western Ave.
Fergus Falls, MN 56537

Tuesday, December 11

12:00 p.m.-2:00 p.m.
Alexandria City Hall
Council Chambers
704 Broadway
Alexandria, MN 56308

6:00 p.m.-8:00 p.m.
American Legion
505 Pine St.
Clearwater, MN 55320

Thursday, December 13

12:00 p.m.-2:00 p.m.
Riverport Inn
900 Bruski Drive
Winona, MN 55987

6:00 p.m.-8:00 p.m.
Heritage Suites
2829 43rd St. NW
Rochester, MN 55901

Monday, December 17

12:00 p.m.-2:00 p.m.
Best Western Marshall Inn
1500 East College Drive
Marshall, MN 56258

6:00 p.m.-8:00 p.m.
Max's Grill
1325 West Lincoln Ave.
Olivia, MN 56277

Tuesday, December 18

12:00 p.m.-2:00 p.m.
Arlington Community Center
204 Shamrock Drive
Arlington, MN 55307

6:00 p.m.-8:00 p.m.
Grandpa's Event Center
31846 65th Ave.
Cannon Falls, MN 55009

Regulatory and Permitting Process

Two major approvals must be obtained from the Minnesota Public Utilities Commission (PUC) before a high voltage transmission line can be built: a Certificate of Need and a Route Permit. The Certificate of Need proceeding examines whether the proposed facilities are necessary and what the appropriate size, configuration and timing of the project should be. In August 2007 the CapX 2020 utilities filed a Certificate of Need application for three 345 kilovolt (kV) lines with the PUC. In October, the PUC found the 345-kV Certificate of Need application to be complete and referred the application to an Administrative Law Judge to schedule public hearings. In a separate Route Permit proceeding, the PUC determines the route and design of the line. The utilities expect to file a Route Permit with the PUC in 2008.

The CapX 2020 utilities are involved in similar review, permit and approval processes for the proposed 345-kV lines from the regulatory

New Fact Sheet Highlights Regulatory Process

A new fact sheet titled "Minnesota Regulatory Process for High Voltage Transmission Lines" is now available on the CapX 2020 Web site (www.capx2020.com/learn.html). The fact sheet provides an overview of the regulatory process associated with the major approvals necessary before a high voltage transmission line can be built in Minnesota.

commissions in North Dakota, South Dakota and Wisconsin..

North Dakota Public Service Commission

Certificate of Public Convenience and Necessity
Certificate of Corridor Compatibility
Transmission Facility Permit

Public Service Commission of Wisconsin

Certificate of Public Convenience and Necessity

South Dakota Public Utilities Commission

Facilities Permit

Department of Commerce to Address CapX 2020 Projects at December Public Meetings

In December, the Minnesota Department of Commerce (DOC) will host 10 public meetings to gather input from the public concerning the potential human and environmental impacts of the proposed CapX 2020 345-kilovolt transmission line projects. Information provided by the public will be used by the DOC to help generate an environmental scoping document. The meetings also will give citizens an opportunity to ask questions and to learn more about the proposed transmission projects. We encourage you to participate in these meetings.

Scoping Document/Environmental Report

The DOC will use the scoping document to frame important human and environmental considerations in the proposed project areas. Based on this document, the DOC commissioner will issue an order identifying the alternatives to be analyzed, potential impacts to be addressed, the schedule for completion of the environmental report and any other matters that are to be included in the environmental review. The final product, known as an Environmental Report, will be submitted to the Minnesota Public Utilities Commission as part of the public record that will be compiled during the Certificate of Need process. The report will help the commission determine whether to grant the CapX 2020 utilities a Certificate of Need for the projects.

Public Input

The December meetings will be informal and will include a brief presentation by DOC staff members and from representatives of the CapX 2020 utilities. Citizens will have an opportunity to comment and ask questions. Citizens are encouraged to make suggestions regarding alternatives to the proposed projects and to provide input on impacts

that should be reviewed. Comments can be made either orally or in writing. They must be submitted to the DOC by Jan. 14, 2008.

Additional Information

If you are unable to attend one of the meetings or if you prefer to mail your comments, please send them to Mr. David Birkholz, Energy Facility Permitting, Minnesota Department of Commerce, 85 7th Place East, Suite 500, St. Paul, MN 55101. If you would like additional information about the DOC meetings or the Certificate of Need or permitting processes, contact Mr. Birkholz or go to <http://energyfacilities.puc.state.mn.us/Docket.html?id=19120>. If you would like additional information about the CapX2020 projects, contact Mark Suel at (612) 330-6750 or visit the project Web site at www.capx2020.com.



Long-Term Energy Savings

Compact fluorescent bulbs cost more to buy than comparable incandescent bulbs, but less to use

	15-watt fluorescent	60-watt conventional
Retail price	\$3.50	\$0.50
Lifetime hours	12,000	1,000
Lifetime cost*	\$18	\$92

* Includes energy and maintenance costs in addition to the initial retail purchase price. Based on an electricity rate of \$0.101 per kilowatt hour.
Sources: Environmental Protection Agency; Department of Energy.

March 2008

CapX2020 UPDATE

Minnesota Certificate of Need Update

The Certificate of Need application for the three CapX 2020 345-kV transmission lines continues to progress through the Minnesota regulatory process. Administrative Law Judge Beverly Heydinger has been assigned the case and has set the following schedule:

March – Environmental Report published

April-June – Direct testimony and rebuttal testimony of all parties

June – Public hearings (held throughout project corridors; public can make comments directly to Judge Heydinger for the public record)

July-August – Evidentiary hearings

September-October – Post-hearing briefs

November – Administrative Law Judge report

Early 2009 – Public Utilities Commission hearings and decision

To view all documents filed with the Minnesota Public Utilities Commission go to the MN PUC's Web site at www.puc.state.mn.us, click on E-dockets on the left-hand side, click on Search Documents and search for docket 06-1115. In the search field, "06" stands for the year 2006 (when the first CapX 2020 document was filed). Use "06" for the year and "1115" in the second field, then press the search button. All filings in the CapX 2020 E-Docket will be listed. You can also visit www.CapX2020.com/learn.html and click on the link "Minnesota Regulatory Process Fact Sheet."

Open House Schedule

Fargo-Alexandria-St. Cloud-Monticello

Monday, March 17

3 – 7 p.m.
Eagle Trace Golfers Club
1100 NW Main St
Clearwater, MN 55320

Tuesday, March 18

3 – 7 p.m.
American Legion
265 County Road 173
Melrose, MN 56352

Wednesday, March 19

3 – 7 p.m.
Arrowwood Resort & Conference Center
2100 Arrowwood Lane NW
Alexandria, MN 56308

Thursday, March 20

3 – 7 p.m.
Barrett Community Center
109 Barrett Ave
Barrett, MN 56311

Tuesday, March 25

3 – 7 p.m.
Best Western Bigwood Event Center
925 Western Avenue
Fergus Falls, MN 56537

Wednesday, March 26

3 – 7 p.m.
Best Western Doublewood Inn
3333 13th Ave S
Fargo, ND 58103

Thursday, March 27

3 – 7 p.m.
St. Mary's School gymnasium
221 North 4th Street
Breckenridge, MN 56520

Stay Informed about the Regulatory Process

Just as the MN PUC makes final decisions on the need and routes for the proposed CapX 2020 transmission lines in Minnesota, similar review and approval processes are required by regulators in North Dakota, South Dakota and Wisconsin for the portions of the lines in those states.

North Dakota

The North Dakota Public Service Commission (ND PSC) requires three permits – a Certificate of Public Convenience and Necessity (CPCN), a Certificate of Corridor Compatibility and a Route Permit. The CapX 2020 utilities plan to file the CPCN application in the spring of 2008 and the Corridor Compatibility and Route Permit applications in late 2008. Contact the ND PSC at www.psc.state.nd.us or 1-701-328-2400 for further information.

South Dakota

The CapX 2020 utilities are required to obtain a Facilities Permit from the South Dakota Public Utilities Commission (SD PUC) for the proposed Brookings, S.D.-SE Twin Cities line. The utilities plan to file an application with the SD PUC in late 2008 that will begin an approximately one-year process. In March, the utilities plan to send informational letters on the proposed project to about 400 South Dakota landowners. Additional information can be obtained from the SD PUC at www.puc.sd.gov or by calling 1-800-332-1782.

Wisconsin

The regulatory process in Wisconsin combines need and routing into one permit. The Certificate of Public Convenience and Necessity (CPCN) application will be filed with the Public Service Commission of Wisconsin (PSCW) later this year. The PSCW makes the final decision on whether the line is needed and for the route. For more information on the Wisconsin process visit www.psc.wi.gov or call 1-888-816-3831.



Despite shrinking families and increasing costs for construction and energy, the average new house has grown by nearly 400 square feet to 2,434 square feet. The average household size has shrunk slightly since 1990, to about 2.6 people. (Associated Press)

Contact information for the three 345-kV projects:

Brookings, SD – SE Twin Cities
(888) 473-2279
brookingsinfo@capx2020.com

Fargo – Alexandria – St. Cloud – Monticello
(866) 876-2869
fargoinfo@capx2020.com

SE Twin Cities – Rochester – La Crosse
(800) 238-7968
lacrosseinfo@capx2020.com

March
2008

CapX2020 UPDATE

September /October
2007 CapX 2020
open houses for the
Fargo-Monticello line

Open houses: 9

Total attendance: 582

Submitted comment
cards: 182

www.capx2020.com

CapX 2020 Utilities Host Public Meetings In Your Area

The CapX 2020 utilities are holding another round of open houses in late March in seven communities to provide information on the proposed electric transmission line between Fargo, Alexandria, St. Cloud and Monticello. Utility representatives will be available to answer questions about the proposed 345 kilovolt (kV) line and substations and to discuss and collect information in the ongoing route development process. The open houses will include maps that display revised corridors from the original notice corridor that was presented last fall.

The Fargo-Monticello line is one of three 345-kV lines being proposed by CapX 2020, a joint initiative of 11 transmission-owning utilities in Minnesota and the surrounding region. The initiative is designed to expand the electricity infrastructure to ensure continued reliable service, meet the growth in electricity demand and support renewable energy expansion. If approved, the proposed Fargo-Monticello line would be built in phases to accommodate the needs of the region. The projected in-service dates are:

- Monticello to St. Cloud, 2011
- St. Cloud to Alexandria, 2013
- Alexandria to Fargo, 2015

The Minnesota Public Utilities Commission (MN PUC) must approve two permit applications before the lines can be built: a Certificate of Need (CON) and a Route Permit. The CON application, which was filed on Aug. 16, 2007, examines whether the proposed facilities are necessary and what the appropriate size, configuration and timing of the projects should be. In a separate Route Permit proceeding, the MN PUC determines the route and design of the line. The CapX 2020 utilities plan to file a Route Permit application with the MN PUC in late summer or fall 2008.

The CapX 2020 utilities also are involved in similar proceedings for new transmission lines with the North Dakota Public Utilities Commission (see inside story).

Open house schedule inside

CapX2020

Delivering electricity you can rely on

Presorted
First-Class Mail
U.S. Postage
PAID
Saint Paul, MN
Permit No. 3302



To help the CapX 2020 project teams gather local information that will be used to develop refined corridors for the three proposed 345-kV lines, the utilities hosted 20 public routing work group meetings since January. Landowners, local government officials, representatives from agriculture, state and federal agencies, and environmental groups participated in the meetings. Additional work groups will be scheduled in late spring and early summer. To participate, visit www.capx2020.com and click the Contact Us link.

Central Minnesota Municipal Power Agency • Dairyland Power Cooperative • Great River Energy
Minnesota Power • Minkota Power Cooperative • Missouri River Energy Services • Otter Tail Power Company
Rochester Public Utilities • Southern Minnesota Municipal Power Agency • Wisconsin Public Power Inc. • Xcel Energy

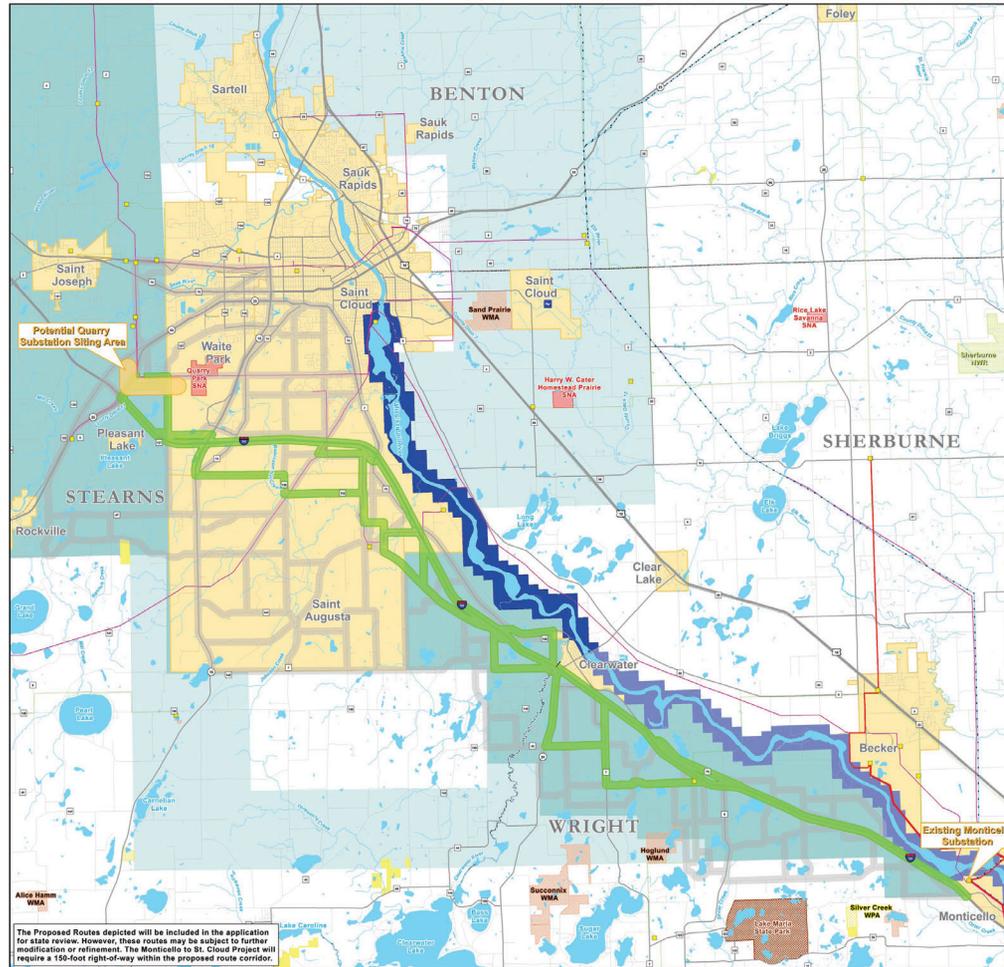
UTILITIES HOST OPEN HOUSE IN CLEARWATER

The **CapX 2020 utilities** are hosting an open house on May 29th in Clearwater on the proposed high voltage transmission line between Fargo, Alexandria, St. Cloud and Monticello. The open house will include maps that display several transmission line route options (1,000 feet wide). Please stop by anytime between 3 and 7 p.m. to provide your comments on the route options. No formal presentation is scheduled.

In order to first target the critical electrical reliability needs in the St. Cloud area, the utilities have divided the line into two – Monticello to St. Cloud and St. Cloud to Fargo. The utilities are moving toward filing a Route Permit for the Monticello to St. Cloud project with the Minnesota Public Utilities Commission in late summer.

This line is one of three 345-kilovolt lines proposed by CapX 2020, a joint initiative of 11 transmission-owning utilities in Minnesota and the surrounding region. The initiative is designed to expand the electricity infrastructure to ensure continued reliable service, meet the growth in electricity demand and support renewable energy expansion.

www.capx2020.com



The Proposed Routes depicted will be included in the application for state review. However, these routes may be subject to further modification or refinement. The Monticello to St. Cloud Project will require a 150-foot right-of-way within the proposed route corridor.

CapX2020

Delivering electricity you can rely on

*Central Minnesota Municipal Power Agency
Dairyland Power Cooperative
Great River Energy
Minnesota Power
Minnkota Power Cooperative
Missouri River Energy Services
Otter Tail Power Company
Rochester Public Utilities
Southern Minnesota Municipal Power Agency
Wisconsin Public Power Inc.
Xcel Energy*

OPEN HOUSE SCHEDULE:

Thursday, May 29

3 – 7 p.m.

Eagle Trace Golfers Club

1100 NW Main St

Clearwater, MN 55320

If you are unable to attend the open house, submit comments by visiting www.CapX2020.com, calling 866-876-2869 or sending an e-mail to fargoinfo@CapX2020.com.

For additional information on the regulatory process:

Minnesota Department of Commerce
(www.commerce.state.mn.us)

Minnesota Public Utilities Commission
(www.puc.state.mn.us)

North Dakota Public Service Commission
(www.psc.state.nd.us)

www.capx2020.com