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August 26, 2009

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
127 7th Place East, Suite 350
St. Paul, MN 55101-2147

**RE: Comments and Recommendation of the Office of Energy Security Energy
Facility Permitting Staff
Docket No. IP6688/TL-09-601**

Dear Dr. Haar:

Attached are the Comments and Recommendation of the Office of Energy Security Energy Facility Permitting Staff in the following matter:

In the Matter of the Route Permit Application for the EcoHarmony West Wind Project 161 kilovolt High Voltage Transmission Line and Substation in Fillmore County.

The OES EFP staff is also providing you with:

- A. Proposed Route Map

Staff is available to answer any questions the Commission may have.

Sincerely,

/s/ MATT LANGAN
OES EFP Staff

Attachment



BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

DOCKET NO. IP-6688/TL-09-601

Meeting Date: September 2, 2009Agenda Item # _____

Company: EcoEnergy

Docket No: **IP-6688/TL-09-601**

**In the Matter of the Route Permit Application for the EcoHarmony West
Wind Project 161 kilovolt High Voltage Transmission Line and Substation in
Fillmore County.**

Issue(s): Should the Commission accept the route permit application as complete?

OES Staff: Matthew A. Langan651-296-2096

RELEVANT DOCUMENTS

Route Permit ApplicationJuly 30, 2009

The enclosed materials are work papers of the Office of Energy Security (OES) Energy Facility Permitting (EFP) staff. They are intended for use by the Public Utilities Commission (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. Citizens with hearing or speech disabilities may call us through Minnesota Relay at 1-800-627-3529 or by dialing 711.

DOCUMENTS ATTACHED

1. Figure 1 – Proposed Route

Note: Relevant documents and additional information can be found on eDockets (09-601) or the Commission website at: <http://energyfacilities.puc.state.mn.us/Docket.html?Id=24696>.

STATEMENT OF THE ISSUES

Should the Commission accept the route permit application as complete? If accepted, should the Commission authorize the OES to appoint a public advisor and an advisory task force?

INTRODUCTION AND BACKGROUND

On July 30, 2009, EcoEnergy filed a route permit application under the alternative permitting process for a 8.5-mile 161 kV transmission line to capture energy generated by an up to 280 megawatt (MW) wind farm called EcoHarmony West in Fillmore County.

Because the proposed transmission line is less than 10 miles in length and does not cross the state border, a Certificate of Need (CN) application is not required (Minnesota Statutes 216B.2421, subd. 2(3)).

Project Description

The project would be located in Fillmore County, Minnesota, in Bristol and Harmony townships.

The project involves the construction of an 8.5-mile 161 kV transmission line, a substation in Bristol Township, and a switching station in Harmony township. The transmission line would originate at a newly constructed substation (EcoHarmony West substation). The transmission line route would head east out of the EcoHarmony West substation along County Highway 44 for approximately four and one half miles to 305th Avenue where it would turn south one mile to 120th Street where it would head east three miles to the switching station (see attached Figure 1).

The applicants are requesting a proposed route 220 feet in width. The route follows existing road rights-of-way. The requested route width allows for 110 feet on each side from the roadways' right-of-way. The proposed transmission line right-of way is 50 to 100 feet, depending on whether the line can be co-located on double-circuit poles.

REGULATORY PROCESS AND PROCEDURES

High voltage transmission lines between 100 kV and 200 kV are eligible for the Alternative Permitting Process (Minnesota Rule 7849.5500) of the Power Plant Siting Act (Minnesota Statute 216E.04). Review under the alternative permitting process does not require the applicant to propose any alternative routes in the permit application. If the applicant has rejected alternative routes, the applicant must include the rejected routes and reasons for rejecting them in the route permit application (Minnesota Rule 7849.5530).

Route permit applications for high voltage transmission lines reviewed under the alternative permitting process must provide specific information about the proposed project as defined in Minnesota Rule 7849.5530 and 7849.5220, subpart 2. The Commission may accept an application as complete, reject an application and require additional information to be submitted, or accept an application as complete upon filing of supplemental information (Minnesota Rule 7849.5540 and 7849.5230).

The review process begins on the date the Commission determines that an application is complete. The Commission has six months to reach a final route permit decision from the date an application is accepted. (Minnesota Rule 7849.5540 and 7849.5230).

On May 29, 2009, EcoEnergy filed a 10-day advance notice of intent to the Commission before submitting a route permit application in accordance with Minnesota Rule 7849.5500, subpart 2. On July 30, 2009, EcoEnergy filed a route permit application with the Commission for the 161 kV transmission line project under the alternative permitting process.

Public Advisor

Upon acceptance of an application for a site or route permit, the Commission must designate a staff person to act as the public advisor on the project (Minnesota Rule 7849.5250). The public advisor is someone who is available to answer questions from the public about the permitting process. In this role, the public advisor may not act as an advocate on behalf of any person.

The Commission can authorize the OES to name a member from the EFP staff as the public advisor or assign a Commission staff member.

Advisory Task Force

The Commission has the authority to appoint an advisory task force (Minnesota Statute 216E.08). An advisory task force comprises representatives of local governmental units and potentially, other interested local persons. A task force can be charged with identifying additional routes or specific impacts to be evaluated in the Environmental Assessment (EA) and terminates when the OES Director issues an EA scoping decision.

The Commission is not required to assign an advisory task force for every project. However, if the Commission does not name a task force, Minnesota Rule 7849.5270 allows a citizen to request appointment of a task force. The Commission would then need to determine at its next meeting if a task force should be appointed or not. The decision whether to appoint an advisory task force does not need to be made at the time of accepting the application; however, it should be made as soon as practicable to ensure its charge can be completed prior to an EA scoping decision by the OES Director.

Environmental Review

Applications for high voltage transmission line route permits are subject to environmental review, which is conducted by OES EFP staff under Minnesota Rule 7849.5500. The staff will

provide notice and conduct a public information and environmental assessment scoping meeting to solicit public comments on the scope of the EA. The Director of the OES will determine the scope of the EA. The EA will be completed and made available prior to the public hearing.

Public Hearing

Applications for high voltage transmission line route permits under the alternative permitting process require a public hearing (non-contested) upon completion of the environmental assessment pursuant to Minnesota Rule 7849.5710. The hearing will be held in the county where the proposed project would be located.

STAFF ANALYSIS AND COMMENTS

Energy Facility Permitting staff conducted a completeness review of the EcoEnergy route permit application and conclude that the proposed project is eligible for review under the alternative permitting process (Minnesota Rule 7849.5500) and that the application meets the content requirements of Minnesota Rule 7849.5530. Staff recommends the Commission accept the application with the understanding that if additional information is requested by the OES EFP staff, these requests will be addressed promptly. The applicants have indicated that they will comply with requests for additional information from the Commission or the OES.

Advisory Task Force

In analyzing the merits of establishing an advisory task force for the project, staff considered four characteristics: size, complexity, known or anticipated controversy, and sensitive resources.

Project Size. At approximately 8.5 miles in length, the project is relatively short, running as direct as possible along road rights-of-way. The requested route width is 220 feet in width to allow the project to be constructed on either side of the road rights-of-way. The proposed right-of-way widths to be located within the proposed routes are more defined and range from 50 to 100 feet total.

Complexity. The proposed route is simple and straight forward. The majority of the proposed route uses or parallels existing electric transmission facilities and/or road rights-of-way. No residential or business displacements would result from the proposed project. Additionally, the applicant has agreements in place with the majority of the landowners along the proposed route, and is currently pursuing agreements with the remaining landowners.

Known or Anticipated Controversy. Energy Facility Permitting staff is not aware of any existing or likely controversy in this docket. The applicants have met with local government officials who have not expressed significant concerns at this point. Staff will seek to educate officials and local residents through the process about the opportunities afforded the public to submit comments and suggestions for alternative routes. Concerns and desires for examination of alternative routes are common in the routing process.

Sensitive Resources. No impacts to sensitive resources have been identified by the applicant at this time. State and federal rare/endorsed species and features were not found along the proposed transmission line route. The proposed route will not directly affect any public recreation areas.

There are no issues that represent unusual circumstances to be addressed in an application review process or would not otherwise be addressed in the OES environmental review process. No other sensitive resources have been identified at this time.

Based on the analysis above, staff concludes that an advisory task force is not warranted in this case. The alternative permitting process should provide adequate opportunities for the public to identify issues and route alternatives to be addressed in the EA. Staff can also assist local landowners and governmental units in understanding the siting and routing process and identifying opportunities for participating in further development of alternative routes or permit conditions. Therefore, the staff recommendation is to take no action on a task force at time.

COMMISSION DECISION OPTIONS

A. Application Acceptance

1. Accept the EcoEnergy 161 kV Transmission Line Route Permit Application as complete and authorize Office of Energy Security Energy Facilities Permitting staff to process the application under the alternative permitting process in Minnesota Rules 7849.5500 to 7849.5720.
2. Reject the route permit application as incomplete and issue an order indicating the specific deficiencies to be remedied before the application can be accepted.
3. Find the route permit application complete upon the submission of supplementary information.
4. Make another decision deemed more appropriate.

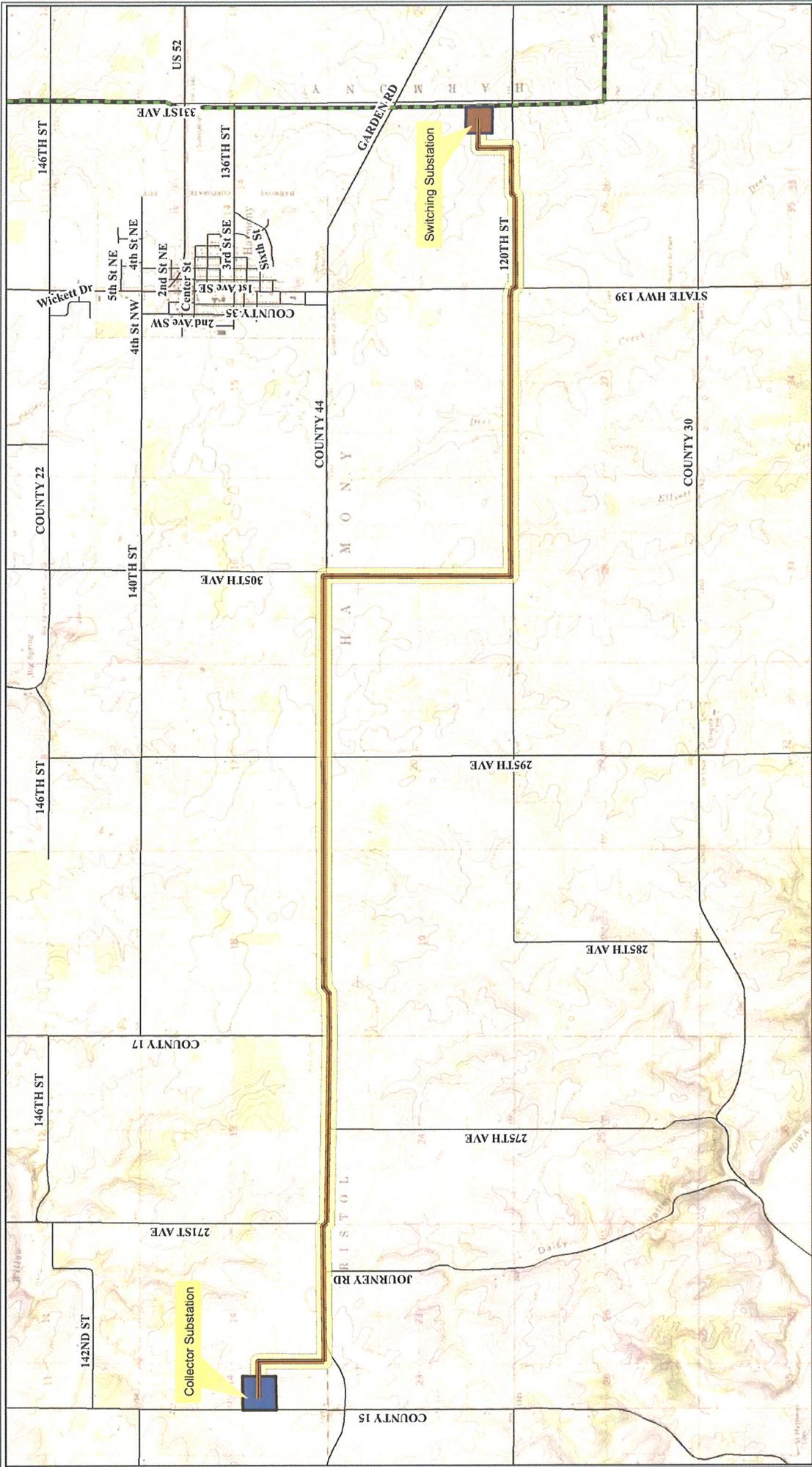
B. Public Advisor

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

C. Advisory Task Force

1. Authorize Office of Energy Security Energy Facility Permitting staff to establish an advisory task force and develop a structure and charge for the task force.
2. Determine that an advisory task force is not necessary.
3. Take no action on an advisory task force at this time.
4. Make another decision deemed more appropriate.

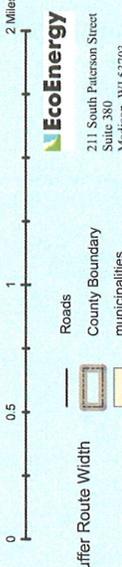
EFP Staff Recommendation: Staff recommends options A1, B1, and C3.



EcoHarmony West General Transmission Line Layout Map Figure 2

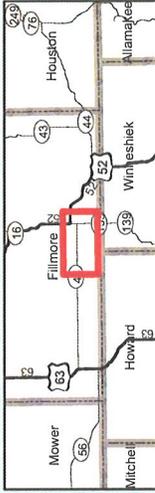


2 Miles



Legend

-  Proposed Transmission Line Route
-  ITC Interconnect Line
-  Collector Substation
-  Switching Substation
-  220ft Buffer Route Width
-  Roads
-  County Boundary
-  Municipalities



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