



BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

DOCKET NO. IP6846/WS-10-798

Meeting Date: September 8, 2010 ..... Agenda Item # 1

---

Company: Lake Country Wind Energy, LLC

Docket No. IP6846/WS-10-798

**In the Matter of the Application of Lake County Wind Energy, LLC for a 41  
Megawatt Large Wind Energy Conversion System in Kandiyohi and Meeker  
Counties.**

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

OES Staff: Scott Ek ..... (651) 296-8813

---

**RELEVANT DOCUMENTS**

Lake County Wind Energy, LLC Site Permit Application ..... August 4, 2010

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 Minnesota Public Utilities Commission (Commission) and are based on information already in the record unless otherwise noted.

## **DOCUMENTS ATTACHED**

Figure 1 – Proposed Large Wind Energy Conversion System Site Control/Location

Relevant documents and additional information can be found on eDockets (10-798) or the Commission's Energy Facilities Permitting website at: <http://energyfacilities.puc.state.mn.us/Docket.html?Id=29189>.

---

## **STATEMENT OF THE ISSUES**

Should the Commission accept, conditionally accept, or reject the site permit application? If the application is accepted or conditionally accepted, should the Commission appoint a public advisor?

## **INTRODUCTION AND BACKGROUND**

Lake Country Wind Energy, LLC (Lake Country or applicant) made application to the Minnesota Public Utilities Commission for a Large Wind Energy Conversion System (LWECS) site permit under the Wind Siting Act (Minnesota Statutes, Chapter 216F) on August 4, 2010. The application is for the construction, operation, and maintenance of a proposed 41 MW wind farm and associated facilities.

Lake Country is a Minnesota Limited Liability Company formed by National Wind, LLC in partnership with residents in the vicinity of the project for the purpose of developing the Lake Country Wind Energy project. National Wind, LLC is the manager of the project and currently owns a minority share of Lake Country Wind Energy, LLC. Lake Country would enter into a contractual agreement with REpower to provide service to and maintain the turbines for three years, which includes the 2-year warranty period. When the warranty period ends, Lake Country would contract a qualified operations and maintenance contractor for the continued operation and maintenance of the project. The project's operations manager would oversee all maintenance, management, and service activities of the turbines and supporting facilities to ensure the utility interconnection is sound and the response to turbine outages is timely.

## **PROJECT DESCRIPTION AND LOCATION**

Lake Country proposes to construct a 41 megawatt (MW) wind farm on approximately 16,047 acres of agricultural land in Kandiyohi and Meeker counties, near the city of Atwater, Minnesota. Lake Country, in its LWECS application, has designated the 16,047 acres of land as the project area "to ensure adequate area is included in the permit review process in order to allow some flexibility for project optimization and to minimize environmental impacts by allowing sufficient room to buffer natural features and other constraints that exist within the site." Upon completion of the project, approximately 19.4 acres of the 16,047 acres would be converted to turbines and associated infrastructure.

Lake Country anticipates using an array of 20 REpower 2.05 MW MM92 wind turbines. The turbines would consist of 328 foot towers with 269 foot diameter rotors for a maximum height of 479 feet. The project would also require the following associated facilities as identified in the permit application:

- Pad mount transformers
- Collection lines
- Supervisory Control and Data Acquisition (SCADA) communication lines
- A project substation

- Access roads
- Two temporary meteorological towers
- One permanent meteorological tower
- An operations and maintenance facility

The project would interconnect to an existing Xcel Energy 69 kV transmission line with a proposed project substation in section 6 of Acton Township in Meeker County. The project is expected to generate between 139,480 MW and 142,747 MW annually.

In accordance with Minnesota Statute 216B.1612, subdivision 2(g), the project qualifies as a community-based energy development project (C-BED). On February 17, 2009, the Meeker County Board of Commissioners indicated its support for the development of the Lake Country Wind Energy Project as a C-BED project.

## **REGULATORY PROCESS AND PROCEDURES**

Pursuant to the Minnesota Wind Siting Act, a site permit from the Commission is required to construct an LWECS, which is any combination of a wind charger, windmill, or wind turbine and associated facilities with a combined nameplate capacity of five MW or more that converts wind energy to electric energy. The rules to implement the permitting requirement for LWECS are found in Minnesota Rules 7854.0100 to 7854.1500. The applicant filed an application with the Commission for a LWECS site permit on August 4, 2010. Under Minnesota Rule 7854.1000, subpart 2, the Commission has 180 days to reach a final permit decision from the date an application is accepted

### **Certificate of Need**

Lake County notes in its application that a certificate of need from the Commission for a large electric power generating plant is not required, as the project is less than 50 MW in size and, therefore, does not meet the definition of large energy facility in Minnesota Statute 216B.2421.

### **Site Permit Application Contents**

The required contents of a site permit application are specified in Minnesota Rule 7854.0500. These information requirements include, but are not limited to, applicant background information, certificate of need compliance, compliance with state policy, proposed site maps, wind characteristics, other wind turbine locations, discussion of wind rights, project design and associated facilities, environmental impacts, project construction and operation, costs, schedules, energy projections, and decommissioning and restoration.

### **Application Acceptance**

Application acceptance is guided by Minnesota Rule 7854.0600. The Commission may elect to accept, conditionally accept, or reject the application. If the Commission conditionally accepts or rejects an application, the Commission must advise the applicant of the deficiencies in the application and the manner in which the deficiencies can be addressed.

Within 15 days after the Commission's acceptance of a LWECS site permit application, the applicant is required to provide notice of the application. The notice is to be provided to the county board and each city council and township board in each county where the LWECS is proposed to be located and published in a newspaper of general circulation in each county.

In practice this notice is developed by the applicant, with assistance from EFP staff to ensure that the notice meets the requirements and intent of Minnesota Rule 7854.0600. This notice is also published on eDockets and the Commission's Energy Facility Permitting website.

As a part of the notice requirements of Minnesota Rule 7854.0600, the applicant must provide a copy of the application to each landowner within the proposed site and to anyone upon request. The applicant is also required to distribute the application to the Minnesota Historical Society, the regional development commission(s), the auditor of each county, and the clerk of each city and township within which the LWECS is proposed to be located. The auditors and clerks are to retain the application and make it available for public inspection on request (Minnesota Rule 7854.0600, subpart 3). The applicant is responsible for maintaining the application distribution list.

In practice, EFP staff also distributes copies of the application along with a cover memo requesting comments on the application or the project to technical representatives from state agencies (Pollution Control Agency, Department of Natural Resources, Department of Transportation, Department of Employment and Economic Development, Board of Water and Soil Resources) that may have permitting or review authority over the project.

### **Public Advisor**

Minnesota Rule 7854.0700 states, "Upon acceptance of an application for a site permit, the commission shall designate a staff person to act as the public advisor on the project." The Commission can authorize EFP to name a staff member as the public advisor or assign a Commission staff member.

### **Preliminary Determination on Draft Site Permit**

In accordance with Minnesota Rule 7854.0800, the Commission shall make a preliminary determination on whether a permit may be issued or should be denied within 45 days after acceptance of the application. If the preliminary determination is to issue a permit, the Commission 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 authorize a person to construct a 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 anticipates requesting Commission consideration of issuance of a draft site permit for this project in October 2010.

### **Public Participation Process**

Public participation in the LWECS site permitting process is guided by Minnesota Rule 7854.0900. The Commission provides public notice of the availability of the draft site permit. The notice is required to include the following:

- the applicant's contact information;
- a description of the proposed project, including a proposed site map;
- locations where the permit application and draft site permit are available for review and information on how to obtain a copy of the application and site permit;
- the role of the public advisor, and how the public advisor may be contacted to obtain more information about the process or the project;
- the time and place of the public information meeting conducted by EFP staff;
- the dates on which the comment period commences and terminates;

- a statement that during the comment period any person may submit comments to the Commission on the draft site permit;
- a statement that a person may request a contested case hearing on the matter; and
- a brief description of the procedures for reaching a final decision on the permit application.

Notice of draft site permit availability is sent to all persons or agencies that received a copy of the permit application, is published in the *EQB Monitor* and in the county newspaper(s) where the project is proposed, and is posted on eDockets and on the Commission's Energy Facility Permitting website.

#### Public Meeting

A public meeting will be held at a convenient location in the vicinity of the proposed LWECS project. The meeting will provide the public an opportunity to learn about the proposed project and the Commission's role in review and approval of LWECS and to ask questions of the applicant and EFP staff. The meeting is also an opportunity for the public to offer comments on the permit application and draft site permit, which serve as the environmental documents for the project.

#### Public Comment Period

The rule requires a minimum of 30 days after publication of the notice of draft site permit availability in the *EQB Monitor* for any interested person to submit comments on either the site permit application or the draft site permit. If necessary, the Commission may extend the public comment period to provide the public adequate time to review the application and other pertinent information in order to formulate complete comments on the draft site permit and the project.

### **STAFF ANALYSIS AND COMMENTS**

The application has been reviewed by EFP staff pursuant to the requirements of Minnesota Rules Chapter 7854 (Wind Siting Rules). The application provides the information required by Minnesota Rule 7854.0500 in a format that all members of the public can access. Acceptance of the application will allow staff to initiate the procedural requirements of Minnesota Rules, Chapter 7854.

The applicant has agreed to honor requests for additional information as necessary to facilitate the review process.

## **COMMISSION DECISION OPTIONS**

### **A. Application Acceptance**

1. Accept the application as complete, with the condition that Lake Country Wind Energy, LLC will provide additional information as requested by the Commission and the Office of Energy Security Energy Facility Permitting staff for the Lake Country Wind Energy 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.

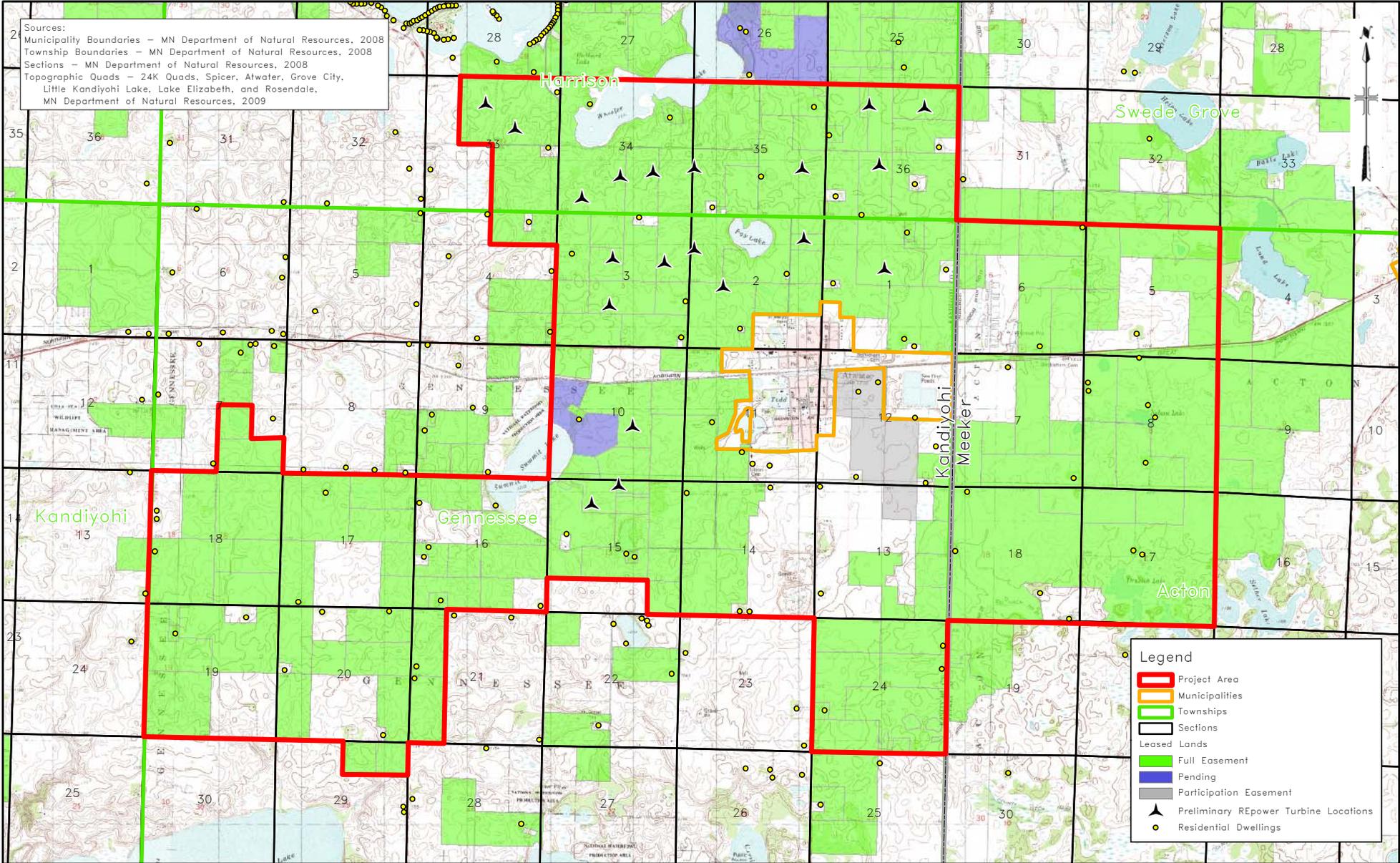
### **B. Public Advisor**

1. Authorize the Office of Energy Security Energy Facility 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. Certificate of Need**

1. Based on the information in the record to date, find that a certificate of need is not required.
2. Make no findings regarding the certificate of need.
3. Make some other decision deemed more appropriate.

**Energy Facility Permitting Staff Recommends:** Options A1, B1, and C1.



LARGE WIND ENERGY CONVERSION SYSTEM

SITE CONTROL

0 3,500 7,000 Feet

SCALE: 1" = 3,500'

AUGUST 2010

FIGURE 1