



STATE OF MINNESOTA
Office of Energy Security



Issued: February 11, 2011

NOTICE OF PUBLIC INFORMATION AND SCOPING MEETINGS

**In the Matter of the Northern States Power Company
Certificate of Need Application for
Two 115 kV High Voltage Transmission Lines in Minnesota
PUC Docket E002/CN-10-694**

PLEASE TAKE NOTICE that the Minnesota Department of Commerce Office of Energy Security (OES) will conduct public information and environmental report (ER) scoping meetings at the times and location listed below, on the certificate of need application by Northern States Power Company (Xcel Energy) submitted to the Minnesota Public Utilities Commission (Commission) for the proposed 115 kV high voltage transmission lines (HVTL) in the Midtown area of south Minneapolis in Hennepin County (Hiawatha Project) pursuant to Minnesota Rules 7849.

The purpose of the meetings is to provide information to the public about the project and to identify issues and alternatives to study in an ER that will be prepared by OES Energy Facility Permitting (EFP) staff.

Public Information and Scoping Meetings

Wednesday, March 16, 2011
Afternoon Session - 2:00 p.m.
Evening Session - 6:00 p.m.
Plaza Verde
1516 East Lake Street
Minneapolis, MN 550407
612-724-5332

During the meetings, OES EFP staff will give a presentation about the state's high voltage transmission line permitting process, certificate of need process, the proposed project, and how the public can participate. Xcel Energy will have representatives at the public meetings who can answer general questions about the proposed project. Members of the public will have an opportunity to ask questions, present comments, and propose issues, impacts and alternatives to be studied in the ER.

Review copies of the route permit application, certificate of need application, permitting process flowcharts, and comment forms will be available at the meetings. Each meeting will offer the same process and information, so interested persons need attend only one of the meetings.

The OES will accept written comments on the scope of the ER until Wednesday, April 6, 2011. Please include PUC Docket No. CN-10-694 on all comments. Comments should be mailed, emailed, or faxed to:

Bill Storm
State Permit Manager
Minnesota Office of Energy Security
85 7th Place East, Suite 500
St. Paul, Minnesota, 55101-2198
Fax: 651-297-7891
bill.storm@state.mn.us

Comments may also be submitted on the Commission's energy facility permitting website:
<http://www.energyfacilities.puc.state.mn.us>.

Project Description. The total length of the HVTLs would be approximately 1.4 to 3.8 miles long depending on the final route. The stated purpose of the Hiawatha Project is to meet the distribution needs of Applicant's customers in south Minneapolis, Hennepin County, Minnesota. The Applicant has stated that demand for power has increased beyond the capability of the system due to population growth, higher load density, and recent successful urban revitalization efforts, particularly in the areas along Lake Street, Hiawatha Avenue, and the Chicago and Park Avenue corridors. Additional electrical infrastructure is required to address overload conditions on the distribution system and to improve the reliability of the power supply to residences and businesses. Without new infrastructure, electrical conditions will worsen with time.

Xcel Energy proposes to construct the following facilities:

- A new 115 kV distribution substation near Hiawatha Avenue and 28th Street (Hiawatha Substation),
- A new 115 kV distribution substation near Oakland Avenue South and 29th Street, including the site of the former Oakland Substation (Midtown Substation), and
- Two 115 kV transmission lines between the two new substations. The routes for the transmission lines total approximately 1.4 to 3.8 miles depending on the final route selected.

Potential routes that the transmission lines would follow, if approved, were put forth in the HVTL Route Permit proceeding which is currently on hold (See Below). The transmission line routes will be determined through the HVTL Route Permit process expected to recommence following the certificate of need process.

REVIEW PROCESS

Certificate of Need. This project falls under the recently enacted Certificate of Need statutory provision that requires a Certificate of Need for transmission projects of this size and length if located in an area with high population density and the proposed transmission lines parallel a below-grade bike and walking path (2010 Minn. Laws, ch. 361, art. 5, sec. 19; Effective Date: May 18, 2010). The Commission must determine whether the HVTLs are necessary and in the best interest of the state.

The Certificate of Need process includes environmental review and public hearings, and typically takes 12 months. The Applicant applied for a Certificate of Need on November 29, 2010.

The OES has two separate and distinct responsibilities in the certificate of need process: analyzing the Certificate of Need application and administering the environmental review process for the Commission. The Commission is responsible for determining if the transmission lines proposed are needed.

Environmental Report and Public Comment Period. The environmental review process includes public information/scoping meetings and the preparation of an environmental review document, the Environmental Report (ER). The Environmental Report is a written document that describes the human and environmental impacts of the proposed project, alternatives to the project and methods to mitigate anticipated adverse impacts. The ER must be prepared before the Commission can make a decision on the Certificate of Need application.

Public Hearing. After completion of the ER, a public hearing will be held. The hearing will be presided over by an administrative law judge (ALJ) from the Office of Administrative Hearings. Members of the public will have an opportunity to speak at the hearing, present evidence, ask questions, and submit comments. Notice of the public hearing will be published in local newspapers and mailed to persons who register their names on the OES project mailing list (see below).

Upon completion of the environmental review and hearing process, the record compiled for the CON proceeding will be presented to the Commission for a final decision. This review process is the only process during which alternatives to the project will be considered, including the “no build” alternative and alternatives related to the size, type, timing, and configuration of the project.

Route Selection and Permitting. Xcel Energy previously filed an application for a HVTL Route Permit with the Commission (Docket TL-09-38) on April 24, 2009. Due to the recently enacted legislation requiring a Certificate of Need, the HVTL Route Permit proceedings are on hold pending the outcome of this Certificate of Need filing.

Eminent Domain. If issued a Certificate of Need and route permit by the Commission, the Applicant may exercise the power of eminent domain to acquire the land necessary for the project pursuant to Minnesota Statute 216E.12 and Minnesota Statute 117.

Project Mailing List. Persons should contact the OES EFP staff member (noted below) or register online at: www.energyfacilities.puc.state.mn.us to get their name on the project mailing list, Docket number E002/CN-10-694. Persons on the mailing list will receive notices of meetings/hearings and notices of document availability for this project. **If you do not register to be on the mailing list you will not receive correspondence regarding this project after this notice.** Registration to the project mailing list is voluntary and may be done at any time.

Project Documents. A more detailed description of the proposed project is contained in Xcel Energy’s certificate of need application. An electronic version of this document is available on the Commission’s energy facility permitting website:

<http://energyfacilities.puc.state.mn.us/Docket.html?Id=30489>

Additionally, these documents are available on the Commission's eDockets system:
<https://www.edockets.state.mn.us/EFiling/search.jsp> (enter the year "10" and the number "694").

The CON and route permit applications are also available at the public libraries noted below:

- Central, 300 Nicollet Mall
- East Lake, 2727 E. Lake St.
- Franklin, 1314 E. Franklin Ave.
- Roosevelt, 4026 28th Ave. S.
- Hosmer, 347 E. 36th St.
- Nokomis, 5100 34th Ave S

Project Contacts. The OES has designated staff member Bill Storm (651-296-9535, bill.storm@state.mn.us) to administrate the environmental review process for this project. You may contact him at: Department of Commerce, Office of Energy Security, 85 7th Place East, Suite 500, St. Paul, MN 55101-2198. Other contact information: Toll-Free: 1-800-657-3794, Fax: 651-297-7891 or TTY: Minnesota Relay Services, 1-800-627-3529, and ask for the DOC.

Public Utilities Commission. If you would like additional information about the certificate of need process or Commission practice and procedure, please contact Commission staff member Brett Eknes (651-201-2236, Fax: 651-297-7073, brett.eknes@state.mn.us). Mr. Eknes may be contacted in writing at: Minnesota Public Utilities Commission, 121 7th Place E., Suite 350, St. Paul, MN 55101-2147.

Xcel Energy. Information about this project is available from Xcel Energy. You can direct questions to Paul J. Lehman (612-330-7529, paul.lehman@xcelenergy.com). Mr. Lehman may be contacted in writing at: Xcel Energy, 414 Nicollet Mall, (MP 8), Minneapolis, MN 55401.

This document can be made available in alternative formats (i.e., large print or audio) by calling 651.296.0406 (voice). Persons with hearing or speech disabilities may call us through Minnesota Relay at 1.800.627.3529 or by dialing 711.

