

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
Phyllis A. Reha
David C. Boyd
J. Dennis O'Brien
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy and Great River Energy for a Certificate of Need for the Upgrade of the Southwest Twin Cities Chaska Area 69 kV Transmission Line to 115 kV Capacity

ISSUE DATE: August 21, 2012

DOCKET NO. E-002, ET-2/CN-11-826

ORDER ACCEPTING APPLICATION
AS COMPLETE AND INITIATING
INFORMAL REVIEW PROCESS

PROCEDURAL HISTORY

On May 15, 2012, Xcel Energy and Great River Energy (collectively, the Applicants) filed a certificate of need application seeking approval to rebuild the Chaska Area 69 kV transmission line to 115 kV capacity in or near the City of Chaska (Project).

On May 25, 2012, Legalectric, Inc. filed comments encouraging the opportunity for public involvement if the Department pursues the development of a single, higher voltage solution as described in the Department's comments in an earlier docket.

On June 11, 2012, the Minnesota Department of Commerce (Department) filed comments concluding that the Applicants met the completeness requirements of the certificate of need rules with two exceptions. The Department recommended that the Applicants clarify (1) the location of the discussion of the estimated workforce required for construction and operation maintenance; and (2) the extent and manner to which the Applicants coordinated their load forecast with those of other systems.

On June 21, 2012, Xcel Energy and Great River Energy filed reply comments and a supplement to the reply comments providing the information requested by the Department.

On July 17, 2012, the Commission met to consider the matter. The Department recommended that the Commission find the application complete with the submission of the additional information provided by Applicants on June 21, 2012.

FINDINGS AND CONCLUSIONS

I. The Project

The Project includes transmission lines that run from southeast of Chaska in Scott County through Chaska, north to the Victoria Substation, and west to Aue Lake in Carver County. The Project includes the construction of approximately 2.6 miles of new 115 kV transmission line; the upgrade of approximately 9 miles of 69 kV line to 115 kV capacity; the removal of approximately 0.4 miles of existing 69 kV line; the abandonment of approximately 1 mile of existing 69 kV line; and 115 kV reconfigurations and upgrades at the 69 kV substation facilities.

Applicants claim that the Project is needed to prevent overloading conditions on transmission facilities serving the City of Chaska. Applicants also claim that the Project is needed to provide for further growth and development in the southwest region of the Twin Cities.

II. Application Completeness

The Department reviewed the application to determine compliance with the requirements of Minn. R. 7849.0220, 7849.0240, and 7849.0260 through 7849.0340. The Department recommended that the Commission find the filing complete upon the submission of the two additional items discussed in the Department's reply comments.

The Commission has examined the record and concurs with the Department that with the supplemental information submitted by Applicants on June 21, 2012, the application is substantially complete. The Commission's finding of substantial completeness is as to form only; it implies no judgment on the merits of the application.

III. Process for Reviewing the Merits

The Commission has the discretion to evaluate certificate of need requests using either contested case proceedings or an informal notice and comment process.¹ The informal process is a less structured method of developing the record and provides an opportunity for the identification of contested issues.

At this stage in the proceeding, no person has alleged that there are contested material facts for a contested case proceeding and no person has requested a contested case proceeding. The Department stated that the Applicants currently have several ongoing proceedings regarding 115 kV transmission lines in the west metro and that a more efficient, higher voltage regional solution may be facilitated by a contested case proceeding. The Department did not request a contested case proceeding at this time. Because no person has requested a contested case proceeding and no other factors indicate a need for a contested case proceeding, the Commission will not order one at this time.

The Commission will therefore authorize staff to develop the record and prepare this case for Commission action without contested case proceedings under Minn. Stat. §§ 14.57, *et seq.*, unless those proceedings are later determined to be necessary. Staff will manage the development of the

¹ Minn. R. 7829.2500, subp. 9.

case record by establishing necessary comment periods and ensuring compliance with statutory requirements such as the submission of an environmental report and the holding of one or more public hearings.

Under the informal review process, the Commission will ask the Office of Administrative Hearings to hold at least one public hearing, scheduled in conjunction with Commission staff. The Commission will also take the steps listed below to ensure adequate development of the record:

- Provide the name, telephone number, and email address of the Commission employee designated as Public Advisor to facilitate citizen participation in the process;
- Request that the Department continue to study issues and indicate during the hearing process its position on the reasonableness of granting a certificate of need;
- Direct the Applicants to facilitate in every reasonable way the continued examination of the issues by the Department and Commission staff;
- Request that the Applicants place a compact disc or hard copy of the application for review in one or more Government Center(s) and/or Public Library(ies) in the vicinity of the project;
- Direct Commission staff to work with the Administrative Law Judge and the staff of the Department in selecting a suitable location for the public hearing on the application;
- Direct the Applicants to work with Commission staff and the Administrative Law Judge to arrange for publication of the notice of hearing(s) in newspapers of general circulation at least ten days prior to the hearings; direct that such notice be in the form of visible display ads; and direct that proof of publication be obtained from the newspapers selected.

Further, the certificate of need statute encourages public participation in certificate of need proceedings, requiring at least one hearing to obtain public opinion and requiring the Commission to designate an employee to facilitate citizen participation in the hearing process.²

The Commission has designated Mike Kaluzniak, Facilities Planner, to facilitate and coordinate public participation in this proceeding. He can be reached by telephone at (651) 201-2257, by fax at (651)297-7073, and by email at mike.kaluzniak@state.mn.us. His mailing address is 121 7th Place East, Suite 350, St. Paul, Minnesota 55101-2147.

ORDER

1. The Commission hereby accepts the application as complete upon the filing of the June 21, 2012 supplement in response to the Department's recommendation.

² Minn. Stat. § 216B.243, subd. 4.

2. The Commission directs use of the informal review process to develop the record.
3. The Commission delegates to the Executive Secretary administrative authority for the proper development of the record.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary



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