



Energy Facility Permitting
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mn.gov/commerce/energyfacilities

December 18, 2012

Dear Landowner,

You are receiving this letter because your property may be directly or indirectly affected by route alternatives for the proposed Chaska Area 69 kilovolt (kV) to 115 kV transmission line upgrade project. The route alternatives are being evaluated in an Environmental Assessment (EA) that is being prepared by the Minnesota Department of Commerce Energy Facilities Permitting (EFP) staff.

This letter provides you with information on the transmission line project, the permitting process and future opportunities to participate in the process. We encourage you to familiarize yourself with the proposed project, sign up for the project mailing list and participate in the permitting process.

Project

The project is located in eastern Carver County and northern Scott County near and within the city of Chaska, and through Laketown, Dahlgren, and Jackson townships. The western end of the project area is located in Dahlgren Township, Carver County, west of Aue Lake at existing structure #142. The project extends north along the existing Great River Energy MV-VTT line through Laketown Township, and east through the city of Chaska. The project route continues across the Minnesota River into Jackson Township in Scott County to the eastern terminus of the project at the Scott County Substation.

The proposed project covers a total of approximately 12.75 miles, contains six segments, and primarily follows existing transmission line rights-of-way.

Process

Xcel Energy filed a route permit application on July 10, 2012, under the alternative process that was accepted as complete by the Minnesota Public Utilities Commission (Commission) on August 14, 2012. Xcel Energy also filed a certificate of need application on March 15, 2012, that was accepted as complete on August 21, 2012.

Minnesota Rule 7849.1900, subpart 1, provides that in the event an applicant for a certificate of need for a high voltage transmission line (HVTL) applies to the Commission for an HVTL route permit prior to completion of the Environmental Report (ER), the Department may elect to prepare an Environmental Assessment in lieu of the required Environmental Report. In that case, EFP must include in the EA the analysis of alternatives required by part 7849.1500, but is not required to prepare an ER under 7849.1200. The Department concluded that preparing a single environmental review document is warranted in this case.

EFP staff held a public information and environmental assessment scoping meeting on September 26, 2012, at Chaska City Hall, to discuss the project with the public and gather public input on the scope of the Environmental Assessment to be prepared. Approximately 10 people attended the meeting over two sessions. Additionally, the public was given until October 12, 2012, to submit written comments. A number of route alternates came out of this process.

Property records indicate you are located near or own property on one or more of these route alternatives. The new route alternatives are described in the November 19, 2012, EA scoping decision; this document can be found at:

[http://mn.gov/commerce/energyfacilities/documents/32771/Signed%20Scoping%20Decision%20with%20Staff%20Memo%20\(11-19-12\).pdf](http://mn.gov/commerce/energyfacilities/documents/32771/Signed%20Scoping%20Decision%20with%20Staff%20Memo%20(11-19-12).pdf)

A map illustrating the alternatives is attached to this mailing. Maps of Xcel Energy's proposed route are contained in their application, which is viewable at:

<http://mn.gov/commerce/energyfacilities/Docket.html?Id=32771>

Participation

An EA is currently being prepared by EFP; it will evaluate the potential environmental, economic, social, and human impacts for the proposed route and all of the route alternatives. The EA is scheduled to be issued in April 2012. Once issued, there will be a public hearing conducted in the area. This hearing will be conducted by an Administrative Law Judge (ALJ) from the Minnesota Office of Administrative Hearings. Anyone may speak at the public hearings, present evidence, ask questions of the Applicant and EFP staff, and submit comments on the proposed project. The ALJ will make a recommendation on a certificate of need and a route permit to the Commission. A decision by the Commission is expected in late 2013.

Information about this project and the permitting process is available on our website at <http://mn.gov/commerce/energyfacilities/Docket.html?Id=32771>, and on the eDockets website at <https://www.edockets.state.mn.us/EFiling/search.jsp> (enter the docket year "12" and number "401" for routing documents or "11" and "826" for certificate of need documents).

Notice of the public hearing will be published in local newspapers and mailed to persons who register their names on the EFP project mailing list. To add your name to the mailing list for this project, contact the permit manager or public advisor, or register at: <http://mn.gov/commerce/energyfacilities/#mailing>.

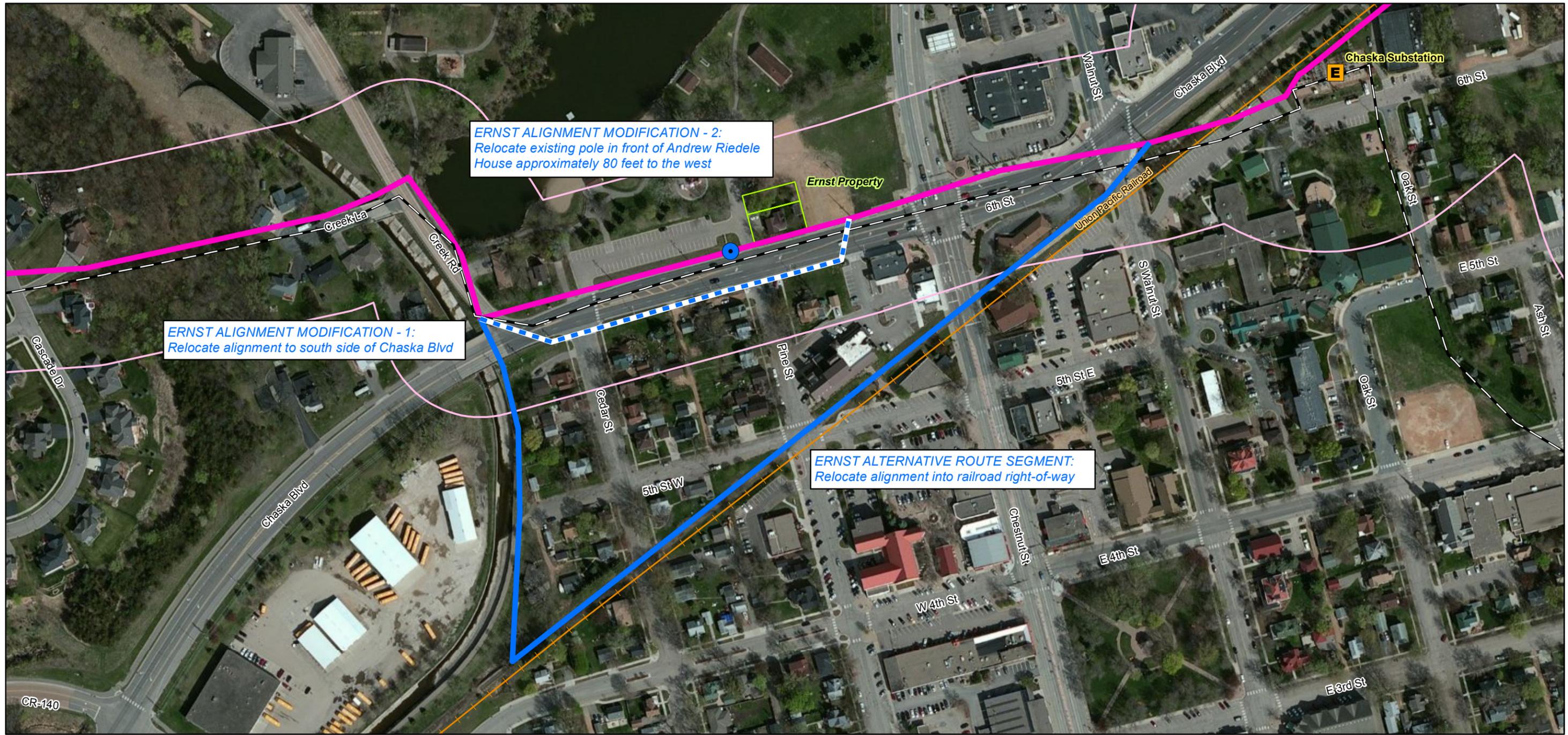
If you have questions or if you would like further information, please contact:

Bill Storm, EFP Permit Manager
(651) 296-9535
bill.storm@state.mn.us

Michael Kaluzniak, Public Advisor
(651) 201-2257
Michael.kaluzniak@state.mn.us

Sincerely,

cc: Michael Kaluzniak, PUC staff



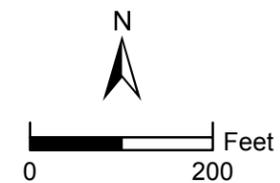
Upgrade of the Chaska Area 69 kV Transmission Line to 115 kV Capacity

Carver and Scott Counties, MN

Legend

- | | |
|--|--|
| Chaska Area 69 kV to 115 kV Upgrade Project (Proposed Route) | Existing Infrastructure |
| Project Route Width (200 - 400 ft) | Approximate Existing 69 kV Transmission Line |
| Ernst Alternative Route Segment | Existing Substations |
| Ernst Alignment Modification - 1 | Railroad |
| Ernst Alignment Modification - 2 | |

Data Source(s): All data are approximate. MNDOT (2004); Ventyx Velocity Suite (2012); ESRI (2012); WPS (2012); Xcel (2012); Bing Maps (2012)



Ernst Alternative Alignment Options

EXHIBIT 1
Plotted for 11/19/2012 PUC Meeting