



Energy Facility Permitting

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January 4, 2007

Brad Roos
General Manager
Marshall Municipal Utilities
113 South Fourth Street
Marshall, MN 56258-1223

RE: Marshall Municipal Utilities 115 kV Transmission Line and Substation Project

Dear Mr. Roos,

This letter confirms that the Public Utilities Commission (PUC) has received notification that Marshall Municipal Utilities (MMU) proposes to seek local review for the construction of a new 115 kilovolt (kV) transmission line and substation in Lyon County, Minnesota. The project would be constructed entirely within the city limits of Marshall in Lyon County.

This project falls under the Power Plant Siting Act, Minnesota Statutes § 216E.001-18 and Minnesota Rules Chapter 4400, which requires a permit from the PUC for most transmission line projects over 100 kV. However, for eligible projects, an applicant may apply to those local units of government that have jurisdiction over the route for approval to build the project instead of applying to the PUC. The proposed 115 kV transmission line and substation project is eligible for local review. [Minnesota Statutes § 216E.05 and Minnesota Rules 4400.5000 Subps. 2. C., D.]

MMU has indicated that the City of Marshall is the Responsible Governmental Unit for this project and that they will be working with the city to obtain the necessary permits for the project. The City of Marshall is the only local unit of government with jurisdiction in permitting the project. A local unit of government may relinquish its jurisdiction by requesting the PUC to assume jurisdiction within 60 days of the filing of an application with the local unit of government. [Minnesota Rules 4400.5000 Subp. 4.]

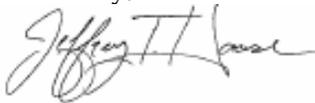
An environmental assessment must be prepared by the local unit of government with jurisdiction over the project. I acknowledge that the City of Marshall is the Responsible Governmental Unit for the 115 kV transmission line project.

Specific requirements with regard to the environmental review process include providing an opportunity for the public to participate in the development of the scope of the environmental assessment before it is prepared; publishing notice in the EQB Monitor of when the assessment is available for review and of the procedure for commenting on the assessment; and withholding a final decision on the project until at least ten days after the notice appears in the EQB Monitor. The City of Marshall also must provide a copy of the environmental assessment to the PUC when it is completed. [Minnesota Rules 4400.5000 Subp. 5.]

MMU is required to send notice to those persons on the PUC facilities permitting general notification list once a permit has been applied for from the local unit of government. [Minnesota Rules 4400.5000 Subp. 3.]

If there are any other questions, please feel free to contact me by phone or email.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey Haase". The signature is written in a cursive style with a large initial "J".

Jeffrey Haase
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CC: Dr. Burl Haar, Minnesota Public Utilities Commission
Mr. Bob Cupit, Minnesota Public Utilities Commission