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August 8, 2008

Marsha Parlow
Great River Energy
12300 Elm Creek Boulevard
Maple Grove, MN 55369

Jean Christoffels
Murray County Environmental Services
PO Box 57
Slayton, MN 56172

**Re: Chandler 115 kV Transmission Line Upgrade – Local Review
PUC Docket Number: ET2/LR-08-865**

Dear Ms. Parlow and Ms. Christoffels,

This letter confirms that the Minnesota Public Utilities Commission (PUC) has received notification that Great River Energy (GRE) proposes to seek local review to upgrade an existing 69 kilovolt (kV) transmission line to operate at 115 kV. The transmission line is approximately one mile long and located in Murray County, MN.

Under the Power Plant Siting Act, a permit from the PUC is required for transmission line projects over 100 kV (Minn. Stat. § 216E). However, local review and permitting is possible for eligible projects. If a project is eligible for local review, a utility may apply to a local unit of government instead of the PUC for a permit to build the project. This letter confirms that the proposed Chandler 115 kV transmission line upgrade is eligible for local review (Minn. Stat. § 216E.05).

Great River Energy has indicated that Murray County is the local unit of government with jurisdiction to permit the project. A conditional use permit application was submitted to the county on July 21, 2008. 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 (Minn. Rules 7849.6200, subp. 4).

An environmental review process, including the development of an environmental assessment, must be conducted by the local unit of government with jurisdiction over the project. This letter

acknowledges that Murray County is the Responsible Government Unit for GRE's proposed project and associated environmental review.

Specific requirements with regard to the environmental review process include: 1) providing an opportunity for the public to participate in the development of the scope of the environmental assessment before it is prepared, 2) publishing notice in the EQB Monitor when the assessment is available for review and the procedure for commenting on the assessment, and 3) withholding a final decision on the project until at least ten days after the notice appears in the EQB Monitor. Murray County must also provide a copy of the environmental assessment to the PUC when it is completed (Minn. Rules 7849.6200, subp. 5). Electronic filing (eFiling) of the environmental assessment is encouraged; files of less than five megabytes (5 MB) in size are also encouraged.

Finally, this letter confirms that Great River Energy has sent the required notice to those persons on the PUC general notification list that a permit has been applied for from a local unit of government (Minn. Rules 7849.6200, subp. 3).

Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ray Kirsch". The signature is fluid and cursive, with the first name "Ray" and last name "Kirsch" clearly distinguishable.

Ray Kirsch
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