



85 7th Place East, Suite 500, St. Paul, MN 55101-2198
main: 651.296.4026 tty: 651.296.2860 fax: 651.297.7891
www.commerce.state.mn.us

April 21, 2010

Joseph Grennan
RES Americas Inc.
11101 West 120th Ave., Suite 400
Broomfield, CO 80021

Angela Knish
Mower County Environmental Services
1105 ½ 8th Ave. NE
Austin, MN 55912

**Re: Local Review of Transmission and Substation Facilities Associated with the Pleasant Valley Wind Project
Commission Docket Number: IP6828/LR-09-1198**

Dear Mr. Grennan and Ms. Knish,

This letter confirms that the Minnesota Public Utilities Commission (Commission) has received notification that Pleasant Valley Wind, LLC (Pleasant Valley) intends to seek local review of transmission and substation facilities associated with the Pleasant Valley Wind Project. The facilities will connect the proposed Pleasant Valley Wind Project to the electrical transmission grid and will consist of (1) two 138 kilovolt (kV) transmission lines (6.4 and 7.0 miles in length), (2) one 345 kV transmission line of less than 1500 ft. in length, (3) two 34.5/138 kV substations, and (4) one 138/345 kV substation. The facilities will be located in Mower County, northeast of the city of Austin, Minn.

Under the Power Plant Siting Act, a permit from the Commission is required for transmission line projects over 100 kV (Minn. Stat. § 216E). However, local review and permitting is possible for eligible projects. For such projects, a utility or independent power producer may apply to a local unit of government instead of the Commission for a permit to build the project. This letter confirms that Pleasant Valley's proposed project is eligible for local review (Minn. Stat. § 216E.05).

Pleasant Valley has indicated that Mower County is the local unit of government with jurisdiction to permit the project. Applications for conditional use permits were submitted to Mower County on April 1, 2010. A local unit of government may relinquish its jurisdiction by requesting the Commission to assume jurisdiction within 60 days of the filing of an application with the local unit of government (Minn. Rules 7850.5300, 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 Mower County is the responsible governmental unit for the 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.

Mower County must also provide a copy of the environmental assessment to the Commission when it is completed (Minn. Rules 7850.5300, subp. 5). Electronic filing (eFiling) of the environmental assessment is encouraged (<https://www.edockets.state.mn.us/EFiling>). Files of less than five megabytes (5 MB) in size are also encouraged.

This letter confirms that Pleasant Valley has sent the required notice to those persons on the Commission's general notification list that a permit has been applied for from a local unit of government (Minn. Rules 7850.5300, subp. 3).

Finally, it should be noted that the proposed transmission and substation facilities are currently being considered in a Commission certificate of need proceeding as part of the Pleasant Valley Wind Project (Commission docket number: CN-09-937). Accordingly, permitting of the facilities is dependent upon a determination by the Commission that the wind project and associated facilities are needed. Thus, though the environmental review process may proceed, Mower County may not issue permits for the facilities prior to such a determination.

Please contact me with any questions.

Sincerely,



Ray Kirsch
Energy Facility Permitting
Office of Energy Security
raymond.kirsch@state.mn.us
651-296-7588

cc: Burl Haar, Commission
Bob Cupit, Commission
Paul Johnson, RES America Developments Inc.
Brian Meloy, Leonard, Street, and Deinard, P.A.