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April 21, 2010

Richard Hettwer
Southern Minnesota Municipal Power Agency
500 First Ave. SW
Rochester, MN 55902

Roger Ihrke
Township Cooperative Planning Association
4111 11th Ave. SW
Rochester, MN 55904

**Re: Local Review of the 161 kV Westside Substation System Connection
Commission Docket Number: ET9/LR-10-350**

Dear Mr. Hettwer and Mr. Ihrke,

This letter confirms that the Minnesota Public Utilities Commission (Commission) has received notification that Southern Minnesota Municipal Power Agency (SMMPA) intends to seek local review to construct a new 3000-ft. long 161 kilovolt (kV) transmission line connecting Rochester Public Utilities' Westside Substation to SMMPA's existing Byron to Cascade Creek 161 kV transmission line. The transmission line will be located in Cascade Township, near the City of Rochester in Olmsted County.

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 may apply to a local unit of government instead of the Commission for a permit to build the project. This letter confirms that SMMPA's proposed project is eligible for local review (Minn. Stat. § 216E.05).

SMMPA has indicated that Cascade Township is the local unit of government with jurisdiction to permit the project. A conditional use permit application was submitted to the township on April 8, 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 Cascade Township 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.

Cascade Township 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.

Finally, this letter confirms that SMMPA 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).

Please contact me with any questions.

Sincerely,



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cc: Burl Haar, Commission
Bob Cupit, Commission
Leonard Laures, Cascade Township Chair