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June 15, 2010

James Fritz
Xcel Energy
414 Nicollet Mall
Minneapolis, MN 55401

Robert Redding
Nicollet County Environmental Services
501 S. Minnesota Ave.
St. Peter, MN 56082

**Re: Local Review of 115 kV Transmission Line Rebuild, Courtland Township,
Nicollet County
Commission Docket Number: E002/LR-10-641**

Dear Mr. Fritz and Mr. Redding,

This letter confirms that the Minnesota Public Utilities Commission (Commission) has received notification that Xcel Energy intends to seek local review to rebuild approximately 3,100 ft. of 115 kilovolt (kV) transmission line in Courtland Township, Nicollet County. The rebuild includes the removal of existing structures and the placement of new structures on a straightened alignment with easement modifications.

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 Xcel Energy's proposed project is eligible for local review (Minn. Stat. § 216E.05).

Xcel Energy has indicated that Nicollet County is the local unit of government with jurisdiction to permit the project. A zoning permit request was submitted to Nicollet County on June 11, 2010. A local unit of government may relinquish its jurisdiction by requesting that the Commission 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 (EA), must be conducted by the local unit of government with jurisdiction over the project. This

letter acknowledges that Nicollet County is the responsible governmental unit for the proposed project and associated environmental review.

Specific requirements with regard to the environmental review process include (Minn. Rules 7850.5300, subp. 5):

- (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.

Nicollet 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.

Finally, this letter confirms that Xcel Energy 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