

September 8, 2003

Mr. Dale Aukee
Field Representative
Great River Energy
17845 East Highway 10
P.O. Box 800
Elk River, MN 55330-0800

Dear Mr. Aukee:

This letter confirms that the Minnesota Environmental Quality Board has received notification that Wright-Hennepin Cooperative Electric Association and Great River Energy have applied to the cities of Otsego and Albertville in Wright County for building permits to construct a 115/12.5 kV distribution substation and a double circuit 115 kV transmission line. The proposed substation and $\frac{3}{4}$ -mile of new transmission line will be located within the City of Otsego, and $\frac{1}{4}$ -mile of new transmission line will be located in the City of Albertville. The proposed GRE 115 kV line taps an existing XCEL 115 kV in the City of Albertville. The project seeks to improve the area's electric reliability and accommodate the area's residential and commercial growth.

This project falls under the Power Plant Siting Act, Minnesota Statutes § 116C.51-.69, and Minnesota Rules chapter 4400, which, for most transmission line projects over 100 kV, requires a permit from the EQB. Minn. Stat. § 116C.61 subd.1 provides that the EQB permit supersedes and preempts all zoning, building, or land use rules, regulations, or ordinances promulgated by regional, county, and local governments and special purpose government districts. However, for eligible projects, a utility 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 EQB. The proposed 115 kV substation and transmission line project is eligible for local review. [Minn. Stat. § 116C.576 and Minn. R. part 4400.5000 subp. 2 C]

You have indicated that the City of Otsego is the Responsible Government Unit with local jurisdiction over the project. The cities may relinquish their jurisdiction by requesting the EQB to assume jurisdiction within 60 days of the filing of an application with the local unit of government.

An environmental assessment must be prepared by the responsible government unit. Specific requirements with regard to the environmental review process include an opportunity for the public to participate in the development of the scope of the environmental assessment before it is prepared, notification in the *EQB Monitor* of when the assessment is available for review and of the procedure for commenting on the assessment, and providing a copy of the assessment to the EQB. The final governmental decision on the project cannot be made until at least ten days after the notice appears in the *EQB Monitor*. [Minn. R. 4400.5000 subp. 5]

Also note the required notice by Wright-Hennepin and GRE to those persons on the EQB power plant siting general notification list that a permit has been applied for from the local units of government. [Minn. R. 4400.5000 subp. 3] I have provided you with an electronic file of that list of persons by email.

If you have any questions, please feel free to contact me.

Sincerely,

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cc: Mike Robertson, Administrator, City of Otsego
Linda Goeb, Administrator, City of Albertville