

**MEMORANDUM**

September 19, 2002

TO: Gene Hugoson, Chair  
Dean Barkley, Vice-Chair  
Mike Sullivan, Executive Director  
Alan Mitchell, Manager PPS

FR: Larry Hartman  
Tel: 651-296-5089  
EQB Staff

RE: EQB Chair Acceptance of enXco, Inc., Application for a Site Permit to Construct Up to a 87 Megawatt Large Wind Energy Conversion System in Murray and Pipestone County (MEQB Docket # 02-45-LWEC'S-enXco)

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**Summary**

On August 23, 2002, enXco Inc. filed a site permit application on behalf of Power Partners Midwest, LLC (PPM, LLC) to construct up to 87 Megawatts of nameplate wind power generating capacity (up to 58 turbines of 1.5 MW each) in Murray and Pipestone Counties in southwestern Minnesota. The project will be reviewed under the Wind Siting Act (Minnesota Statutes, sections 116 C.691 through 116C.697) and the EQB's Wind Siting Rules, Chapter 4401. The project is referred to as the Stoneray Project, after the counties in which it would be located.

In accordance with the EQB's rules applicable to wind projects, the chair has to decide within 30 days of the submission of a permit application whether the application is complete. Part 4401.0460. The chair must accept, conditionally accept, or reject the application within that time. In this case, the staff is requesting the chair to conditionally accept the application. The application contains the information that is required under the rules, but the question of whether a certificate of need is required from the Public Utilities Commission is one that must be addressed by the PUC. Upon the chair's action, the staff will advise the applicant that the EQB has conditionally accepted the application, pending a determination by the PUC whether a certificate of need is required.

Part 4401.0470 requires the chair to appoint a public advisor. EQB staff is requesting that the chair appoint John Hynes as the public advisor.

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## **Background**

enXco is seeking a wind permit for a project that will likely be developed in phases. enXco anticipates that 24 MW will be sold to GRE and 54 MW will be sold to Xcel Energy. Three under 5 MW phases, anticipated for Xcel Energy, are also planned as part of the overall project. enXco states in the application that a certificate of need is not required because power purchase agreements will result from either the wind mandate or bidding processes approved by the PUC or the phases will be under the 50 MW minimum size for a certificate of need. Staff believes that the PUC should be asked to determine the necessity for a certificate of need.

enXco has identified areas in Pipestone and Murray where the turbines would be installed. The proposed development will use either the GE Wind Energy 1.5 MW turbine or the Micon 1.5 MW turbine. enXco has included in the application information about the agreements it has with landowners to install turbines on their property. enXco has wind and land rights for the proposed project. The application appears to us to be complete. The only question is whether a certificate of need is required.

## **Recommendation**

MEQB staff recommends that the MEQB Chair conditionally accept the enXco site permit application received on August 23, 2002 for the Stoneray Project and appoint John Hynes as the public advisor. Upon the chair's conditional acceptance of the application, EQB staff will contact the PUC in writing and request a determination of whether a certificate of need is required. The staff will also initiate the required review procedures. These procedures include a public notice of application acceptance, a public information meeting in the project area, and a draft site permit for public comment. If no certificate of need is required, and there are no problems during the review period, the staff expects that it can bring this matter to the Board for a decision on the permit at the November or December 2002 meeting.

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