



STATE OF MINNESOTA
Office of Energy Security



**Notice
Public Hearings
Environmental Assessment Availability**

**In the Matter of the Northern States Power Company (Xcel Energy)
Certificate of Need Application and
Site Permit Application for a
Extended Power Uprate at the Monticello Nuclear Generating Plant**

**PUC Docket Number: E002/CN-08-185 (Certificate of Need)
PUC Docket Number: E002/GS-07-1567 (Site Permit)**

PLEASE TAKE NOTICE that a Public Hearing will be held at the location listed below on Xcel Energy's Application to the Minnesota Public Utilities Commission (Commission) for a Certificate of Need (CON) and a Site Permit to increase the electrical generating capacity at its Monticello Nuclear Generating Plant (MNGP) in Wright County, Minnesota.

**Thursday, August 21, 2008 – 7:00 PM
North Mississippi Room
Monticello Community Center
505 Walnut Street
Monticello, MN 55362**

Administrative Law Judge Steve M. Mihalchick will preside at the hearing. Judge Mihalchick's address is Office of Administrative Hearings, 600 N. Roberts Street, P.O. Box 64620, St. Paul, Minnesota 55164-0620, phone (651) 361-7900.

Deadline for written public comments to the Administrative Law Judge on the CON and Site Permit application must be post marked by September 1, 2008.

Purpose of Hearing. The purpose of the public hearing is to compile the record for the Commission to consider in making a final decision on the CON and the Site Permit request. The ALJ will write a report and make a recommendation to the Commission on need for the project and on site selection, including any appropriate site permit conditions. The Commission will make a final decision on the need and site permit at a subsequent Commission hearing. The Commission must issue a Certificate of Need prior to issuing a Site Permit. The Commission must issue a site permit within six months of accepting the Site Permit application.

Project Description. Xcel Energy proposes to uprate the electrical generating capacity of MNGP from 585 megawatts electric to 656 megawatts electric (MWe). The uprate will occur in two phases – the first completed by 2009, the second by 2011. The 71 MWe uprate will be achieved by increasing the steam output of the nuclear reactor and capturing this additional output with improved electrical generation equipment and systems. Steam output will be increased through an increase in the number

of new fuel assemblies replaced in the reactor core at each refueling. Equipment and systems modifications include:

- Replacement of the high pressure turbine
- Modification to the low pressure turbine
- Replacement of condensate demineralizers, condensate pump and motor
- Upgrades of electrical power supplies and power cooling systems

All modifications, except for limited power supply upgrades, will occur within the current physical footprint of MNGP. No new structures are proposed. The proposed extended power uprate will also require approval from the Nuclear Regulatory Commission (NRC). An updated application will be filed in the fall of 2008. The proposed MNGP uprate is part of Xcel Energy's 2007 Resource Plan to meet projected base load energy and capacity needs.

Certificate of Need. No large energy facility can be sited or constructed in Minnesota without the issuance of a Certificate of Need by the PUC. The Certificate of Need process is the only proceeding in which a no-build alternative and the size, type, timing, system configuration, and voltage of a proposed project will be considered.

The Office of Energy Security (OES) prepares an Environmental Report (ER) on proposed large energy facilities that come before the Commission for a determination of need. The ER analyzes the human and environmental impacts of the proposed project and project alternatives, and addresses mitigating measures for anticipated adverse impacts. To focus the content or "scope" of the ER, the OES conducts public meetings to gather comments, questions, and alternatives to the proposed project.

The proposed MNGP extended power uprate qualifies as a large energy facility (Minn. Stat. § 216B.2421). Xcel Energy applied for a Certificate of Need for the MNGP uprate on February 14, 2008. On April 10, 2008, the PUC accepted the application as complete.

Site Permit. No large electric power generating plant can be sited or constructed in Minnesota without the issuance of a Site Permit by the PUC. The site permitting process is governed by the Power Plant Siting Act and Minnesota Rules 7849.5010 – 7849.6500. Certain smaller generating plants qualify for an alternative review process by the PUC. Under the alternative review process, OES prepares an Environmental Assessment (EA). The EA contains information on the human and environmental impacts of the proposed project and addresses mitigating measures for anticipated impacts. To focus the content or "scope" of the EA, the OES conducts public meetings to gather comments and questions on the proposed project.

The proposed MNGP power uprate qualifies for the alternative environmental review process (Minn. Rule 7849.5500). Xcel Energy applied for a Site Permit for the MNGP uprate on May 2, 2008. On May 8, 2008, the PUC accepted the application as complete.

Coordinated Review Process. Under Minnesota Rule 7849.7100, a coordinated review process and hearing for a Certificate of Need and Site Permit may be conducted if it is feasible, relatively more efficient, and in the public interest. For the proposed MNGP uprate, these conditions are met. The OES conducted a coordinated scoping and environmental review process for Xcel Energy's Certificate of Need and Site Permit applications. The OES developed a single scoping decision and

prepared a single environmental document for both applications. The Environmental Assessment (EA) will be released on July 31, 2008.

Conduct of Public Hearing The OES Energy Facility Permitting (EFP) staff will be present at the hearing and make a brief presentation about the project and introduce into the record a number of documents relating to the project, including the application, the EA, and certain procedural documents. Representatives of the applicant (Xcel Energy) will be present to offer evidence and to answer questions. Members of the public will have an opportunity to ask questions of OES EFP staff and Xcel Energy representatives, to make statements, and to offer written comments and material into the record at the public hearing.

The hearing will be conducted pursuant to Minnesota Rules Chapter 1400 and Minnesota Rules 7849.5710. The applicable statutes and rules can be found on the Revisor's webpage:

<https://www.revisor.leg.state.mn.us/>

Rules and statutes may also be purchased at the State Bookstore, 660 Olive St., St. Paul, Mn. 55155; phone (651) 297-3000.

The Administrative Law Judge may elect to recess the hearing and set additional days for hearing if necessary.

Evidentiary Hearing. The evidentiary hearings for the parties on the CON application will be held in the Public Utilities Commission Large Hearing Room, 121 7th Place East, St. Paul, Minnesota on October 6, 2008, beginning at 9:30 am. Xcel Energy will prepare its direct testimony in support of the project in a written question and answer format. This testimony will be filed with the Administrative Law Judge no later than August 7, 2008. Testimony from the formal parties to the case is due no later than September 3, 2008. Only formal parties may cross-examine witnesses at the evidentiary hearing.

Identified Parties and Intervention. Persons interested in intervening in these proceedings had until May 29, 2008, (First Pre-hearing Order) to file a Petition for Intervention with the ALJ (See Minn. Rules Part 1405.0900). The only parties to this proceeding are the applicant (Xcel Energy) and the Office of Energy Security.

Eminent Domain. If issued a Site Permit by the Commission, Xcel Energy may exercise the power of eminent domain to acquire land for this project pursuant to Minnesota Statute § 216E.12. However, as the proposed extended power uprate would take place within an existing Xcel Energy facility, the use of eminent domain is not anticipated.

Project Contacts, Information and Mailing Lists

Public contacts from the OES and the Commission staff have been appointed to assist persons interested in taking part in the permitting process. For more information on this project or the regulatory process, contact one of the persons listed below:

Department of Commerce – Office of Energy Security. The OES has designated staff member Bill Storm (651-296-9535, bill.storm@state.mn.us) as project manager and Ray Kirsch (651-296-7588, raymond.kirsch@state.mn.us) as public advisor for the Site Permit proceedings. You may contact them at: Department of Commerce, Office of Energy Security, 85 7th Place East, Suite 500, St. Paul,

MN 55101-2198. Other contact information: Toll-Free: 1-800-657-3794, Fax: 651-297-7891 or TTY: Minnesota Relay Services, 1-800-627-3529, and ask for the DOC.

Public Utilities Commission. The Commission has designated staff member Michael Kaluzniak (651-201-2257, Fax: 651-297-7073, mike.kaluzniak@state.mn.us) as its project manager and public advisor for the Certificate of Need proceedings. Mr. Kaluzniak may be contacted in writing at: Minnesota Public Utilities Commission, 121 7th Place E., Suite 350, St. Paul, MN 55101-2147.

Xcel Energy. The contact person for the applicant is Brian Zelenak (612-330-5641, brian.r.zelenak@xcelenergy.com). Mr. Zelenak may be contacted in writing at: Xcel Energy, 414 Nicollet Mall, 7th Floor, Minneapolis, MN 55401.

Project Mailing Lists. If you would like to have your name added to the OES project mailing list for this project, you may register on line at: <http://energyfacilities.puc.state.mn.us/Docket.html?Id=19542> or contact OES staff at the address above.

The Commission maintains a separate service list for Certificate of Need proceedings. To be placed on the list for this project, mail, fax or email Robin Benson at: Minnesota Public Utilities Commission, 121 7th Place E., Suite 350, St. Paul, MN 55101-2147, Fax: 651-297-7073, robin.benson@state.mn.us.

Materials. Copies of the Certificate of Need application, Site Permit application, the Environmental Assessment, as well as other pertinent documents are available on the Commissions web page:

<http://energyfacilities.puc.state.mn.us/Docket.html?Id=19542>

Both applications can also be viewed at the following libraries:

St. Paul Public Library
90 Fourth St. West
St. Paul, MN 55102

Minneapolis Public Library
300 Nicollet Mall
Minneapolis, MN 55401

Monticello Branch Library
404 W. Walnut
Monticello, MN 55362-8840

St. Cloud Public Library
405 St. Germain
St. Cloud, MN 56301-3697