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CapX2020 Brookings County-Hampton project receives route approval

MN PUC grants Route Permit for majority of 345 kV transmission line project

Minneapolis—July 15, 2010—The Minnesota Public Utilities Commission granted a Route Permit for the 345 kilovolt (kV) transmission line between Brookings County, S.D. and Hampton, Minn., except for a segment involving the crossing point of the Minnesota River. The line is the second CapX2020 project to receive Route Permit approval. The Commission granted a permit for the sections between South Dakota and the new Cedar Mountain substation in Renville County and between the new Helena substation and Hampton. The Commission also voted to have the administrative law judge consider a June 10, 2010 letter from the United States Fish and Wildlife Service regarding bird impacts at the Minnesota River and schedule a hearing if necessary to provide additional information on the river crossing. The CapX2020 utilities had proposed two river crossings for review, one near Le Sueur, Minn., and another near Belle Plaine, Minn.

“The Brookings County-Hampton project will benefit electric customers throughout Minnesota, help meet projected electric growth in the southern Twin Cities metro area, and provide needed generation outlet for proposed renewable energy projects in Minnesota and the Dakotas,” said Terry Grove, CapX2020 executive co-director. “This project is a large step in helping meet Minnesota’s renewable energy standard, one of the most aggressive in the country.”

The Commission approved approximately 175 of the 240-mile route that is a combination of route segments proposed by the utilities when the application was filed in December 2008 as well as additional segments proposed during the public review process. Construction is expected to begin in late 2012 and be complete by 2015. CapX2020 will begin contacting landowners in mid-2011 to negotiate easements.

“The comprehensive routing process balances the interests of landowners, agriculture and environmental issues, and many other factors,” said Dan Leshner, project routing lead. “Today’s decision considered all of those issues.”

In addition to the state's process, the CapX2020 utilities held several rounds of open houses and routing work group meetings where landowners and local officials could learn about the project and provide information on land use considerations in the project area, such as agricultural impacts, local development plans, proximity to homes and environmental concerns.

Comprehensive state review process

The state review process began in December 2008 when the Route Permit application was filed with the Commission; it included an Environmental Impact Statement developed by the Minnesota Office of Energy Security (OES). The Commission and OES processes included public meetings and hearings presided over by an administrative law judge from the state's Office of Administrative Hearings. The OES also convened Citizens Advisory Task Forces for local governments and stakeholders to provide an additional level of review.

While the Commission voted to approve the Route Permit, a full written order detailing the decision will be published in the coming weeks. It will be posted to the Commission's website at www.puc.state.mn.us when available (search for eDocket 08-1474).

Certificates of Need granted in 2009

The Commission unanimously granted a Certificate of Need for the 345 kV CapX2020 projects in 2009 following a rigorous state review process. The 230 kV line in north central Minnesota was granted a Certificate of Need in mid-2009. Route Permit applications are pending for the remaining projects and are expected to be ruled on in 2010 and 2011. Associated regulatory filings in neighboring states will begin in late 2010 and continue through 2011. Construction is expected to continue on the other transmission line projects through 2015.

The CapX2020 utilities recently filed a Change in Timing request with the Commission to delay the in-service date for the Brookings County-Hampton project from 2013 (as directed in the Certificate of Need) to 2015. The delay was requested to wait for a decision from the Federal Energy Regulatory Commission about specific cost-allocation measures that will be applied to transmission projects like the Brookings County-Hampton line.

About CapX2020

CapX2020 is a joint initiative of 11 transmission-owning utilities in Minnesota and the surrounding region to upgrade and expand the electric transmission grid to ensure continued reliable and affordable service. The CapX2020 Group 1 projects include three proposed 345 kV transmission lines and a proposed 230 kV line. It is the largest development of new transmission in the upper Midwest in 30 years. The projects are projected to cost nearly \$2 billion and cover a distance of more than 700 miles. The new infrastructure will provide a foundation for the region's projected electric growth as well as connect into renewable energy sources in southern and western Minnesota and the Dakotas.

Along with Great River Energy, Maple Grove, Minn., and Xcel Energy, Minneapolis, utilities that expect to participate in one or more of the CapX2020 projects are: Central Minnesota Municipal Power Agency,



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Blue Earth, Minn.; Dairyland Power Cooperative, La Crosse, Wis.; Minnesota Power, Duluth, Minn.; Minnkota Power Cooperative, Grand Forks, N.D.; Missouri River Energy Services, Sioux Falls, S.D.; Otter Tail Power Company, Fergus Falls, Minn.; Rochester Public Utilities, Rochester, Minn.; Southern Minnesota Municipal Power Agency, Rochester, Minn.; and WPPI Energy, Sun Prairie, Wis.