CapX2020 energizes second project
$2 billion transmission line investment under development and construction

CapX2020 construction crews have put the final touches on two major projects, and continue to develop other projects around the state.

The Bemidji-Grand Rapids 230 kV project was energized in autumn 2012 after a successful construction process that saw the project come in on time and on budget. Hundreds of workers and suppliers participated in construction activities that spanned two years and resulted in 70 miles of new transmission infrastructure and two expanded substations. The project will provide increased electricity reliability to north central Minnesota.

The Fargo-St. Cloud/Monticello 345 kV project began construction in December 2010, and the first segment between St. Cloud and Monticello was energized one year later. Construction continues on the next two phases between St. Cloud and Alexandria and Alexandria and the new Bison substation west of Fargo. The overall project is expected to be complete in 2015.

The CapX2020 projects total more than 800 miles of new transmission infrastructure with an estimated investment of $2.2 billion.

To meet a compressed schedule and mitigate environmental issues, a helicopter was used on the St. Cloud-Monticello segment.
Local suppliers providing significant material and workers to projects

With projected construction spending approaching $40 million monthly through the end of 2014, the impacts of the CapX2020 projects are significant. Additionally, many CapX2020 workers are locally based, as are many of the project’s suppliers. For example, local suppliers are key to providing concrete for the CapX2020 project. Generally, concrete must be used within two hours of being mixed. Suppliers along project routes are identified, and local drivers deliver concrete to each pole location for foundation work. This strategy has provided great benefits to local companies. According to Jeff Eberhardt, general manager of Knife River Concrete, “The CapX2020 project has allowed our Fargo/Moorhead operations to keep more than 30 employees on year-round employment status instead of seasonal layoff.”

In 2013 alone, the Brookings County-Hampton project estimates it will pour more than 62,000 cubic yards of locally purchased concrete, providing $5.6 million in revenue for suppliers. CapX2020 is spending approximately $8 million for more than 8,700 tons of rebar that is cut and fabricated at Ambassador Steel’s plants in Minneapolis and Menomonie, Wis.

Local environmental consulting firms Braun Intertec and Barr Engineering have provided significant resources to develop environmental compliance plans, and conduct activities such as soil boring, quality assurance and control, and other key services. Many of the steel poles are produced at a Thomas and Betts plant near Hager City, Wis. More than 22.5 million pounds of steel poles used by CapX2020 were produced at the facility.

Construction projects provide local jobs and recruit local suppliers

A 2010 University of Minnesota—Duluth economic impact study projected nearly 8,000 jobs in peak year of CapX2020 construction (expected 2013-2014); approximately half are direct construction jobs, the remaining jobs are indirect (suppliers) and induced (from funds circulating through the economy). Additionally, more than $150 million in state and federal taxes will be generated because of the construction projects, with more than $49 million of that in Minnesota.

Overall, the projects are expected to return $1.93 to the economy for each dollar invested, providing a nearly $4 billion economic impact on the $1.9 billion project.

All Minnesota CapX2020 projects under construction

The Brookings County-Hampton 345 kV project broke ground in May 2012 and is nearing completion of the project’s first segment between Renville and Scott counties. In 2013 work will branch out to the east and west, heading towards Dakota County and Lyon County, respectively.

Final approval of the Minnesota and Wisconsin segments for the Hampton-Rochester-LaCrosse 345 kV project was granted in late 2012; construction started north of Rochester in early 2013 with a completion date of 2015.