



April 7, 2009

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PUBLIC SERVICE COMMISSION

Illona A. Jeffcoat-Sacco
Executive Secretary
North Dakota Public Service Commission
600 E. Boulevard Ave., Dept. 408
Bismarck, North Dakota 58505-0480

**RE: Minnesota Power’s Bison I Wind Project
Letter of Intent to Construct Energy Conversion Facility and Request to
Shorten the One-Year Time Requirement for Filing Application**

Dear Ms. Jeffcoat-Sacco:

Minnesota Power¹ is pleased to announce its plans to construct a wind energy conversion facility (“Bison I Wind Project) in Oliver and Morton counties.² The purpose of this letter is to: (1) notify the North Dakota Public Service Commission (“Commission”) of Minnesota Power’s intent to construct the wind energy conversion facility as required by N.D.C.C. § 49-22-07.1 and (2) request the Commission shorten the one-year waiting period between this notification and when an application for a Certificate of Site Compatibility can be submitted as established by N.D. Admin. Code 69-06-03-01 to one day. This request is made pursuant to N.D.C.C. § 49-22-07.2.

Specifically, Minnesota Power is proposing to request Commission approval for the 75.9MW Bison I Wind Project to be located in Oliver and Morton counties. Attachment A is a map of the proposed Bison I Wind Project. N.D. Admin. Code 69-06-03-02(2). Minnesota Power anticipates initial site work construction to commence by fall 2009, contingent on obtaining all necessary approvals from the Commission and local governments. Minnesota Power is planning on building this project in two phases with 16 turbines or 36.8MW in-service by 2010 and 17 turbines or 39.1MW in-service by 2011. N.D. Admin. Code 69-06-03-02(3). Since Minnesota Power is planning on eventually exceeding the 100MW threshold required to obtain approval prior to constructing additional energy conversion facilities under N.D.C.C. § 49-22-07, Minnesota Power is requesting Commission approval of this initial wind development. In addition, to interconnect this project, Minnesota Power is planning to construct in 2010 a 230kV transmission line from a new substation at the Bison I Wind Project to the Square Butte Substation. However, the exact route of this transmission line is still under development and

¹ Minnesota Power is an operating division of ALLETE, Inc. ALLETE’s Certificate of Good Standing issued by the North Dakota Secretary of State was provided to the Commission in a letter dated October 31, 2008 in Case Nos. PU-08-847 and PU-08-848.

² On November 5, 2008, the Commission acknowledged Minnesota Power’s letter of intent for a separate proposed 125MW wind energy conversion facility in Oliver County, North Dakota on reclaimed land previously mined by BNI Coal. See Case No. PU-08-848. Minnesota Power is still planning on submitting an application for this site.

Minnesota Power will file with the Commission in the next few months a separate letter of intent for this transmission line.

All of the wind energy generated and delivered to the Square Butte Substation will be transmitted to Minnesota Power's system via the existing 250kV DC Line and existing AC transmission system as available and will be used to meet Minnesota Power's State of Minnesota renewable energy requirements. N.D. Admin. Code 69-06-03-02(1). Minnesota Power estimates that the initial phase of this project that includes 75.9 MW of wind generation will cost approximately \$170 million depending on final project design. N.D. Admin. Code 69-06-03-02(4).

Minnesota Power expects to file the site permit application in early May 2009 in order to obtain Commission approval in September 2009. Therefore, Minnesota Power respectfully requests pursuant to N.D.C.C. § 49-22.07.2 that the Commission shorten the one-year waiting period between filing this letter of intent and a siting application to one day. N.D. Admin. Code. 69-06-03-01. The original and ten copies of this waiver application are being filed with the Commission as required by N.D. Admin. Code 69-06-06-01.2.

If you have any questions, or need additional information, please contact me at the above-listed number.

Sincerely,



David R. Moeller

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c: Eric Norberg, Minnesota Power
Margaret Hodnik, Minnesota Power
Paul B. Johnson, Minnesota Power
Jim Atkinson, Minnesota Power

ATTACHMENT A

