



February 3, 2010

RECEIVED

FEB 05 2010

PUBLIC SERVICE COMMISSION

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

RE: Routing Issues Regarding Minnkota Power Cooperative, Inc.'s Proposed Center, North Dakota to Grand Forks, North Dakota 345 kV Transmission Line Project

Dear Mr. Nitschke:

Minnkota Power Cooperative (“Minnkota”) submits this letter to request guidance from the Public Service Commission (“Commission”) regarding the routing information that will be required for our Center to Grand Forks 345 kV Transmission Line Project (“Project”), and at what point in the permitting process certain routing information will need to be provided. More specifically, we seek the Commission’s input regarding a routing proposal we have prepared regarding our Project.

As will be discussed in more detail below, due to its length, our Project poses unique routing challenges that have not been faced by the much shorter transmission line projects that have come before the Commission in recent years. To address the Project’s unique challenges, we have developed a routing proposal that is intended to better enable us to coordinate with landowners and local officials, incorporate public input into the Project’s final design, and address site-specific concerns, while ensuring Commission oversight and reducing Project costs. As will be discussed in more detail below, we propose the following:

- Designation in the route permit of an up to 1,000-foot-wide route, within which we would be required to place our 150-foot-wide right-of-way;
- Issuance of a route permit without requiring identification of specific structure locations, with conditions included in the route permit that will ensure coordination with landowners regarding structure placement and that the Commission has final approval of the Project’s design and location; and
- Allowing changes to the approved route after the route permit is issued if we either submit the proposed changes to the Commission for review in advance, or receive written approval for the proposed changes from the landowner(s) affected.

In order to explain the rationale behind our proposal, we will provide an overview of the Project and a summary of its unique challenges. We will also discuss the routing requirements and the different approaches to routing the Commission has taken in past transmission line proceedings, provide a more detailed explanation of our routing proposal for the Project, and discuss the proposal's benefits. Finally, we will address how our proposal compares to the approaches to transmission line routing taken by permitting authorities in other states.

I. Project Overview.

The need for the proposed Project arose in conjunction with an asset transfer agreement we executed with Minnesota Power, a division of ALLETE. As part of that agreement, we transferred ownership of the existing Square Butte DC transmission line to Minnesota Power, and Minnesota Power will transfer to us their rights to the output of the Milton R. Young Station Unit 2 over a period of time. This agreement provides us with an additional baseload power supply without the need to construct a new coal-fired plant, and provides Minnesota Power with existing transmission facilities to develop and deliver substantial wind energy from North Dakota to its consumers in Minnesota.

We plan to construct the proposed Project in order to transmit the baseload power acquired from the Milton R. Young Station Unit 2 to our service area, which consists of eleven member-owner distribution cooperatives and Northern Municipal Power Agency serving approximately 131,000 meters and 350,000 people in North Dakota and Minnesota. The Project will consist of approximately 260 miles of 345 kV transmission line extending from the Center 345 kV Substation (near the Milton R. Young Station) near Center, North Dakota, to the Prairie Substation near Grand Forks, North Dakota, as well as the modification and/or expansion of three existing substations. The Project will utilize single-pole, steel structures, with a span between structures of approximately 1,000 feet in most locations, and will require a 150-foot-wide right-of-way. The Project may cross approximately 400 parcels of land located in Oliver, McLean, Burleigh, Sheridan, Wells, Eddy, Foster, Griggs, Steele, Nelson, Traill and Grand Forks Counties. The anticipated in-service date for the Project is the first quarter of 2013.

In connection with obtaining funding for the Project from Rural Utilities Service, we are currently involved in a federal review process to determine the Project's compliance with the National Environmental Policy Act ("NEPA"). As part of that process, we submitted an application identifying potential study corridors, each of which is currently being examined from an environmental and cultural resources perspective as part of the NEPA review.

We recently completed a series of public scoping meetings in North Dakota for the NEPA process, during which members of the public were provided with the opportunity to ask questions about the Project, and to provide comments regarding the proposed scope of the environmental review being completed as part of the NEPA process. We anticipate that an Environmental Assessment of the Project will be completed and published during the Summer of 2010. We will utilize environmental and cultural resource study information and landowner comments gathered during the NEPA process when preparing our application to the Commission for a Certificate of Corridor Compatibility and Route Permit.

On October 2, 2009, we submitted a Letter of Intent to the Commission, as required under Section 49-22-07.1 of the North Dakota Century Code and Chapter 69-06-03 of the North Dakota Administrative Code, notifying the Commission of our intent to submit a combined application for a Certificate of Corridor Compatibility and Route Permit for the Project. We anticipate submitting our combined application during the Fall of 2010.

II. Routing Challenges Unique to the Project.

Due to its length, the Project poses many routing challenges not faced when routing shorter transmission line projects. To begin with, the Project will need to be constructed in two or three segments over a period of up to three construction seasons. The need to segment construction, in turn, makes it impractical to finalize a detailed design with structure locations for the entire Project at one time, since issues encountered during the construction of one segment could impact the structure locations in other segments. For this reason, we plan to also segment our preparation of the final, detailed design for the Project, *i.e.*, finalizing the plan and profiles for each segment just prior the segment's construction, which should reduce the number of re-designs required. Given its size and length, design costs for the Project will be significant, and those costs will increase with each re-design. Thus, minimizing Project re-designs is important to us, our member-owner cooperatives, and consumers.

In addition, since the Project will extend approximately 260 miles and cross approximately 400 parcels of land in twelve counties, it is impractical and unreasonable for us to conduct all site-specific cultural resource surveys and wetland delineations for the Project prior to the approval of a specific route. While our environmental consultants have and will continue to perform an extensive cultural resource and environmental review of all proposed corridors to determine potential areas of concern, timing and economic considerations necessitate performing site-specific cultural resource surveys and wetland delineations only after a route for the Project has been approved by the Commission.

Likewise, given the number of parcels that potentially may be crossed by the Project, it is impractical and unreasonable for us to acquire all of the easements that will be needed to construct the Project until a specific route has been approved. Most landowners do not want to grant easements, nor do we wish to acquire easements, without knowing what route the Commission will ultimately approve. Also, due to the number of landowners that may potentially be affected by the Project, it is impractical and unreasonable to meet individually with all affected landowners to discuss individual concerns prior to the approval of a specific route. Thus, it is likely that we will need to negotiate easements and discuss landowner concerns on a parcel-by-parcel basis after the Commission has issued a route permit designating an approved route for the Project.

III. Transmission Line Routing In Past Public Service Commission Proceedings.

As the Commission is aware, the provisions set forth in Chapter 49-22 of the North Dakota Century Code and Article 69-06 of the North Dakota Administrative Code govern transmission line routing in North Dakota. For instance, Section 49-22-03(10) of the North Dakota Century Code defines a "route" as "the specific location of a transmission facility within a designated

corridor.” In addition, Section 69-06-08-02 of the North Dakota Administrative Code sets forth exclusion areas, avoidance areas, selection criteria and policy criteria to be applied by the Commission when selecting a transmission line route. While these statutory and regulatory requirements provide the framework that the Commission must apply when reviewing a certificate of corridor compatibility and/or route permit application, the Commission sometimes imposes other unwritten requirements, and the requirements imposed have differed somewhat from case to case.

For example, in the route permit issued for the Cooperative Power Association – United Power Association (“CPA-UPA”) 230 kV transmission line project on September 8, 1977 (Docket No. 9593), the Commission did not require the permittee to identify specific structure locations prior to the issuance of a route permit. Rather, in the route permit, the Commission included a condition that required the permittee to provide plan and profiles showing structure locations prior to the commencement of construction, and the Commission could require a reasonable change in the location of a structure upon a request by a landowner demonstrating that good cause existed for the change.

In addition, in the CPA-UPA route permit, the Commission allowed the permittee some flexibility with respect to changes to the approved route. Specifically, the route permit stated that variances from the designated route were allowed if the deviation did not violate any of the exclusion or avoidance area criteria and either (1) engineering constraints required a deviation approved by the Commission that would not cross any tract of land under different ownership, or (2) the owner of the tract over which the route crossed consented to the deviation in writing and the consent was filed with the Commission prior to the start of construction on that tract. Notably, the factors and criteria applied by the Commission when issuing the CPA-UPA route permit are nearly the same as those currently applied.

More recently, however, the Commission has moved away from the flexibility provided in the CPA-UPA route permit. For example, in several recent transmission line routing proceedings, involving lines significantly shorter than the proposed Project, the Commission has required identification of the centerline and of all structure locations prior to issuance of a route permit. Thus, the final designs for those projects generally had to be prepared by the time of the public hearings and, if revisions to the route were required based on the comments provided at the public hearings, revisions to the design were likewise required. In addition, the Commission has required as a condition in the route permits issued for these shorter transmission line projects that the Commission and/or Commission Staff approve all centerline and/or structure location changes after the issuance of the route permit.

IV. Minnkota’s Routing Proposal.

In order to address some of the most challenging aspects of routing the Project, we have developed a routing proposal for the Project that incorporates the more flexible approach to routing utilized by the Commission in the CPA-UPA proceeding, while still adhering to the routing requirements set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code.

Our routing proposal for the Project is as follows:

- A. *Route Width:* We would request in our application that the Commission approve an up to 1,000-foot-wide route, which may vary in width (*e.g.*, a portion of the route may have a width of 500 feet, while the width of other portions of the route may be 750 feet or 1000 feet). We would be required to place our 150-foot-wide right-of-way within the approved route. The entire approved route would be required to comply with all routing requirements set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code.

- B. *Route Permit Conditions:* With respect to Commission approval of the Project design (including right-of-way and structure locations) and changes to the approved route, we would request in our application that the Commission include the following conditions in the route permit:
 - 1. Plan and Profiles – Minnkota must make an effort to conduct a staking review with each landowner to show the proposed location of each structure and, if possible, to obtain landowner approval. At least thirty (30) calendar days prior to the construction of each segment of the Project, Minnkota must submit to the Commission for review, a plan and profile of the segment identifying the specific location of the right-of-way and transmission structures within the designated route, and indicating which structure locations have landowner approval. Minnkota will not be allowed to begin construction of the segment of the Project at issue until it receives written notification from the Commission that the Commission has completed its review and the planned construction is consistent with the Route Permit, or the thirty (30) calendar days have expired, whichever occurs sooner; and

 - 2. Changes to Plan and Profiles – If Minnkota plans to make any changes to plan and profiles after submission to the Commission, all proposed changes must comply with the avoidance area and exclusion area requirements set forth in Section 69-06-08-02 of the North Dakota Administrative Code and Minnkota must either:
 - a. notify the Commission of the planned change at least five (5) calendar days prior to implementing the change, and Minnkota will not be allowed to implement the change at issue until it receives written notification from the Commission that the Commission has completed its review and the planned change is consistent with the Route Permit, or the five (5) calendar days have expired, whichever occurs sooner; or

- b. obtain the written consent of the landowner of the tract over which the route crosses to the change and file the consent with the Commission prior to the start of construction on that tract.

Section 49-22-02 of the North Dakota Century Code states that the goal of transmission routing is to ensure that the route approved has minimal adverse impacts on the environment and the citizens of North Dakota, while ensuring system reliability and integrity and that energy needs are met in an orderly and timely fashion, and our proposal is consistent with this goal. First, the up to 1,000-foot-wide approved route must comply with all exclusion area and avoidance area requirements, and the selection criteria and policy criteria must be considered when selecting the route. Second, the Commission has final approval over the Project's final location within the approved route, and its design, to ensure compliance with routing statutes and rules. Third, the Commission must be notified of all proposed changes to the Project after the finalized plan and profiles are submitted for approval, and all proposed changes must be consistent with the routing statutes and rules. Finally, our proposal will better enable us to incorporate input from the Commission, the general public and the landowners directly affected by the Project into the Project's finalized, detailed design, and to avoid and/or mitigate impacts to the environment and cultural resources.

V. Benefits of Minnkota's Routing Proposal.

As noted above, our proposal provides a variety of benefits for all involved in the routing process. Each of the potential benefits is discussed in more detail below.

A. More flexibility to address site-specific concerns.

We must take into account numerous site-specific concerns when routing the Project, and our routing proposal provides us with the flexibility to better address those concerns. For example, landowners often have concerns about the location of structures in relation to field access points and shelterbelts. Due to the number of landowners that may potentially be affected by the Project, however, it is impractical and unreasonable to meet individually with each potentially affected landowner to discuss individual concerns prior to the approval of a specific route. Thus, a significant amount of individual landowner input will be received after the route permit is issued.

Approving an up to 1,000-foot-wide route and allowing us to finalize the placement of the right-of-way within that route after the public hearing, but before construction, will enable us to more easily address individual landowner concerns and accommodate individual landowner requests in the Project's final design. In other words, rather than designating structure locations and then trying to convince landowners to accept the locations we have selected, we will be able to take landowners' input into consideration when determining final structure locations. This flexibility should, in turn, make it easier to negotiate voluntary easements, and to reduce/avoid the need for condemnation. Furthermore, including as a condition to the Route Permit that we must make an effort to conduct a staking review with each affected landowner prior to finalizing the Project's design ensures that each affected landowner will have the opportunity to provide input regarding structure locations prior to construction.

Allowing the final design to be prepared after the route permit is issued will also enable us to make adjustments in the Project's final design to avoid and/or mitigate environmental, cultural resource and geotechnical concerns that arise as a result of the site-specific studies and surveys performed within the approved route.

B. Public input can be more easily and cost-effectively incorporated into the Project's finalized, detailed design.

If we are required to provide the final centerline and specific structure locations prior to the public hearings on the route permit application, all detailed design work will have to have been completed by the time of the public hearings. Presenting a finalized, detailed route and Project design at the public hearings makes it more difficult for the Commission to incorporate public comments received at the hearings because one change could impact other portions of the Project, potentially requiring significant re-designs. Moreover, if the Commission does require significant re-designs as a result of the input received at the public hearings, we would be required to incur significant re-design costs to revise the "finalized," detailed design.

If, on the other hand, an up to 1,000-foot-wide route is approved, subject to the conditions set forth above, then the Commission can more easily and cost-effectively incorporate public input into the Project's finalized, detailed design. Thus, our proposal provides an increased opportunity for public input regarding the location of the Project's right-of-way and structures. In addition, we would incur less design and re-design costs because the finalized, detailed design would be completed after the public hearings and, thus, would incorporate any changes that the Commission required as a result of the public hearings. At the same time, requiring us to submit our finalized plan and profiles to the Commission at least thirty (30) days prior to the construction of each segment ensures that the Commission retains oversight of the final location of the right-of-way and structures.

C. Increased public acceptance of the Project.

If the public has an opportunity to provide meaningful input into the location of the right-of-way and structures, then the public will likely have a greater acceptance of the Project, particularly the landowners directly affected by the Project. Our proposal gives both the Commission and us the flexibility to incorporate public comments and landowner concerns into the final, detailed Project design. This, in turn, should make it easier to negotiate voluntary easements with landowners because we will be able to incorporate landowners' input with respect to structure locations, rather than trying to convince landowners to simply accept an already-approved final design. Moreover, allowing landowners to approve changes after the final plan and profiles are submitted to the Commission for approval will also allow us more flexibility to address landowner concerns that arise during construction.

D. More efficient use of Commission resources.

If a finalized, detailed design must be approved in the route permit, and that finalized, detailed design must be presented at the public hearings, then inevitably changes will need to be made once easements are acquired and site-specific information is known. With a transmission line

project that is 260 miles long, such as the proposed Project, numerous changes could be required, and Commission approval of each change would place a significant burden on the Commission and its Staff.

If, however, the detailed design is not finalized until after the public hearings, after most (if not all) easements have been acquired, and after site-specific concerns are known as a result of site-specific studies and surveys of the up to 1000-foot-wide route, then the finalized, detailed design will incorporate changes that would otherwise have to have been made after the route permit was issued. Having the ability to incorporate public input and site-specific concerns into the Project's final, detailed design will reduce the number of changes that must be approved by the Commission and Commission Staff. At the same time, the requirement that we must submit the final plan and profiles to the Commission at least thirty (30) days prior to construction of each segment ensures that the Commission has final approval of the Project's right-of-way and structure locations, as well as of the Project's final design. Likewise, the requirement that we must notify the Commission of proposed changes ensures Commission oversight throughout construction of the Project.

E. Reduced Project costs, resulting in reduced consumer costs.

Preparing a "finalized," detailed design showing a centerline and structure locations for the public hearings is a significant expense that provides little benefit. Often, the design has to be revised several times to incorporate the Commission's adjustments to the route based on concerns raised at the public hearings, landowner requests regarding structure placement, and site-specific environmental and cultural resource issues that arise when final pre-construction surveys are conducted on the approved route.

On the other hand, preparing the finalized, detailed design after the public hearings, but before construction, is a more cost-effective and beneficial approach. Using this approach, we can incorporate the Commission's route revisions based on public comments raised at the public hearings, landowner input regarding structure locations obtained during easement negotiations and staking reviews, and mitigation measures to address site-specific environmental and cultural resource concerns into the Project's final, detailed design. Fewer changes to the final, detailed design will be necessary after approval, which will result in fewer construction delays. Reduced design and construction costs, in turn, will result in reduced Project costs overall, which will likewise reduce the costs to provide electricity to our member-owner distribution cooperatives and their customers.

VI. Approaches to Transmission Line Permitting in Other States.

In prior discussions, Commission Staff requested that we provide information regarding the approaches to transmission line routing taken by the permitting authorities in surrounding states. Below is a discussion of (1) the routing requirements in Iowa, South Dakota, Minnesota, Montana and Wisconsin, and (2) how our routing proposal for the proposed Project compares with the routing requirements and approaches taken in those states.

A. Iowa.

Typically, the Iowa Utilities Board (“IA Board”) requires that a final centerline be designated prior to issuing a permit, but does not require that structure locations be identified at the time the permit is issued. If, however, eminent domain will be used to acquire property rights, the parcels crossed, the property rights to be acquired in those parcels and the structure locations must be provided at the time the application is submitted, or as soon as the permittee determines that eminent domain will be required. A petition to amend the approval must be submitted to the IA Board if the route will be relocated so as to require new or additional interests in property to be obtained, or if a new or additional authorization must be obtained from highway or railroad authorities, for a total distance of one mile or more. Petitions to amend may be filed for relocations of less than one mile if the permittee needs authority to exercise the right of eminent domain. The IA Board can only approve a 200-foot-wide right-of-way.

Although the IA Board typically requires that a final centerline be designated prior to issuing an approval, the Iowa statutes and rules governing permitting do not require designation of the centerline prior to approval. Moreover, except where the use of eminent domain will be required, neither the Iowa statutes or rules, nor the IA Board, require that structure locations be identified when a permit is issued, and the IA Board allows some flexibility to move the line after a permit is issued without the IA Board’s approval (*i.e.*, changes of less than one mile). Thus, although the practice of the IA Board is to require designation of a centerline, our proposal would be consistent with the requirements set forth in Iowa’s statutes and rules with respect to route designation and structure placement, except where eminent domain will be used.

B. Minnesota.

In a route permit, the Minnesota Public Utilities Commission (“MPUC”) approves a route up to 1.25 miles wide within which the right-of-way must be located, and generally designates the approved right-of-way width. As a condition to the route permit, the permittee must submit a plan and profile of the proposed transmission line at least fourteen (14) days before commencing right-of-way preparation for construction and may not begin construction until it receives notification that the plan and profile is in compliance with the route permit, or the fourteen (14) days have expired, whichever is sooner. All revisions to the plan and profile must be submitted to the MPUC at least five (5) days prior to implementation and no change may violate the terms of the permit. As-builts showing the final location of facilities must be provided after construction.

The Minnesota statutes and rules specifically allow the MPUC to approve a route of up to 1.25 miles, and nothing in the Minnesota statutes or rules requires that the centerline or structure locations be approved in the route permit. In the CapX 2020 routing docket currently before the MPUC – which involves a 230-mile-long, 345 kV transmission line – the applicants have requested a 1,000-foot-wide route for the majority of the project, with a route width of up to 1.25 miles in designated environmentally- and culturally-sensitive areas. Minnesota’s approach to transmission line routing provides the applicant with the flexibility to address landowner and site-specific concerns after a specific route is approved. Our proposal would be consistent with

both Minnesota's statutory and regulatory routing requirements and with the MPUC's approach to routing.

C. Montana.

Typically, the Montana Department of Environmental Quality ("MT DEQ") approves a 500-foot-wide corridor (250 feet on either side of the centerline) when it issues a Certificate of Compliance, but has approved wider corridors in certain situations (*e.g.*, for river crossings, to ensure line swing and ground clearance requirements could be satisfied). Except in certain areas (near airports or water bodies, or in areas with center-pivot irrigation), specific structure locations are generally not required at the time the MT DEQ issues a permit, and the permit identifies requirements with which the permittee must comply when siting structures. Preferably thirty (30) days, but no less than fifteen (15) days before the start of construction, plan and profile maps depicting the location of the centerline and of all construction access roads, maintenance access roads, structures, clearing backlines and, if known, special use sites (*e.g.*, staging sites) must be submitted to the state inspector (an MT DEQ employee designated to monitor compliance with the terms of the Certificate of Compliance and accompanying Environmental Specifications). Special use site locations are to be provided to the state inspector at least five (5) days before the start of construction. Generally, any changes or updates to the plan and profiles are to be submitted to the MT DEQ when they become available, but no less than five (5) days before the anticipated date of construction, and approval of the change is not required. If, however, the area impacted has been designated a sensitive area, then the change must be submitted to MT DEQ at least seven (7) days before construction and must be approved by the state inspector prior to construction.

Montana's statutes and rules do not require that the centerline or structure locations be identified in the Certificate of Compliance issued by the MT DEQ. The MT DEQ's approval of a route width of 500 feet with the opportunity for the MT DEQ to have final approval of project design and review of all proposed changes allows flexibility to incorporate landowner concerns and address site-specific issues in the final design. Our proposal would be consistent Montana's statutory and regulatory routing requirements, and is similar to the approach applied by the MT DEQ.

D. South Dakota.

The South Dakota Public Utilities Commission ("SD PUC") approaches transmission line permitting on a case-by-case basis. Typically, the SD PUC Staff and the permit applicant stipulate to the conditions and requirements for a transmission line permit, and the SD PUC then issues an order approving the stipulation. Generally, a specific centerline is approved, and the permittee stipulates that only slight deviations to the centerline may be required, and that only slight adjustments to structure locations based on actual conditions may be required. In a recent stipulation, Xcel Energy agreed to conduct a staking review with each landowner after issuance of the route permit to show the location of each structure on the landowner's property, and to get the landowner's approval. If the structure placement needed to deviate by more than ten (10) feet laterally from what the landowners approved, then all landowners affected by the deviation and the SD PUC would have to be notified in writing five (5) days before the deviation would occur, and the deviation would have to be approved by the SD PUC. Typically, route changes to

salvage, avoid or protect archeological resources discovered during construction must be also be approved by the SD PUC.

Although applicants and the SD PUC Staff generally stipulate to a centerline, South Dakota's routing statutes and rules do not require the SD PUC to approve a centerline in the route permit. While its approach is not as flexible as the approaches taken in Minnesota and Montana, the SD PUC has allowed some flexibility to address landowner concerns regarding structure placement. Even though the SD PUC's actual approach to routing is less flexible than what we are proposing, our proposal would be consistent with the requirements set forth in South Dakota's statutes and rules with respect to route designation and structure placement.

E. Wisconsin.

The Wisconsin Public Service Commission ("WPSC") generally approves a centerline, but does not require that specific structure locations be provided prior to issuance of a Certificate of Public Convenience and Necessity ("CPCN"). Changes in the alignment from the approved centerline may not affect resources or cause new impacts not discussed in the Environmental Report prepared as part of the WPSC application process, and may not affect new landowners who have not been given proper notice and the opportunity to comment on the project. Minor centerline adjustments may be proposed by submitting a letter to the WPSC that describes the nature of the requested change, the reason for the change, the incremental cost and environmental impact differences as compared to the approved route, and the permittee's communications with affected landowners. If the request is reasonable, WPSC Staff may authorize the route adjustment. If the WPSC Staff, another regulatory agency, or an affected landowner disagree about the value or reasonableness of a proposed change, then the permittee will need to seek approval for the change via a formal amendment of the CPCN.

Although the WPSC's approach is not as flexible as the approaches taken in Montana and Minnesota, the WPSC does allow some flexibility to incorporate landowner concerns and address site-specific issues in the final design with respect to structure placement along the centerline. In addition, even though the WPSC generally approves a specific centerline, the Wisconsin statutes and rules do not actually require that the centerline be approved in the CPCN. Thus, while our proposal differs from the actual routing approach taken by the WPSC, our proposal would be consistent with the requirements set forth in Wisconsin's statutes and rules with respect to route designation and structure placement.

VII. Conclusion.

As discussed above, our Project poses unique routing challenges. To address those challenges, we have developed a routing proposal that we believe will better enable us to incorporate public input and address landowner and other site-specific concerns in the Project's final, detailed design, while ensuring statutory and regulatory compliance.

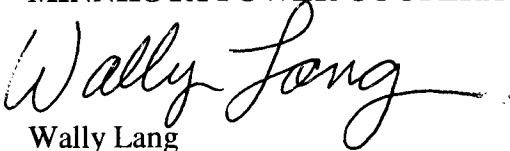
Therefore, we respectfully request that the Commission consider our routing proposal and provide us with guidance regarding routing for the proposed Project. As indicated in our Letter of Intent, the Project is moving forward quickly; as such, for planning purposes, we would

appreciate receiving the Commission's feedback in the very near future. To assist the Commission with its review of our proposal, we would be happy to answer any questions or provide any additional information that the Commission may need. Additional Project information may also be found on our website at www.minnkotacgf.com.

Thank you.

Sincerely,

MINNKOTA POWER COOPERATIVE, INC.

A handwritten signature in black ink that reads "Wally Lang". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Wally Lang
Vice President – Transmission

cc: Michelle Bissonnette, HDR
Mollie Smith, Fredrikson & Byron
John Graves
Mike Hennes