



Public Service Commission

State of North Dakota

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Dear Mr. Lang:

In a letter dated February 3, 2010, Minnkota Power Cooperative, Inc. requested guidance from the Public Service Commission regarding the routing information that will be required for Minnkota's Center to Grand Forks 345 kV transmission line, Case No. PU-09-670. In that letter, Minnkota offered a specific routing proposal and requested the Commission's input regarding its proposal. The Commission discussed this matter at a working session on April 7, 2010 and asked me to provide this response.

Recognizing the need for additional transmission in North Dakota, the Commission understands and appreciates Minnkota's desire for more flexibility in the transmission facility routing process, which Minnkota's letter indicates is the goal of its routing proposal. However, the Commission has some concerns regarding Minnkota's proposal, particularly with respect to Minnkota's plan to request that the certificate of corridor compatibility and route permit proceedings be combined into one proceeding, and that the Commission approve an up to 1,000-foot-wide route, with the specific location of the right-of-way within the 1,000-foot-wide route determined after issuance of the route permit.

With respect to the proposal to combine the corridor and route applications, given the length and size of Minnkota's proposed Project, as well as the potential number of landowners impacted, the Commission felt that Minnkota's project is the type of project for which it may be more appropriate to conduct separate corridor and route proceedings. The Commissioners thought that conducting a separate, thorough certificate of corridor compatibility proceeding prior to considering a route permit application may address many of the routing concerns raised by Minnkota in its letter. The Commission may be open to considering a waiver request to allow the filing of a route permit application at the same time as a certificate of corridor compatibility application, with the understanding that each application would be considered separately.

In its letter, Minnkota proposes that the Commission approve an up to 1,000-foot-wide route for the Project, which is different from what the Commission has done in past transmission facility routing proceedings. In the Commission's view, a preferable approach may be for

Minnkota to apply for a 1,000-foot-wide corridor in its certificate of corridor compatibility application. Minnkota could then identify and request approval of a specific location for the project within the approved corridor in its route permit application.

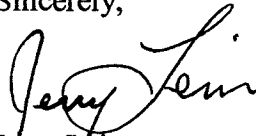
In conjunction with its request for approval of an up to 1,000-foot-wide route, Minnkota requests that it be allowed to submit plan and profiles identifying the project's centerline and structure locations thirty (30) days prior to the construction of each segment of the project, rather than providing the centerline and structure locations prior to the public hearings on the route permit application, as the Commission has required in recent transmission line routing proceedings. While the Commission recognizes the difficulties Minnkota faces in providing a detailed design prior to the public hearings, the Commission also believes it is important that the Commission and the public be provided with information sufficiently specific to show the proposed location of the Project. Therefore, the Commission will likely require that Minnkota identify the proposed centerline for the Project, as well as preliminary structure locations that need not be surveyed, prior to the Commission conducting public hearings on Minnkota's route permit application. This approach should avoid some of the potential design and re-design costs with which Minnkota is concerned, while still providing the Commission and the public with sufficiently specific information regarding Minnkota's proposed route.

With respect to submission of plan and profiles, the Commission is not opposed to Minnkota's proposal to submit finalized plan and profiles for the project after issuance of the route permit, or its proposal to segment its submission of plan and profiles so that submission coincides more closely with the construction of each segment of the project. However, the Commission was concerned about whether the plan and profiles should be deemed automatically approved if the Commission has not completed its review of the plan and profiles within thirty (30) days of submission. The Commission will give further consideration to the timing of plan and profile submissions, as well as any process for reviewing plan and profiles, after it receives Minnkota's route permit application.

Finally, the Commission is in favor of Minnkota's proposal to conduct, when possible, individual staking reviews with landowners during the process of securing easements.

I hope that this response adequately provides Minnkota with the guidance it needs as it proceeds with the permitting process.

Sincerely,

A handwritten signature in cursive script that reads "Jerry Lein".

Jerry Lein
Public Utility Analyst