

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Case No. PU-09-670

**IN THE MATTER OF THE APPLICATION
OF MINNKOTA POWER COOPERATIVE,
INC., FOR A CERTIFICATE OF CORRIDOR
COMPATIBILITY AND ROUTE PERMIT TO
CONSTRUCT THE CENTER TO GRAND
FORKS 345 kV TRANSMISSION LINE
PROJECT IN OLIVER, MCLEAN,
BURLEIGH, SHERIDAN, WELLS, EDDY,
FOSTER, GRIGGS, STEELE, NELSON, AND
GRAND FORKS COUNTIES, NORTH
DAKOTA**

**MINNKOTA POWER COOPERATIVE, INC.'S REQUEST
FOR MODIFICATION OF THE PROJECT CORRIDOR AND
FOR WAIVER OF PROCEDURES AND TIME SCHEDULES**

I. Introduction.

Minnkota Power Cooperative, Inc. (Minnkota), submits to the North Dakota Public Service Commission (Commission) this request for modification of the corridor approved by the Commission (Project Corridor) for Minnkota's Center, North Dakota, to Grand Forks, North Dakota, 345 kV Transmission Line Project (Project). In addition, in accordance with Section 49-22-07.2 of the North Dakota Century Code and Chapter 69-06-06 of the North Dakota Administrative Code, Minnkota requests that the Commission waive the following requirements set forth in Chapter 49-22 of the North Dakota Century Code and Article 69-06 of the North Dakota Administrative Code:

1. That the Commission hold a separate hearing on a request for modification of the Project Corridor, a waiver request, and a Route Permit application, as may be required by Sections 49-22-07.2, 49-22-08, 49-22-08.1 and 49-22-13 of the North

Dakota Century Code and Chapter 69-06-01-02 of the North Dakota Administrative Code. Minnkota requests that the Commission hold a single consolidated hearing on its request for modification of the Project Corridor, its waiver request, and its Route Permit application.

2. The requirement of Section 49-22-08.1 of the North Dakota Century Code insofar as it may require that a Route Permit application be filed after approval of the Project Corridor modification request.

Additional information regarding Minnkota's requested modification of the Project Corridor and its waiver request is provided in the following sections.

II. Requested Modifications to the Project Corridor.

Following issuance of the Certificate of Corridor Compatibility, Minnkota worked with landowners, agencies and others to identify a proposed Project Route that satisfies the siting criteria set forth in the Siting Act and Siting Rules and addresses various concerns raised both during and outside of the public hearings on Minnkota's Certificate of Corridor Compatibility application. The proposed Project Route that was ultimately identified falls slightly outside of the Project Corridor in five locations.

Minnkota requests that the Commission approve the five modifications to the Project Corridor required to accommodate the proposed Project Route identified in Minnkota's Route Permit application, filed herewith. For modifications #1 through #4, the Project Corridor was expanded approximately 500 feet beyond the outside edge of the 150-foot-wide Project right-of-way. For modification #5 in Brenna Township, the Project Corridor was expanded approximately 100 feet south of the southern edge of the 150-foot-wide Project right-of-way. Each of the five proposed modifications is discussed in more detail Section A below. In

addition, information regarding the Commission's siting criteria, as applied to the proposed modifications, is provided in Section B below.

A. Proposed Modifications.

1. Modification 1: Oliver County – Section 33, T142N, R82W.

Public testimony identified a concern regarding the placement of the Project in proximity to an occupied duplex residence located in the southern portion of Section 29, T142N, R82W in Oliver County. The owner of the residence proposed that the Project be shifted south, in closer proximity to the existing 250 kV direct current (DC) transmission line located near the quarter-section line in Sections 31 and 32. Minnkota's proposed Project Corridor was expanded by the Commission to allow further consideration of this request.

To accommodate the landowner's request to move the Project further away from the duplex home in Section 29, the proposed Project Route runs diagonally to the southeast in Sections 31 and 32, T142, R82W, and traverses east through Sections 31 and 32 as close as possible to the mid-way point between the existing 250 kV DC line and the occupied residence in Section 29. The proposed Project Route then runs diagonally to the northeast in the eastern portion of Section 32 and the northwest portion of Section 33. Thus, the proposed Project Route maximizes the distance between the occupied residence and the Project, while minimizing the potential for electrical interaction between the DC transmission line and the Project. Additionally, landowners have confirmed that the residence in Section 32, T142, R82W that was initially believed to be occupied is actually unoccupied, cultural resource surveys performed indicate that the proposed Project Route will not impact cultural resource sites, and further analysis of the route has confirmed the topography will not prohibit utilizing the route selected.

Where the proposed Project Route enters Section 33, T142N, R82W, approximately 1/8th of an acre of the 150-foot-wide right-of-way falls outside of the Project Corridor. Therefore, Minnkota requests that the Project Corridor be modified as depicted on the map provided as **Exhibit 1a**, attached hereto.

2. Modification 2: Sheridan County – North Dakota Department of Trust Lands Request.

During discussions with the North Dakota Department of Trust Lands (NDDTL) (formerly known as the North Dakota State Land Department), the NDDTL identified an area in Section 8, T146N, R78W in Sheridan County that may potentially contain commercial aggregate. Discussions with the NDDTL and adjacent landowners identified a route that would reduce the potential for impact to the future recovery of aggregate and does not result in any additional land use or environmental impacts. However, the proposed Project Route extends beyond the Project Corridor, and modification of the Project Corridor in Sections 5, 6, 7 and 8, T146N, R78W is necessary to accommodate the proposed Project Route. Therefore, Minnkota requests that the Project Corridor be modified as depicted on the map provided as **Exhibit 1b**, attached hereto.

3. Modification 3: Eddy County – Landowner Discussion Regarding Sections 28 and 27, T148N, R67W.

During discussions between Minnkota and a landowner in Eddy County regarding routing of the Project, the landowner requested that the Project investigate an alternative route. As proposed by the landowner, the re-route would remain on the landowner's property, but would be further from the landowner's residence and would enable Minnkota to avoid certain cultural resources identified within the Project Corridor. Minnkota incorporated the landowner's request into its proposed Project Route

In the area discussed above, the proposed Project Route turns and goes north along the west side of Section 28, T148N, R67W, then turns and runs east through the northern half of Sections 28 and 27, T148N, R67W, and then turns south along the eastern edge of Section 27 before turning east again. The proposed Project Route is approximately 0.3 miles north of the Project Corridor, and would require modification of the Project Corridor in Sections 26, 27, 28 and 29, T148N, R67W. Therefore, Minnkota requests that the Project Corridor be modified as depicted on the map provided as **Exhibit 1c**, attached hereto.

4. Modification 4: Grand Forks County – NDDTL Request.

Public testimony during the Certificate of Corridor Compatibility application public hearings, and a letter filed with the Commission by the NDDTL following the public hearings, identified concerns regarding potential impacts of the Project on native grassland/saline wetlands within an area referred to as the alkali flats in Oakville (T151N, R52W) and Fairfield (T150N, R52W) Townships, Grand Forks County. The Commission widened the proposed Project Corridor at Minnkota's request to allow further consideration of a routing request across an NDDTL parcel in Grand Forks County. The Commission also requested that Minnkota engage in further consultation with the Grand Forks County Prairie Partners and Audubon Dakota regarding transmission line construction and minimization of potential impacts in the alkali flats area.

Minnkota consulted with the NDDTL, the Grand Forks County Prairie Partners, and Audubon Dakota when selecting the proposed Project Route in the area of concern. For the north-south portion of the Project located in Fairfield and Oakville Townships, the proposed Project Route proceeds north along the quarter-section line through Section 1, T150N, R52W, and Sections 25 and 36, T151N, R52W. In Section 24, T151N, R52W, the Project Route turns

east and then north along the section line through Section 24 and half of Section 13. This alignment was selected to minimize impacts to native grassland, occupied residences, and agricultural land identified by the NDDTL, other landowners, the Grand Forks County Prairie Partners, and Audubon Dakota.

A portion of the proposed Project Route in this area falls outside of the Project Corridor, and would require modification of the Project Corridor in Sections 13, 24 and 25, T151N, R52W and in Sections 18, 19 and 30, T151N, R51W. Therefore, Minnkota requests that the Project Corridor be modified as depicted on the map provided as **Exhibit 1d**, attached hereto.

5. Modification 5: Grand Forks County – Brenna Township Landowner Requests.

Public testimony during the Certificate of Corridor Compatibility application public hearings noted concerns regarding the proximity of the Project to occupied residences, as well as concerns regarding flight operation limitations and flight safety for the Grand Forks International Airport, in Brenna Township, Grand Forks County. Also of concern in this area are agricultural land impacts, since the area contains high quality farmland.

Utilizing input from landowners, agencies and others, Minnkota identified the proposed Project Route in Brenna Township, which minimizes the number of residences in close proximity to the Project and also minimizes land use impacts by placing the proposed Project Route adjacent to the quarter-section line near field edges. Discussions are ongoing with the Grand Forks International Airport, the University of North Dakota Aeronautics Department, and the Federal Aviation Administration. However, previous discussions have indicated that the Project can and will be designed within stated guidelines and will have not adverse impacts on flight operations or flight safety.

Approximately seventy-five (75) feet of the proposed 150-foot-wide right-of-way falls outside of the Project Corridor in Sections 14, 15, 16, 17 and 18, T151N, R51W. Therefore, Minnkota requests that the Project Corridor be modified as depicted on the map provided as **Exhibit 1e**, attached hereto.

B. Compliance with Siting Criteria.

The proposed modifications to the Project Corridor discussed in Section A above comply with the Commission’s siting criteria set forth in Section 69-06-08-02 of the North Dakota Administrative Code. Information regarding the exclusion areas and avoidance areas present within the proposed modification areas, as well as information regarding the selection criteria and policy criteria as they relate to the proposed modification areas, is provided below.

1. Exclusion Areas.

Per Section 69-06-08-02(1) of the North Dakota Administrative Code, the geographical areas listed in Table 1 shall be excluded in the consideration of a route for a transmission facility, and shall include a buffer zone of reasonable width to protect the integrity of the area. Table 1 addresses the exclusion area criteria as they relate to the proposed Project Corridor modifications. In addition, exclusion areas within the Project Corridor modifications are mapped in Exhibits 1a – 1e.

Table 1. Exclusion Areas – Project Corridor Modifications

Geographic Area	Present within Project Corridor Modifications	Proposed Buffer
Designated or registered national: parks; memorial parks; historic sites and landmarks; natural landmarks; monuments; and wilderness areas	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Designated or registered state: parks; historic sites; monuments; historical markers; archaeological sites; and nature preserves	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.

Geographic Area	Present within Project Corridor Modifications	Proposed Buffer
County parks and recreational areas; municipal parks; and parks owned or administered by other governmental subdivisions	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Areas critical to the life stages of threatened or endangered species	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Areas where animal or plant species that are unique or rare to this state would be irreversibly damaged	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.

2. Avoidance Areas.

Per Section 69-06-08-02(2) of the North Dakota Administrative Code, the geographical areas listed in Table 2 shall not be considered in the routing of a transmission facility unless the applicant shows that under the circumstances there is no reasonable alternative. In determining whether an avoidance area should be designated for a facility, the Commission may consider, among other things, proposed management of adverse impacts; orderly siting of facilities; system reliability and integrity; efficient use of resources; and alternative routes. Table 2 addresses the avoidance area criteria as they relate to the proposed Project Corridor modifications. In addition, avoidance areas within the Project Corridor modifications are mapped in Exhibits 1a – 1e.

Table 2. Avoidance Areas – Project Corridor Modifications

Avoidance Area	Present within Project Corridor Modifications	Proposed Buffer
Designated or registered national: historic districts; wildlife areas; wild, scenic or recreational rivers; wildlife refuges; and grasslands	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Designated or registered state: wild, scenic, or recreational rivers; game refuges; game management areas; management areas; forests; forest management lands; and grasslands	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.

Avoidance Area	Present within Project Corridor Modifications	Proposed Buffer
Historical resources which are not specifically designated as exclusion or avoidance areas	1 previously recorded archaeological resource within the SHPO's database.	No previously recorded archaeological or architectural resources will be impacted by construction or operation of the Project. Minnkota is in the process of conducting cultural resource field surveys to avoid impacting cultural resource sites identified.
Areas that are geologically unstable	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Within 500 feet of a residence, school, or place of business	1 occupied home within Project Corridor Modifications.	Minnkota has developed a route that avoids occupied homes by maximizing setbacks to the extent practicable. Three occupied residences are within 500 feet of the proposed Project Route within the Project Corridor Modifications. Minnkota has obtained a written waiver of the 500-foot setback requirement from two of the three owners and is in discussions with the remaining owner.
Reservoirs and municipal water supplies	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Water sources for organized rural water districts	Rural water pipelines may potentially be present.	Minnkota will conduct a survey for underground utilities and does not anticipate direct or indirect effects to rural water districts.
Irrigated land. This criterion shall not apply to an underground transmission facility.	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.
Areas of recreational significance which are not designated as exclusion areas	Not present within Project Corridor Modifications.	No impacts are anticipated and no buffer is proposed.

3. Selection Criteria.

Per Section 69-06-08-02(3) of the North Dakota Administrative Code, a corridor shall be designated only when it is demonstrated to the Commission by the applicant that any significant adverse effects resulting from the location, construction, and maintenance of the facility, as they relate to the Commission's selection criteria, will be at an acceptable minimum or that those

effects will be managed and maintained at an acceptable minimum. Table 3 addresses the selection criteria as they relate to the proposed Project Corridor modifications. In addition, Exhibits 1a – 1e identify the selection criteria for the Project Corridor modifications.

Table 3. Selection Criteria – Project Corridor Modifications

Selection Criteria	Potential Adverse Effects
The impact upon agriculture:	
Agricultural production	<p>Permanent impacts will occur as a result of structure placement and reduced tillage in cropland; impacts are approximately 78.5 square feet per structure. Temporary construction impacts such as soil compaction and crop damage will likely occur; approximately 2,827 square feet per structure.</p> <p>Minnkota will work with landowners to minimize impacts to their land.</p>
Family farms and ranches	<p>1 home is present within the Project Corridor modifications.</p> <p>Minnkota will work with landowners to minimize impacts to their land and farming and/or ranching operations.</p>
Land which the owner demonstrates has soil, topography, drainage, and an available water supply that cause the land to be economically suitable for irrigation	<p>No irrigated lands are present within the Project Corridor modifications. It is likely land economically suitable for irrigation will be present within a route; however, Minnkota will work with landowners to minimize impacts to their land.</p>
Surface drainage patterns and ground water flow patterns	<p>No impacts are anticipated to rivers, streams, or drainageways. Minnkota will span all rivers and streams to the extent practicable. Three structures will be placed within a regulatory floodway of the English Coulee in Brenna Township, Grand Forks County. Minnkota will apply for the appropriate approval from Grand Forks County.</p> <p>To minimize impacts during construction, a National Pollutant Discharge Elimination System (NPDES) permit and a Storm Water Pollution Prevention Plan (SWPPP) will be prepared and Notice of Intent (NOI) submitted to the North Dakota Department of Health.</p>
The impact upon:	
Noise sensitive land uses	<p>1 home within the Project Corridor modifications.</p> <p>Nearby homes may experience short-term effects during construction such as elevated noise levels and increased vehicle traffic. However, no noise impacts are anticipated during Project operation.</p>
The visual effect on the adjacent area	<p>The transmission line will be visible to individuals traveling on adjacent roads and to residences and landowners that live close to the transmission line and substations. The Project Corridor modifications selected minimize the number of residences potentially impacted by the line.</p>
Extractive and storage resources	<p>No gravel pits are located within the Project Corridor modifications.</p>

Selection Criteria	Potential Adverse Effects
Wetlands, woodlands, and wooded areas	<p>Wetland surveys will be completed prior to construction to avoid or minimize the placement of transmission structures within wetlands.</p> <p>The most common wooded areas are shelterbelts in fields and around residences and buildings. Some rivers and streams crossed by the Project Corridor modifications may have a wooded, riparian fringe.</p> <p>If impacts to wetlands and woodlands cannot be avoided, options to minimize impacts will be considered and mitigation will be proposed consistent with regulatory requirements.</p>
Radio and television reception and other communication or electronic control facilities	No communication towers are located in the Project Corridor modifications. No impacts anticipated.
Human health and safety	<p>Once construction is complete, the transmission line will span all roads and therefore will not impede emergency services.</p> <p>Minnkota conducted an analysis of electric and magnetic field (EMF) calculated levels for the Project (reference the Certificate of Corridor Compatibility application public hearing Exhibit No. 11). Results of the analysis show that calculated EMF levels for maximum operating conditions and normal operating conditions are below published guidelines.</p> <p>Minnkota will design the Project to meet National Electric Safety Code (NESC) standards. Safety concerns related to electric fields are sufficiently addressed by adherence to the NESC. No additional mitigation is required or anticipated.</p>
Animal health and safety	<p>No impacts to livestock are anticipated.</p> <p>Impacts to wildlife populations are expected to be minimal. Potential avian collisions may occur, but are anticipated to be relatively small.</p> <p>Minnkota has committed to marking the shield wires in select areas and designing the line and structures per APLIC guidelines.</p>
Plant life	The Project area is primarily agricultural in nature. Permanent impacts to plant life will occur at structure locations and areas of tree clearing. Areas of temporary construction impacts will be restored. Impacts to individual trees would be replaced at a ratio of 2:1.

4. Policy Criteria.

Per Section 69-06-08-02(4) of the North Dakota Administrative Code, the Commission may give preference to an applicant that will maximize benefits that result from the adoption of the following policies and practices, and in a proper case may require the adoption of such policies and practices. Table 4 addresses the policy criteria as they relate to the proposed Project Corridor modifications.

Table 4. Policy Criteria – Project Corridor Modifications

Policy Criteria	Suitable Policy or Practice of Applicant
Location and design	Minnkota’s policy is to locate and design to minimize environmental impacts and utilize existing corridors.
Training and utilization of available labor in this state for the general and specialized skills required	Minnkota has discussed with construction contractors the use of local labor and will compile a listing of available local labor for use during construction.
Economies of construction and operation	Minnkota will utilize specialty contractors with proven experience in large transmission projects. Economy is obtained by originating and terminating into existing jointly owned substation facilities.
Use of citizen coordinating committees	Minnkota will work with landowners of properties crossed by the Project to site the transmission line, and it is not anticipated that citizen coordinating committees will be necessary.
A commitment of a portion of the transmitted product for use in this state	Energy transmitted by the Project will be used in Minnkota’s service territory, which includes North Dakota.
Labor relations	No labor relations will be affected.
Coordination of facilities	Minnkota has coordinated and will continue to coordinate with area utilities regarding the location of the facilities to maximize benefits and minimize duplication of efforts.
Monitoring of impacts	Minnkota will monitor BMPs utilized during construction to minimize environmental impacts and will monitor construction compliance with the commitments made in its applications to the Commission and applicable permit conditions, including the Commission’s Order.
Utilization of existing and proposed rights-of-way and corridors	One of the primary goals in locating the Project Corridor was to maximize use of existing rights-of-way, corridors, and field breaks, to the extent practical.
Other existing or proposed transmission facilities	Paralleling opportunities will be utilized to the extent practical.

Minnkota’s environmental policies are consistent with the Commission’s policy criteria outlined above. *See also* Section 3.4 of Minnkota’s Certificate of Corridor Compatibility application and Route Permit application.

Since the proposed modifications to the Project Corridor are within the wider macro-corridors that were analyzed during the corridor selection process, the environmental analysis in Section 5.0 of the Certificate of Corridor Compatibility application, and the figures provided in said application, are applicable to the proposed modifications to the Project Corridor. That information further supports the determination that Minnkota’s proposed modifications to the Project Corridor comply with the applicable siting criteria.

III. Waiver Request.

Consistent with the Commission's Energy and Transmission Facility Guidelines, Minnkota provides the following information in support of its waiver request:

A. Project Description.

1. Type.

Minnkota proposes to construct, own, and operate an approximately 250-mile-long, 345 kV transmission line extending from the existing Center 345 kV Substation at the Milton R. Young Unit 2 Generation Station (Young 2) located about 4.5 miles southeast of the town of Center, North Dakota, in Oliver County, to the existing Prairie Substation located adjacent to the city of Grand Forks, North Dakota, in Grand Forks County.

2. Product.

The Project will connect base load power acquired from the Young 2 coal-fired electric generation facility to Minnkota's service territory.

3. Size and Design.

The Project consists of approximately 250 miles of 345 kV transmission line, associated structures, conductors, shield wires, and other components, as well as certain upgrades and/or modifications to substations and other existing facilities. Detailed information regarding the various components of the Project is provided in Section 4.0 of the Route Permit application, filed herewith.

4. Location.

The Project will extend from the Center 345 kV Substation (near Young 2) near Center, North Dakota, to the Prairie Substation adjacent to Grand Forks, North Dakota. The Project will be located in Oliver, McLean, Burleigh, Sheridan, Wells, Eddy, Foster, Griggs, Steele, Nelson,

and Grand Forks Counties in North Dakota. Maps depicting the location of the Project are provided in the Figures section of the Route Permit application, filed herewith.

5. Geographical Service Area.

The proposed 345 kV transmission line will provide wholesale electric service to eleven retail/member-owner distribution cooperatives, which are the members and owners of Minnkota. The member systems' service areas encompass 34,500 square miles in the eastern third of North Dakota and northwestern Minnesota that contain an aggregate population of approximately 300,000 people. These cooperatives serve more than 120,000 retail customers including many of the region's schools, farms, homes, and businesses.

6. Time Schedule.

Minnkota is targeting construction to begin in spring 2012, provided that Minnkota can secure all preconstruction permits and approvals. Minnkota proposes to develop the Project on the following schedule:

- **Certificate of Corridor Compatibility:** Minnkota submitted a Certificate of Corridor Compatibility application in February 2011. The Commission issued its Findings of Fact, Conclusions of Law and Order granting Minnkota a Certificate of Corridor Compatibility for the Project on September, 7, 2011. Minnkota anticipates that the proposed Project Corridor modifications will be approved at the same time the Route Permit is issued in the first quarter of 2012.
- **Route Permit:** Minnkota is submitting a Route Permit application for the Project with this Corridor Modification and Waiver Request. Minnkota anticipates that the Route Permit will be issued in the first quarter of 2012. It is critical for Minnkota to receive the Route Permit as soon as possible, as completing this step will allow Minnkota to move forward with other commitments associated with the Project, including ordering long-lead-time equipment and securing other permits and approvals.
- **Right-of-Way Acquisition Complete:** Minnkota is responsible for all right-of-way acquisition and is in the process of obtaining the necessary easement options from landowners. The voluntary land acquisition process is anticipated to be substantially complete by winter 2011.

- **Equipment Procurement, Manufacture, and Delivery:** Minnkota will order the transmission and substation components as soon as practicable. Once the components have been ordered, delivery is anticipated to occur so as to allow construction to be completed by 4th quarter 2013.
- **Construction:** Project construction is expected to begin in spring/summer 2012, subject to obtaining applicable permits. Construction will take approximately twenty months to complete.
- **Test and Operations:** Minnkota expects system commissioning will occur in 4th quarter 2013.
- **In-Service Date:** The expected in-service date is 4th quarter 2013.

7. Future Plans.

The Project utilizes a base design that will accommodate the output capacity of Young 2, with sufficient margins for outage contingencies. Minnkota has received interconnection requests for proposed wind projects seeking to interconnect to the Project. Although the base design will afford a certain amount of additional transmission capacity, future modifications and/or improvements may be required in order to accommodate these interconnection requests, and the parties requesting interconnection would be financially responsible for any system upgrades or modifications required to facilitate interconnection. However, future modifications would not involve structure changes or double-circuiting of the Project.

B. Need for Facility.

Over the past ten years, Minnkota's load has grown at a rate of 2.9 percent annually (*see* Minnkota's Alternative Evaluation Study, in Appendix A to its Certificate of Corridor Compatibility application). In addition, Minnkota's 2009 Load Forecast Study showed that load will continue to grow at a rate of approximately 1.9 percent annually over the next 25 years (Minnkota 2010a). In order to adequately serve this future load growth, Minnkota must increase its base load generation resources. In particular, additional base load generation is needed by the

winter of 2013 to address an increased need for electricity to serve new residences, commercial accounts, and pipeline pumping projects (Minnkota 2010a).

To address the need for additional base load generation resources, Minnkota will acquire additional generation from Young 2 in early 2013 and eventually acquire all of the Young 2 output. The Project will facilitate delivery of the additional base load generation from Young 2 to Minnkota's service territory. For additional analysis of the need for the Project, including further discussion of the alternatives evaluated and the system studies that support the need for the Project, please see Section 2.0 of Minnkota's Certificate of Corridor Compatibility application for the Project.

With one exception, the Project is consistent with Minnkota's 2011-2021 Ten-Year Plan. *See* Minnkota Power Cooperative, Inc.'s 2011-2021 Ten-Year Plan, Docket No. PU-11-150, filed May 13, 2011. The Ten Year Plan indicates that the Project will be completed by January 1, 2013. However, based on the current permitting schedule, Minnkota anticipates that the Project will be completed in 4th quarter 2013.

C. Cost.

The estimated total cost of construction is \$312,000,000 (2009 dollars) based on 959.6 kcmil (thousand circular mils) Suwannee TW (trapezoidal wire) type ACSR (aluminum conductor steel reinforced) cables, mono-pole structures, an assumed line cost of \$1,100,000 per mile, and an estimated cost of \$37,000,000 for substation upgrades.

D. Waiver Request.

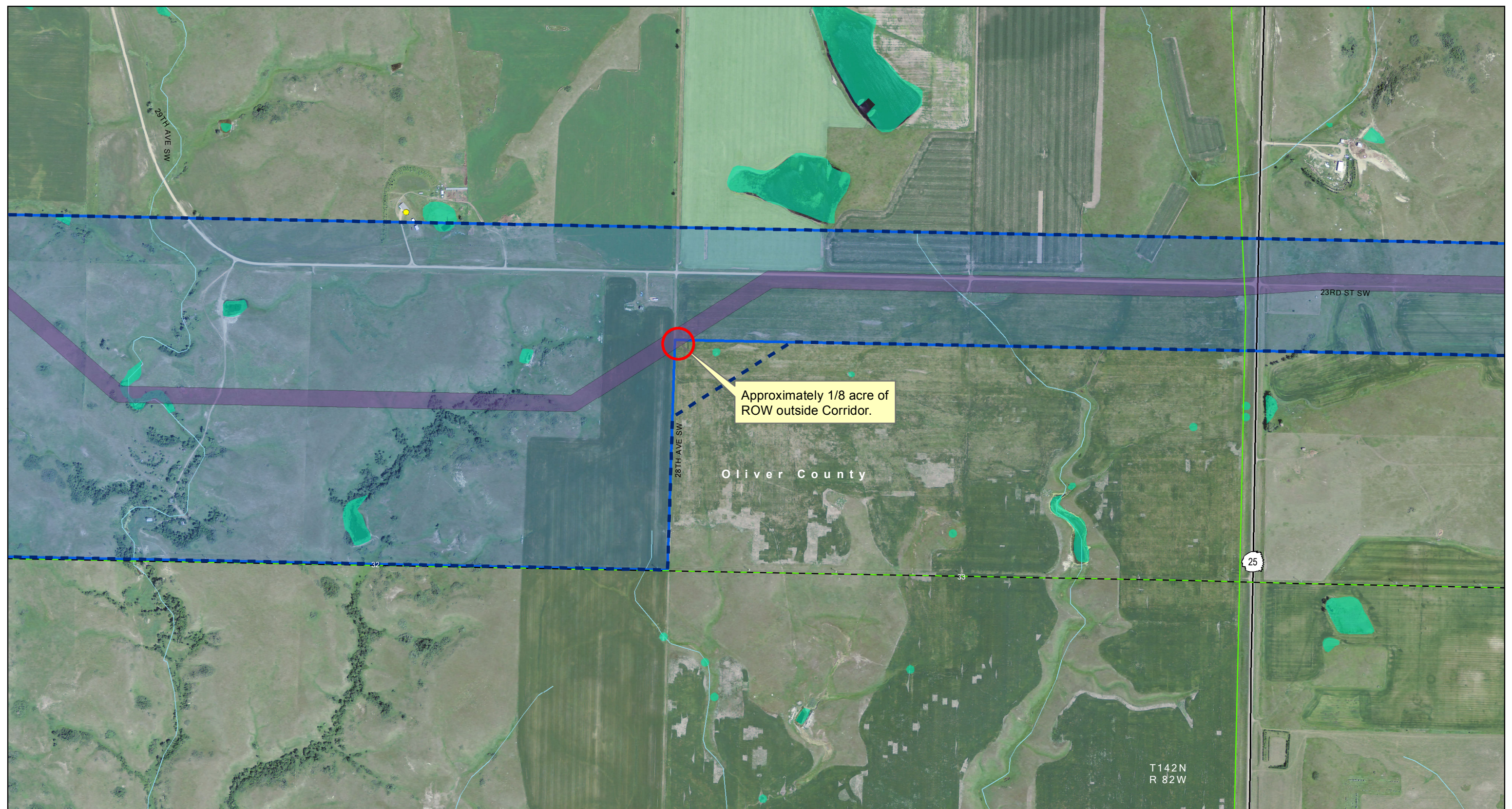
Section 49-22-07.2 of the North Dakota Century Code provides that the Commission may waive procedures or time schedules upon a finding that "the proposed facility is of such length, design, location or purpose that it will produce minimal adverse effects." In this case, granting

the requested waivers is appropriate because only five minor modifications of the Project Corridor are requested, the modifications are requested to accommodate landowner routing requests and to minimize environmental impacts, and the modifications comply with the Commission's siting criteria. As such, the requested modifications of the Project Corridor will produce minimal adverse effects. Moreover, as discussed in more detail in Section 1.1.1 of the Certificate of Corridor Compatibility application, the Project has undergone an extensive environmental and public review process, which included multiple hearings before the Commission on Minnkota's Certificate of Corridor Compatibility application, to ensure that the Project location will have minimal adverse affects.

The waivers of the procedures and time schedules requested are necessary in order to prevent potentially significant delay to the Project, which, in turn, could result in the Project being unable to timely meet the need previously discussed. It is critical for Minnkota to receive the Route Permit as soon as possible because doing so will allow Minnkota to move forward with other commitments associated with the Project, such as ordering long-lead-time equipment and securing other permits and approvals, that are essential to completing the Project in a timely and efficient manner.

Furthermore, granting the particular waivers requested will not inhibit review of the proposed modifications to the Project Corridor. Minnkota anticipates that the Commission will conduct multiple public hearings on Minnkota's Route Permit application, at which time the public will also have an opportunity to present their views on Minnkota's proposed modifications to the Project Corridor and its waiver request.

For these reasons, Minnkota respectfully requests that the Commission approve the requested modifications to the Project Corridor and grant the requested waivers.



Approximately 1/8 acre of ROW outside Corridor.

Oliver County

T142N
R 82W

Sensitive location information has been redacted from this Figure.

- | | | |
|---|------------------|--------------------------|
| Project Corridor
(approved September 7, 2011) | Home | State Trust Land |
| Proposed Modified Corridor
- November 18, 2011 | School | PLOTS Land |
| Project ROW
- November 11, 2011 | Business | USGS Mapped Waterway |
| Laydown Area | Recreation | Modified Wetland |
| Fiber Optic Regeneration Station | Gravel Pit | USFWS Grassland Easement |
| | USFWS WPA or WDA | USFWS Wetland Easement |

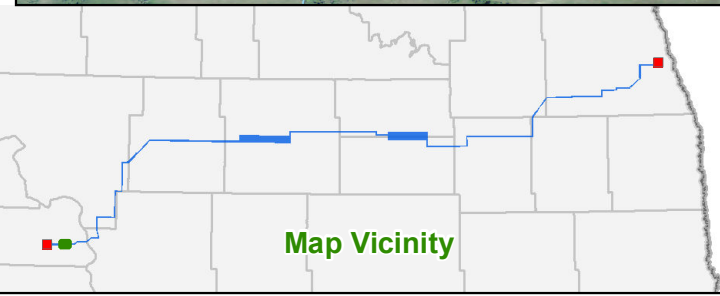
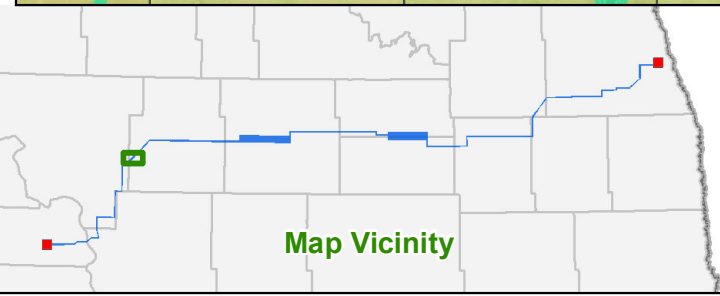
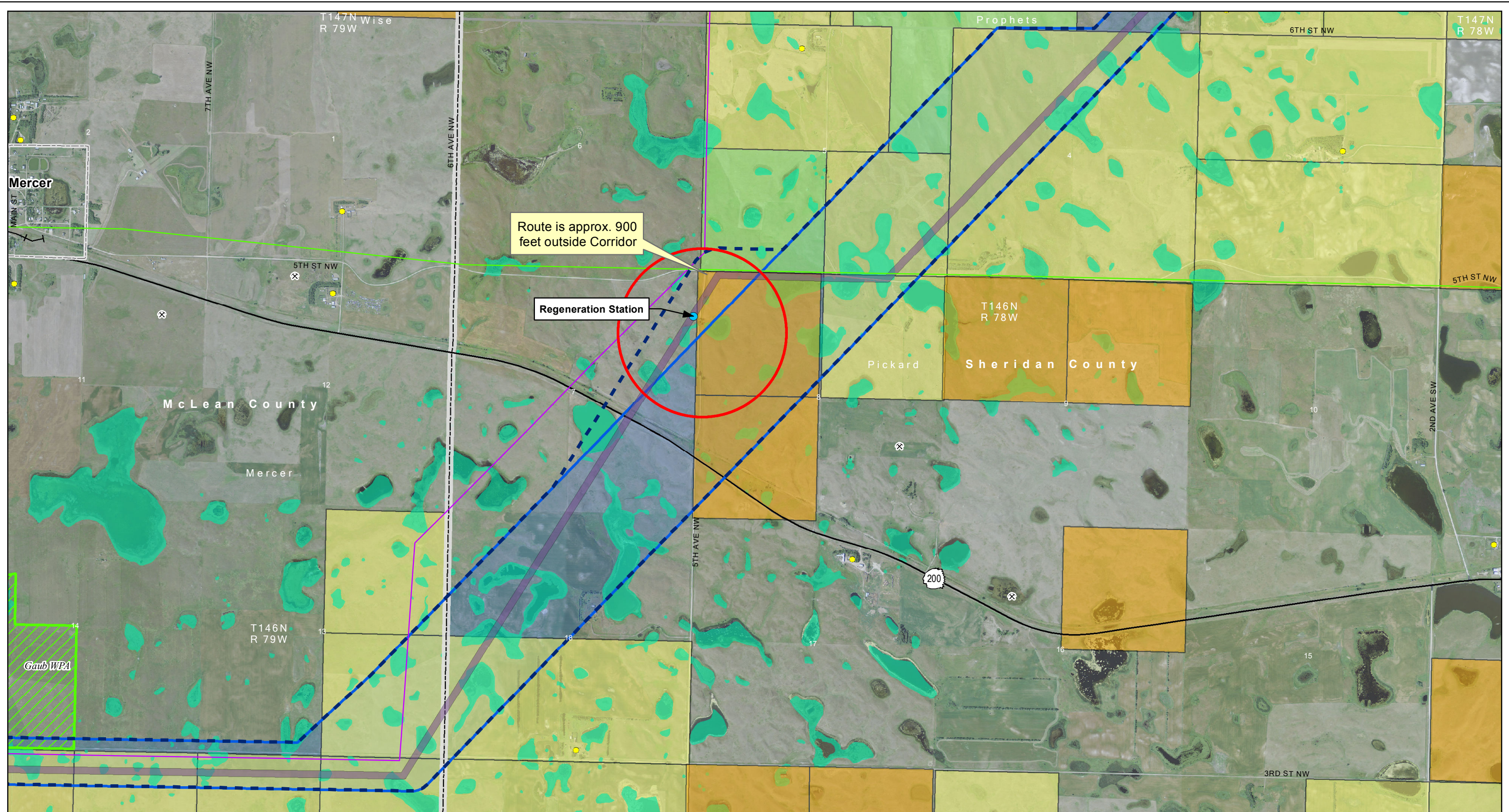


Exhibit 1a: Oliver County Area
Proposed Project Corridor Modifications
November 18, 2011
Center to Grand Forks Project
Minnkota Power Cooperative, Inc.

0 500 1,000 Feet
Scale 1:10,000

Date: 11/20/2011
 Path: \\mspace-dls\file\GIS\Proj\Minnkota\110900\map_docs\PCS\Corridor\Water\CGE_11x17L_CorridorWater_1b_Sheridan\NDDTL.mxd



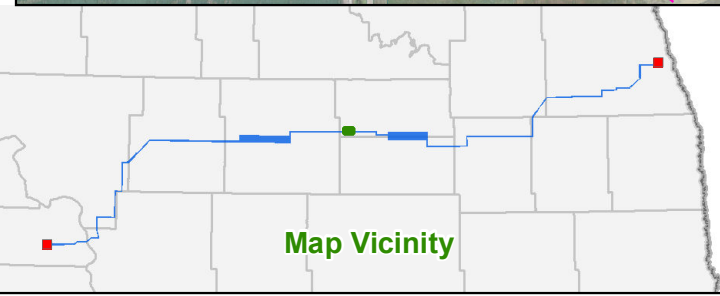
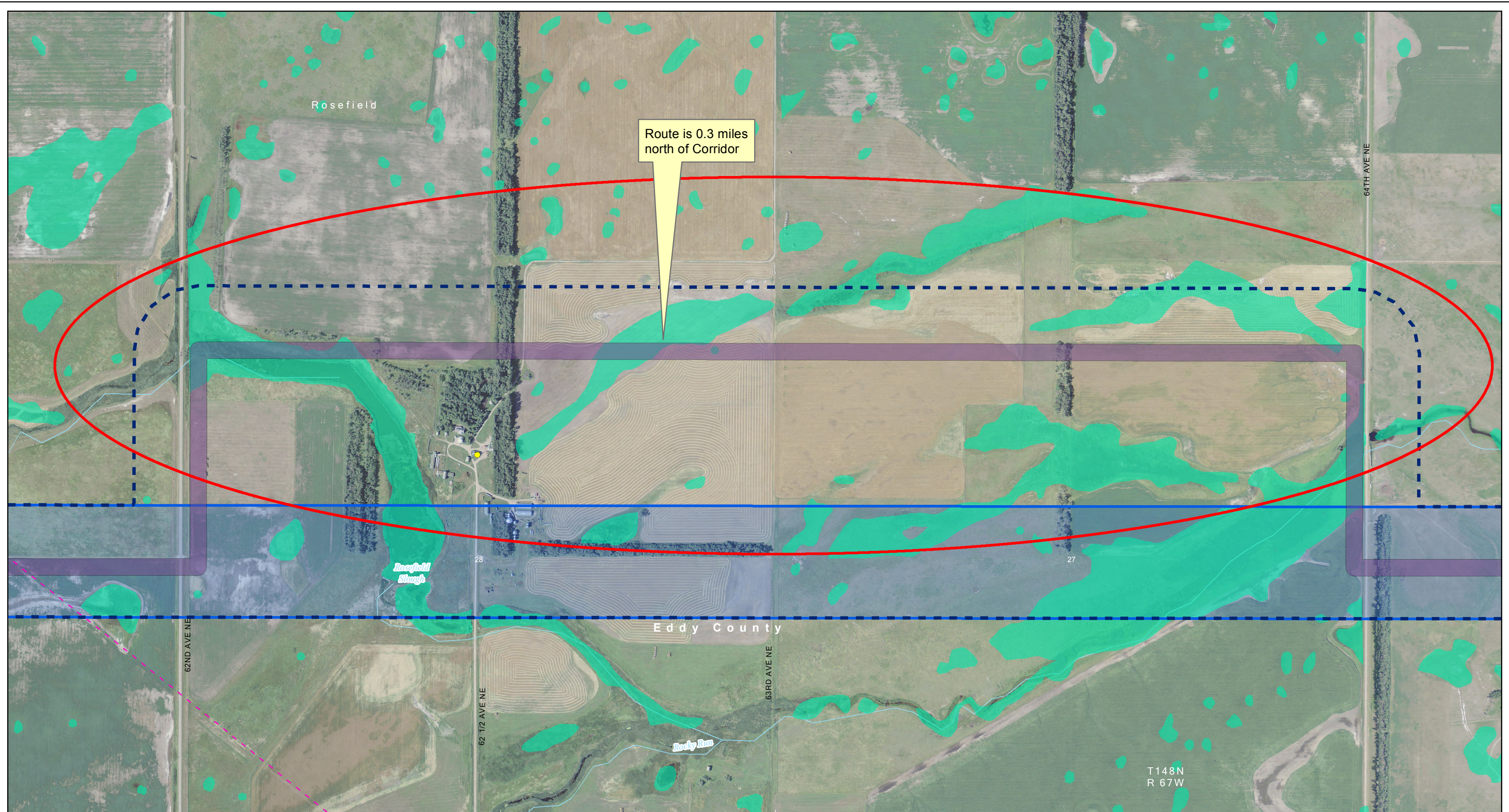
- Sensitive location information has been redacted from this Figure.*
- | | | |
|--|------------------|--------------------------|
| Project Corridor (approved September 7, 2011) | Home | State Trust Land |
| Proposed Modified Corridor - November 18, 2011 | School | PLOTS Land |
| Project ROW - November 11, 2011 | Business | USGS Mapped Waterway |
| Laydown Area | Recreation | Modified Wetland |
| Fiber Optic Regeneration Station | Gravel Pit | USFWS Grassland Easement |
| | USFWS WPA or WDA | USFWS Wetland Easement |

Exhibit 1b: Sheridan County - NDDTL
 Proposed Project Corridor Modifications
 November 18, 2011
 Center to Grand Forks Project
 Minnkota Power Cooperative, Inc.

0 1,000 2,000 Feet
 Scale 1:24,000

Aerial photography published by National Agriculture Imagery Program (NAIP), 2009.

Date: 11/20/2011
 Path: \\mspace-cbe\file\GIS\Proj\Minnkota\110900\map_dors\PS\C\Corridor\Waiver\CGF_11x17L_Corridor\Waiver_1c_EddyCo.mxd



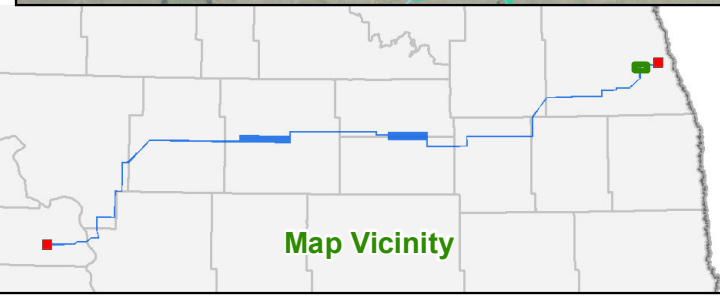
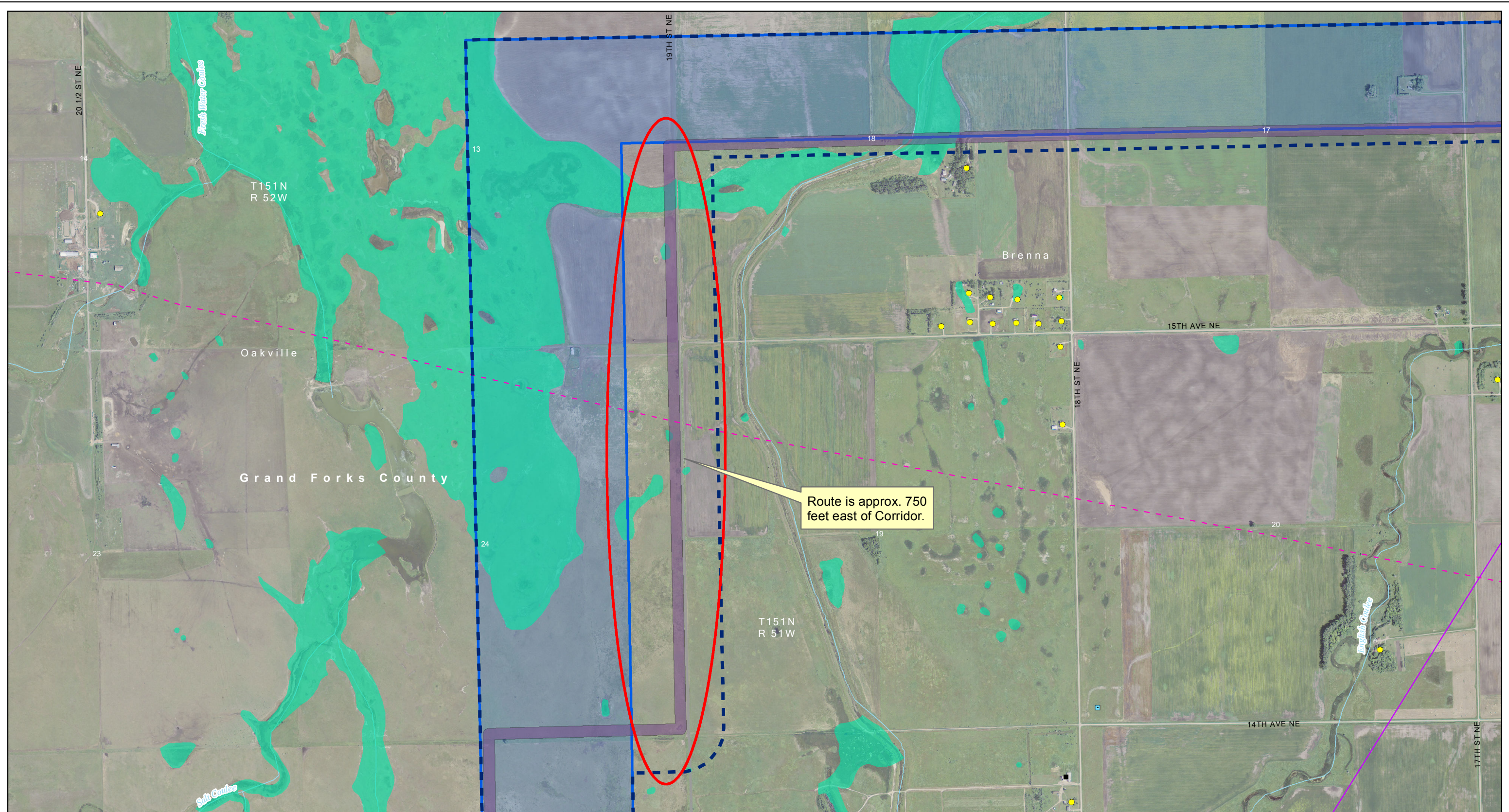
Sensitive location information has been redacted from this Figure.

- | | | |
|---|------------------|--------------------------|
| Project Corridor
(approved September 7, 2011) | Home | State Trust Land |
| Proposed Modified Corridor
- November 18, 2011 | School | PLOTS Land |
| Project ROW
- November 11, 2011 | Business | USGS Mapped Waterway |
| Laydown Area | Recreation | Modified Wetland |
| Fiber Optic Regeneration Station | Gravel Pit | USFWS Grassland Easement |
| | USFWS WPA or WDA | USFWS Wetland Easement |

Exhibit 1c: Eddy County
 Proposed Project Corridor Modifications
 November 18, 2011
 Center to Grand Forks Project
 Minnkota Power Cooperative, Inc.

0 500 1,000 Feet
 Scale 1:10,000

Date: 11/20/2011
Path: \\mspace-dls-file\GIS\Proj\Minnkota\110900\map_dors\PS\SC\Corridor\Waiver\CGE_11x17L_CorridorWaiver_1d_GrandForksCoNDDTL.mxd



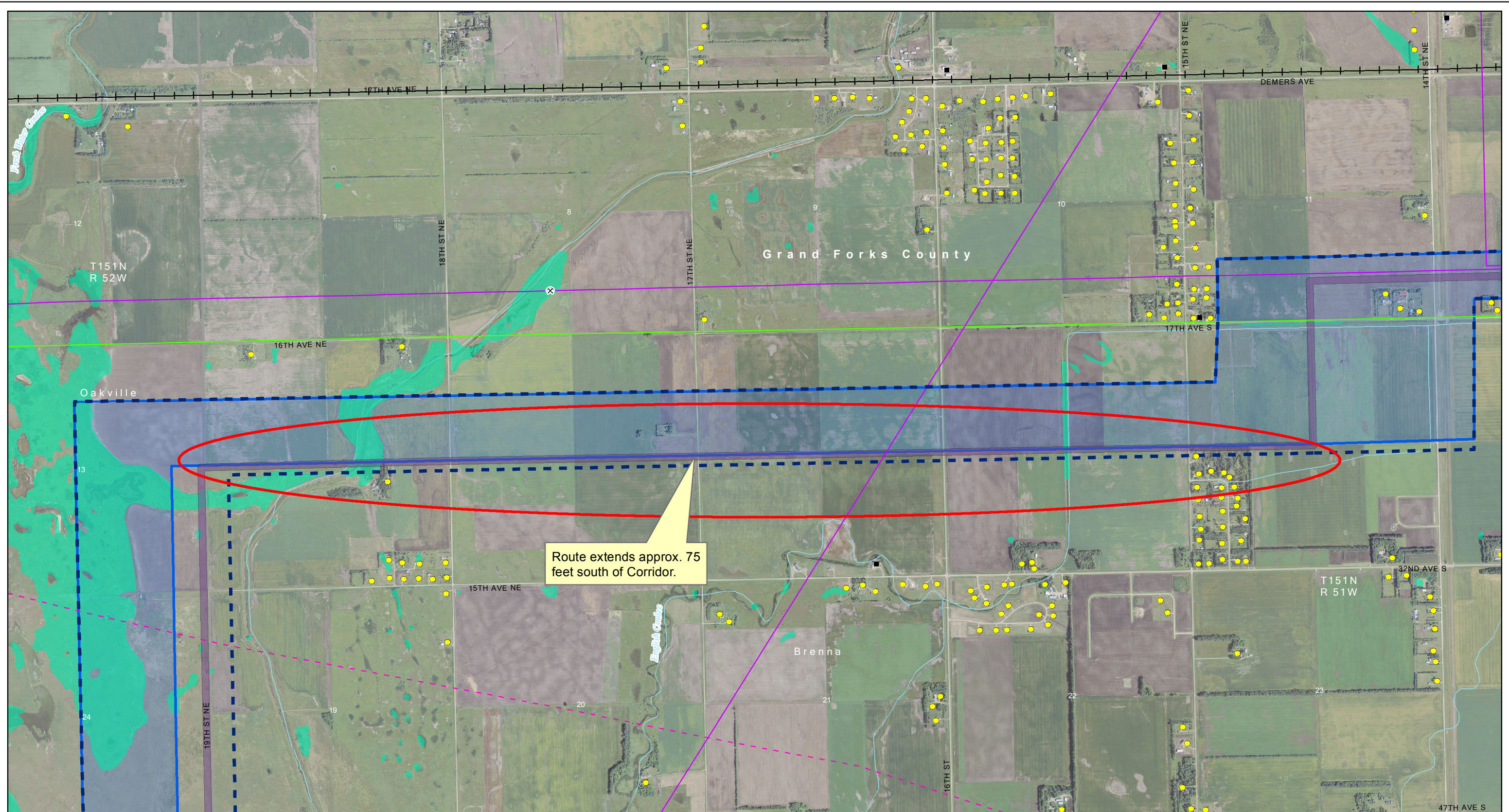
Sensitive location information has been redacted from this Figure.

- | | | |
|---|------------------|--------------------------|
| Project Corridor
(approved September 7, 2011) | Home | State Trust Land |
| Proposed Modified Corridor
- November 18, 2011 | School | PLOTS Land |
| Project ROW
- November 11, 2011 | Business | USGS Mapped Waterway |
| Laydown Area | Recreation | Modified Wetland |
| Fiber Optic Regeneration Station | Gravel Pit | USFWS Grassland Easement |
| | USFWS WPA or WDA | USFWS Wetland Easement |

Exhibit 1d: Grand Forks County - NDDTL
Proposed Project Corridor Modifications
November 18, 2011
Center to Grand Forks Project
Minnkota Power Cooperative, Inc.



Date: 11/20/2011
 Path: \\mspc-dbe-file\GIS\Proj\Minnkota\110900\map_dbase\PS\SC\Corridor\Waiver\CGF-11x17L_Corridor\Waiver_1e_GrandForksCoBrenna.mxd

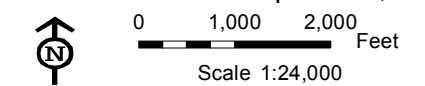


Route extends approx. 75 feet south of Corridor.

Sensitive location information has been redacted from this Figure.

- | | | |
|---|------------------|--------------------------|
| Project Corridor
(approved September 7, 2011) | Home | State Trust Land |
| Proposed Modified Corridor
- November 18, 2011 | School | PLOTS Land |
| Project ROW
- November 11, 2011 | Business | USGS Mapped Waterway |
| Laydown Area | Recreation | Modified Wetland |
| Fiber Optic Regeneration Station | Gravel Pit | USFWS Grassland Easement |
| | USFWS WPA or WDA | USFWS Wetland Easement |

Exhibit 1e: Grand Forks County - Brenna Township
 Proposed Project Corridor Modifications
 November 18, 2011
 Center to Grand Forks Project
 Minnkota Power Cooperative, Inc.



Map Vicinity