

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company  
345 kV Transmission Line – Fargo to Monticello  
Public Convenience and Necessity Electric**

**Case No. PU-10-606**

**Northern States Power Company  
345 kV Transmission Line – Fargo to Monticello  
Public Convenience and Necessity Electric**

**Case No. PU-10-607**

**ORDER GRANTING CERTIFICATES**

**January 12, 2011**

On October 11, 2010, Otter Tail Power Company (Otter Tail) and Northern States Power Company (NSP) filed separate applications for Certificates of Public Convenience and Necessity to construct and operate a 345 kV electric transmission line and associated facilities from the Minnesota border to a new Bison Substation to be constructed in Cass County, North Dakota. These applications are for the North Dakota segment of a regional transmission line proposed from Fargo, North Dakota to Monticello, Minnesota (Fargo Project).

On October 20, 2010 the Commission issued a Notice of Opportunity for Hearing, which provided until November 20, 2009 for receiving written comments or hearing requests. Written comments regarding project routing (see related Case No. PU-07-759) were received from the City of Fargo on November 30, 2010. No requests for hearing were received. The notice identified the following issues to be considered:

1. Whether public convenience and necessity will be served by construction, ownership and operation of the facilities.
2. Whether the applicants are fit, willing and able to provide service.

On December 30, 2010 the Commission discussed this matter with representatives from the applicants and Commission staff at an informal hearing.

NSP and Otter Tail are Minnesota corporations. Both are duly authorized to conduct business in North Dakota as public utilities subject to the jurisdiction and regulation of this Commission. NSP and Otter Tail are experienced regional generation, transmission and distribution utilities with the expertise and resources to construct the Fargo Project. The Commission finds NSP and Otter Tail are fit, willing and able to provide service.

The Fargo Project was developed under a regional transmission initiative known as the CapX2020 Initiative, which was formed to establish a framework for the development of transmission infrastructure to meet the increasing demand for electricity in the upper Midwest. Based on regional transmission and load-serving studies, NSP, Otter Tail and other participating utilities determined that the Fargo Project is necessary to enhance reliability in the Red River Valley and eastern North Dakota while increasing

transmission capacity to facilitate generation additions in North Dakota to help meet projected increases in the regional demand for electricity and renewable energy.

On October 6, 2010, in related Case Nos. PU-09-676 and PU-09-678, the Commission's Order Adopting Settlement granted an advanced determination of prudence for Otter Tail and NSP to participate in the Fargo Project along with other CapX2020 Group I transmission projects. In its Order the Commission found a need for the projects, that the projects are reasonable resource additions in light of the alternatives, and that construction and investment in the projects is reasonable and prudent.

The Commission finds public convenience and necessity will be served by construction, ownership and operation of the facilities. Therefore, the Commission issues the following:

### Order

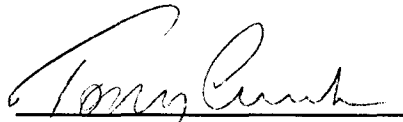
The Commission Orders:

1. Certificate of Public Convenience and Necessity No. 5432 is issued to Otter Tail Power Company authorizing construction and operation of the North Dakota segment of a 345 kV transmission line and associated facilities from Fargo, North Dakota to Monticello, Minnesota along a transmission line route to be designated by the Commission.
2. Certificate of Public Convenience and Necessity No. 5433 is issued to Northern States Power Company authorizing construction and operation of the North Dakota segment of a 345 kV transmission line and associated facilities from Fargo, North Dakota to Monticello, Minnesota along a transmission line route to be designated by the Commission.

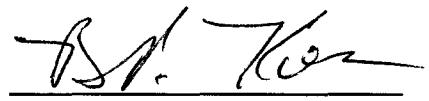
### PUBLIC SERVICE COMMISSION



**Kevin Cramer**  
Commissioner



**Tony Clark**  
Chairman



**Brian P. Kalk**  
Commissioner

**PUBLIC SERVICE COMMISSION  
STATE OF NORTH DAKOTA**

**Certificate of Public Convenience and Necessity**

**Certificate Number 5432**

*This is to certify that public convenience and necessity require, and permission is granted for Otter Tail Power Company, to construct and operate the North Dakota segment of a 345 kV electric transmission line and associated facilities from Fargo, North Dakota to Monticello, Minnesota along a transmission line route to be designated by the Commission.*

*This certificate is issued in accordance with the Order of this Commission dated January 12, 2011 in Case No. PU-10-606, and is subject to the conditions and limitations noted in the Order.*

*This certificate is conditioned upon Otter Tail Power Company securing the franchise or other authority of the proper municipal or other public authority for the exercise of these rights and privileges.*

*Bismarck, North Dakota, January 12, 2011.*

**ATTEST:**

**PUBLIC SERVICE COMMISSION**

  
**Executive Secretary**

  
**Commissioner**

**PUBLIC SERVICE COMMISSION  
STATE OF NORTH DAKOTA**

**Certificate of Public Convenience and Necessity**

**Certificate Number 5433**

*This is to certify that public convenience and necessity require, and permission is granted for Northern States Power Company to construct and operate the North Dakota segment of a 345 kV electric transmission line and associated facilities from Fargo, North Dakota to Monticello, Minnesota along a transmission line route to be designated by the Commission.*

*This certificate is issued in accordance with the Order of this Commission dated January 12, 2011 in Case No. PU-10-607, and is subject to the conditions and limitations noted in the Order.*

*This certificate is conditioned upon Northern States Power Company securing the franchise or other authority of the proper municipal or other public authority for the exercise of these rights and privileges.*

*Bismarck, North Dakota, January 12, 2011.*

**ATTEST:**

**PUBLIC SERVICE COMMISSION**

  
**Executive Secretary**

  
**Commissioner**