

**North Dakota Public Service Commission**  
**INFORMAL HEARING**  
**December 30, 2010**

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

**PU-10-606**  
**Filed: 10/11/2010**

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

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**Summary of Proposal:** Otter Tail and NSP have filed separate applications for certificates of Public Convenience and Necessity (PC&N) 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 west of Fargo in Cass County, North Dakota. These applications are for the ND segment of the Fargo to Monticello interstate transmission line being proposed as part of the CAP-X regional planning effort.

**Procedural History:** On October 20, 2010 the Commission issued a Notice of Opportunity for Hearing, which provided until November 30, 2010 for receiving written comments or requests for hearing. No response was received. The notice identified the issues to be considered in this matter are: (1) whether public convenience and necessity will be served by construction, ownership and operation of the facilities; and (2) whether the applicants are fit, willing and able to provide service.

On October 6, 2010 in related Case Nos. PU-09-676 and PU-09-678 the Commission issued an Order Adopting Settlement granting an advanced determination of prudence for Otter Tail and NSP to participate in this Fargo-Monticello project along with other CAP-X transmission lines.

**Discussion:** The Commission found in its Order Adopting Settlement that both Otter Tail and NSP “demonstrated a need for the CapX2020 Group 1 Projects..., that these CapX2020 Group 1 Projects are reasonable resource additions in light of the alternatives, and therefore... construction of and investment in... is reasonable and prudent”. In light of these findings and the granting of an advance determination of prudence, it should follow that public convenience and necessity will be served by construction, ownership and operation of the facilities. It should also follow that Otter Tail and NSP, as incumbent public electric utilities regulated by the Commission, are fit, willing and able to provide service.

**Recommendation:** I recommend approval.

**Prepared by:** Jerry Lein