BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

IN THE MATTER OF THE APPLICATION OF MINNKOTA POWER COOPERATIVE, INC., FOR A CERTIFICATE OF CORRIDOR COMPATIBILITY AND ROUTE PERMIT FOR THE MILTON R. YOUNG TRANSMISSION LINE REROUTE IN OLIVER COUNTY, NORTH DAKOTA	CASE NO. PU-24-____

Application of Minnkota Power Cooperative, Inc.,
for Waiver or Reduction of Procedures and Time Schedules

In connection with its submission of a consolidated application for a Certificate of Corridor Compatibility and Route Permit (Consolidated Application) to re-locate two segments, less than one mile in length, of an existing 230-kilovolt (kV) transmission line, 1,309 feet to the south to accommodate future construction (Project), Minnkota Power Cooperative, Inc. (MPC) submits to the North Dakota Public Service Commission (Commission) this application for a waiver or reduction of procedures and time schedules set forth in North Dakota Century Code (NDCC) Chapter 49-22 and North Dakota Administrative Code (NDAC) Chapter 69-06. In accordance with NDCC § 49-22-07.2 and NDAC Ch. 69-06-06, MPC requests that the Commission:

1. Waive the requirements to conduct a public hearing on the Consolidated Application, as provided in NDCC §§ 49-22-08, 49-22-08.1, and 49-22-13(1) and (2) and NDAC § 69-06-01-02(3) and (4). The Project is of such length, design, location, and purpose that it will produce minimal adverse environmental and human health impacts and the waiver or reduction in procedures both increases safety by allowing Project construction (including deenergizing the lines) to occur during a period where both units will be in outage as well as reduces negative economic impacts on MPC's members' member-ratepayers. MPC respectfully

requests that the Commission waive both the public hearing and notice of opportunity for hearing procedures. If the Commission decides to issue a notice of opportunity for hearing, MPC requests that the time for hearing requests and comments be limited to 10 calendar days (a reasonable time under the circumstances, consistent with NDAC § 69-02-04-05); that notice be issued as soon as possible; and that an order be issued granting a Certificate of Corridor Compatibility and Route Permit for the Project conditioned upon the comment period expiring without a request for hearing. Such a conditional permit allows MPC to proceed at the earliest possible time to meet the Milton R. Young Station (defined further below) outage timeframe, which is scheduled to commence September 4 through October 15.

Consistent with NDAC § 69-06-06-01(2), MPC provides the following information in support of its waiver requests:

A. <u>Description of Proposed Project</u>.

1. **<u>Type</u>**: The existing 230-kV transmission line is owned by MPC and is located within the fence of the Milton R. Young (MRY) Station, an existing coal-fired power plant consisting of two (2) units also owned and/or operated by MPC located in Oliver County, North Dakota. MPC is in later phase of development pursuing financing for Project Tundra, a next-generation CO2 capture system and CO2 secure geologic storage facility, which will be located immediately next to the MRY Station. Currently, the existing transmission line, consisting of two (2) 230-kV 3-phase alternating current electric transmission lines, extends west from MRY Unit 1, then turns south, and then east around MRY, with each segment ultimately extending northwest and southeast, respectively, to separate substations. Figures showing the current and

proposed locations of the 230-kV transmission line (including the proposed Project Corridor and Route) are provided in Appendix A to the Consolidated Application.

In order to accommodate future construction, the Project will re-locate two segments (each less than one mile in length) of the existing 230-kV line a maximum distance of 1,309 feet south. The proposed Project will be within the MRY fence-line on land owned entirely by MPC, which is currently used for industrial purposes, and further is neighbored on all sides by MPC owned land. Once rerouted, the existing segments of the transmission line would be decommissioned and removed. See Appendix A to the Consolidated Application.

2. **Product**: The Project does not produce a product; rather, it involves re-location of an existing transmission line that transmits electric energy generated by the MRY Station to two existing substations and across MPC's transmission system to its member-cooperatives for distribution to their respective member-consumers.

3. **Capacity and Design**: The Project involves re-location of two segments of an existing 230-kV transmission line less than one mile in length. In total, the Project will require 7 new transmission line structures per line consisting of one steel single-pole switch structure (a total of 15 transmission line structures), four dead end steel three-pole structures and 10 steel H-frame structures. The existing 11 structures that will be removed are wood, steel and aluminum lattice. The new structures will be direct embed steel structures ranging in height from approximately 95 feet to 140 feet due to the existing topography of this area. The span between structures will range from 370 feet to 988 feet and average approximately 700 feet, depending on topography. Taller structures are being used for crossing an existing transmission line and where large changes in terrain exist. The existing conductor is 959 ACSS/TW 22/8 Suwannee, optical ground wire (OPGW) is DNO 3825 CC 57/465, and shield wire is 3/8 EHS 7 strand. The new line will match

these specifications. Additional details regarding the Project design are provided in the Consolidated Application.

Other than re-locating the line, which will require installation of an upgraded structure design and four more structures (due to the additional route length) than the existing transmission line, the Project will not change the design or transmission capacity of the existing 230-kV transmission line.

4. **Location**: The proposed Project is located in Oliver County on land owned by MPC, within the fence-line for the MRY Station, and currently used for industrial purposes, operating coal-fired electric generation. The Project Route is within a 300-foot Corridor. All temporary construction activities will occur within the Study Area. All construction activities (including stringing) will occur in areas surveyed for cultural resources. The nearest residential dwelling is more than two miles from the location of the existing transmission line and the proposed Project. The closest non-MPC person or entity to the Project is Square Butte Electric Cooperative (SB) as the owner of MRY Unit 2 (benefitted by the Project). Further, SB is wholly owned by the same member-distribution cooperatives that own MPC. The location of the proposed Project is shown is on the figures in Appendix A to the Consolidated Application.

5. **Geographical Service Area**: The Project involves re-location of two segments of an existing transmission line each approximately less than one mile that transmits electric energy generated by the MRY Station to two existing substations. From those substations, the energy is transmitted by MPC to its distribution cooperatives, half of which distribute to customers in eastern North Dakota.

6. **Time Schedule**: MPC proposes to develop the Project on the following schedule:

- **DOE NEPA Process**: The U.S. Department of Energy (DOE) has selected Project Tundra to receive federal funding through its Carbon Capture

Demonstration Projects Program. Since receipt of federal funding is a federal action requiring compliance with the requirements of the National Environmental Policy Act (NEPA). In accordance with NEPA, the DOE has prepared a draft Environmental Assessment (EA) to evaluate the potential environmental, cultural, and socioeconomic impacts of DOE providing cost-sharing financial assistance to MPC for Project Tundra. The DOE initially issued a draft EA for public review and comment in August 2023. On April 13, 2024, the DOE issued a revised draft EA for public review and comment, and that comment period closed on May 13, 2024. At present, the DOE is completing its review of, response to, and/or incorporation of comments received into the revised draft EA. It is anticipated that a Finding of No Significant Impact (FONSI) will be issued by the DOE by Third Quarter 2024.

- **Local Permitting**: The Project is considered a component of the MRY Station, which is a permitted conditional use. MPC will obtain a building permit from Oliver County for the transmission line structures, if needed, prior to structure installation.

- **Certificate and Route Permit**: Application submitted in Q3 2024 with approval anticipated shortly thereafter.

- **Equipment Procurement, Manufacture and Delivery**: MPC has ordered the transmission conductor cables and other long-lead items and stands ready to proceed with construction of the Project as soon as practical following issuance of the Certificate and Route Permit.

- **Construction**: Anticipate construction to begin in September 2024 and be completed by December 2024.

- **Test and Operations**: Anticipated by December 2024.

- **Commercial Operation**: Anticipated by December 2024.

7. **Future Plans**: MPC has no specific plans for additions to or modifications of the Project at this time.

8. **Need for the Facility and Alternatives Considered**: As discussed above, the transmission line reroute is needed to proceed with site-readying activities for the construction of Project Tundra, the initiative to retrofit the MRY with a carbon capture facility. The proposed Route complies with the exclusion area, avoidance area, selection, and policy criteria identified in NDAC § 69-06-08-02. No other routes were considered because the proposed Route is the most

economic and efficient route as it: (1) remains on MPC-owned land; (2) is out of the path of future construction; (3) avoids existing infrastructure and MPC assets; and (4) remains in close proximity to the generation resource and transmission infrastructure the existing line currently serves.

For additional analysis of the need for the proposed Project, please see Section 2.0 of the Consolidated Application.

9. **Ten Year Plan**: The Project is consistent with MPC's Ten Year Plan for 2024-2034, which was filed with the Commission on July 1, 2024.

10. **Cost**: The total cost of the Project is estimated to be $3,200,000.00.

B. Waiver Request.

MPC requests that the Commission grant the waivers requested herein because the Project is of such length, design, location, and purpose that it will produce minimal adverse effects, in accordance with NDCC § 49-22-07.2. Based upon the investigation and analysis set forth in MPC's Consolidated Application, the proposed facility will produce minimal adverse effects due to its length (re-location of two segments, each less than one mile long, of existing transmission line approximately 1,309 feet south of the existing location), its design (current structure designs that minimize impacts to the environment, and the same conductor, OPGW, and shield wire design), its location (located on MPC-owned land within the MRY fence-line that is currently used for industrial purposes and proximate to the existing infrastructure is serves), and its purpose (re-location to accommodate future construction that does not change the current capacity or purpose of the line).

The waivers will also enable MPC to construct the Project during planned outages for both units of the MRY Station, which will minimize the impact of Project construction on MPC's existing generation and transmission system and minimize the economic impacts on MPC, its

member distribution cooperatives and their member-consumers. MPC routinely schedules minor and major outages for both units on staggered schedules to minimize impacts both to the electric grid and to minimize economic impact on rate payers. Minor outages occur over several days to allow for necessary cleaning of each unit whereas major outages occur every three (3) years over several week or month periods to allow for all necessary repairs. Major outages occur on staggered three-year intervals, with the next planned major outage for Unit 1 being September 2024. During this time, a minor outage is scheduled for Unit 2. The 230-kV lines contemplated in the Project are the primary lines running from Unit 1 which cross the primary 230-kV line running from Unit 2. The overlap in outage time would allow for optimal safety conditions to complete the crossing required in the Project while the crossed 230-kV line is not energized. The crossing can occur while the crossed 230-kV line is energized, but this presents additional safety risks and requires the use of additional structures which would need to be erected to prevent the Project lines from striking the crossed-lines in the event of an accident. If Project construction does not begin in September 2024, the next planned major outage would be in the fall of 2027, and would, greatly impact timing for activities associated with construction of Project Tundra. As a result, if the Project cannot be constructed during the MRY Station planned Unit 1 outage this fall, the Project would need to be constructed between planned major outages otherwise referred to as an "unplanned" outage. This would still require one or both Units coming offline to allow for the interconnection of the Project, which would greatly impact system reliability and have a direct economic impact to MPC, its member distribution cooperatives and their member-consumers.

For consideration by the Commission, the Project will be located wholly on land owned by MPC. The closest non-MPC person or entity to the Project is Square Butte Electric Cooperative which is the owner of Unit 2 located at MRY and is wholly owned by the same member-

distribution cooperatives that own MPC. The nearest resident is over two (2) miles away from the location of the Project.

Regarding the timing of the Consolidated Application filing in relation to the Project timeline, MPC initially believed that only a certification filing would be required for the Project pursuant to NDCC § 49-22-03(3)(a) because of the segments to be rerouted are under one mile in length. After MPC learned from Commission Staff that a Certificate of Corridor Compatibility and Route Permit would be required, it took MPC time to extract information specific to the Project from the extensive analysis conducted for Project Tundra in order to provide an application tailored to the Project. Therefore, while it would have been ideal to submit the Consolidated Application sooner, the factors above resulted in the current submission timing.

In determining whether the proposed Project will result in adverse impacts on the environment, MPC evaluated the impacts of the Project considering the exclusion and avoidance areas, the selection criteria, and the policy criteria set forth in NDAC § 69-06-08-02 and the factors set forth in NDCC § 49-22-09. Impacts associated with the Project, and mitigation measures that will be taken with respect to said impacts, are summarized in Sections 3.0 through 6.0 of the Consolidated Application. As discussed in more detail in the Consolidated Application, the proposed Project Corridor and Route have been thoroughly evaluated and the proposed Project, which is located on an existing industrial site owned and used by MPC in connection with its MRY Station operations, will have minimal adverse effects.

Accordingly, MPC respectfully requests that the Commission grant the requested waivers and render an expeditious decision.

Dated this 26th day of August, 2024.

FREDRIKSON & BYRON, P.A.

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STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

MOLLIE M. SMITH, of lawful age, being first duly sworn, on oath deposes and says:

That she is the duly elected and qualified attorney for Applicant in the foregoing application; that she executed the foregoing application for and on behalf of said Applicant and as its said attorney that she has read said application and knows the contents thereof; and that the statements made and contained therein are, to the best of her knowledge and belief, true and correct.

Mollie M Smith
MOLLIE M. SMITH

Subscribed and sworn to before me this 26th day of August, 2024.

Breann Lee Jurek
Notary Public

BREANN LEE JUREK
Notary Public
Minnesota
My Commission Expires January 31, 2027

Online Notary Public. This notarial act involved the use of online audio/video communication technology. Notarization facilitated by SIGNiX®