

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

David Boyd
J. Dennis O'Brien
Thomas Pugh
Phyllis A. Reha
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Site Permitt Issued to Kenyon
Wind, LLC, for a Large Wind Energy Conversion
System in Goodhue County

PUC Docket No.IP-665/WS-06-1445

**PETITION FOR REHEARING AND RECONSIDERATION OF DECISION AND
ORDER DENYING THE PETITION FOR AMENDMENT OF SITE PERMIT AND
ALLOWING SITE PERMIT TO EXPIRE**

INTRODUCTION

By this Petition, Kenyon Wind, LLC hereby requests that the Minnesota Public Utilities Commission reconsider its decision of December 9, 2010, as set forth in its Order of December 23, 2010, in which it denied Kenyon Wind's Petition on October 21, 2010 to amend its Site Permit by extending time in which to obtain a Power Purchase Agreement or other enforceable mechanism for the sale of electricity from December 31, 2010 to December 2012 (Section III. J. 4 of the Site Permit) and to extend the timeframe in which to commence construction from two years of the issuance of the Amended Permit (February 18, 2011) to February 18, 2013 and, thereby, ordering that the Site Permit be allowed to expire on December 31, 2010, under Section III. J. 4 of the Permit.

It is respectfully submitted that Kenyon Wind's request, which sought to amend Site Permit in only one respect, the extension of time in which to obtain a Power Purchase Agreement and, therefore time in which to begin construction represents a fair and reasonable request for the continuation and completion of a viable wind project.

There is already an extensive record upon which the Commission can determine that Kenyon Wind is entitled to a continuation of its Site Permit. No statutory time limit exists which would compel the Commission to have taken the action of which it has. Rather, the record supports the granting of an extension of time in which Kenyon Wind, LLC may obtain a Power Purchase Agreement, or some other enforceable mechanism for the sale of earth electricity to December 31, 2012, and the time within which to begin construction to February 18, 2013. Good cause exists for the Commission to reconsider its decision and to grant Kenyon Wind, LLC's request for an extension of time in which to complete its project and Kenyon Wind, LLC has met all of the requirements for granting an extension of time to obtain a Power Purchase Agreement and commence construction.

Included with this Petition is a Memorandum that sets forth factual points and authorities which support Kenyon's request for a rehearing and reconsideration of the Commission's decision. To briefly summarize those points and authorities:

- A. Kenyon Wind is a financially viable wind project.
- B. The project has a viable wind resource.
- C. The project has a grid interconnection and an executed Agreement is current in suspension.
- D. The project has met considerable milestones and it is on track to achieve Power Purchase Agreement.
- E. Economic circumstances are such that few similarly situated projects of the size of Kenyon have been built over the past two (2) years.
- F. The realistic timeframe for project like Kenyon Wind is two (2) to five (5) years.

- G. Goodhue County Commission does not oppose the extension of Kenyon's Permit and does not seek application of the Goodhue County Wind Ordinance to this project.
- H. The project enjoys a steadfast support of its landowners, the land on which the project is situated is zoned for commercial use and, specifically, wind energy development, and claims of perspective diminution of land values were studied at the time of the issuance of the permit and studies revealed that wind construction would not adversely impact residential property values.
- I. The Kenyon Wind project is reasonable in scope and capable of timely completion.

Therefore, Kenyon Wind, LLC requests that the Commission reconsider its December 23, 2010 Order denying Petition and allowing Site Permit to expire and take the following action:

1. To extend the timeline in which to obtain a Power Purchase Agreement or other enforceable mechanism for the sale of electricity from December 31, 2010 to December 31, 2012 (Section III. J. 4 of the Site Permit); and
2. To extend the timeframe in which to commence construction from two (2) years of the issuance of the Amended Permit (February 18, 2011) to February 18, 2013 or, in the alternative;
3. Accepting Energy Facilities Permitting Staff recommendation that the Commission extend time in which to secure power purchase agreement by nine (9) months, or until September 30, 2011 - and extend time by which to begin construction to November 18, 2011.

Dated: January 11, 2011

Respectfully Submitted,

Kenyon Wind, LLC

By *Tom Rock*
Tom Rock
On Behalf of Kenyon Wind, LLC