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July 27, 2006

VIA E-MAIL & U.S. MAIL

Ms. Carol A. Overland  
Overland Law Office  
P.O. Box 176  
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**Re:** *In the Matter of a Petition by Excelsior Energy Inc. for Approval of a Power Purchase Agreement under Minn. Stat. § 216B.1694, Determination of Least Cost Technology, and Establishment of a Clean Energy Technology Minimum Under Minn. Stat. § 216B.1693*

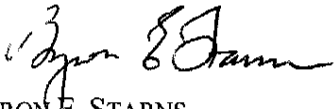
**OAH Docket No. 12-2500-17260-2**  
**MPUC Docket No. E-6472/M-05-1993**

Dear Ms. Overland:

Enclosed please find Excelsior Energy's Responses to MCGP (Gustafson & Castagneri)'s First Information Request.

Very truly yours,

LEONARD, STREET AND DEINARD  
Professional Association



BYRON E. STARNS

BES/sah

Enclosures

cc (w/enc.): Service List (via U.S. Mail)

**In the Matter of a Petition by Excelsior Energy, Inc., . . .**

**INFORMATION REQUEST RESPONSES SERVICE LIST**

**Department of Commerce**

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**MGCP**

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**Big Stone II Co-Owners**

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Minneapolis, MN 55402

**MCGP (Gustafson & Castagneri)  
Information Request**

MPUC Docket No.: CN-05-619

Date of Request: July 12, 2006

OAH Docket No. 12-2500-17037-2

Date of Response: July 27, 2006

Requested From: Excelsior Energy

Analyst Requesting Information: Carol Overland

Type of Inquiry:	<input type="checkbox"/> ...Financial	<input type="checkbox"/> ...Rate of Return	<input type="checkbox"/> ...Rate Design
	<input type="checkbox"/> ...Engineering	<input type="checkbox"/> ...Forecasting	<input type="checkbox"/> ...Conservation
	<input type="checkbox"/> ...Cost of Service	<input type="checkbox"/> ...CIP	<input checked="" type="checkbox"/> ...Other; <u>Route Permit</u>

**EXCELSIOR ENERGY INC.**

**MPUC Docket CN-05-619**

**Response to MCGP (Gustafson & Castagneri) IR No. 1**

- Non-Public Document – Contains Trade Secret Data**
- Public Document – Trade Secret Data Has Been Excised**
- Public Document**

**MCGP (Gustafson & Castagneri)**  
**Information Request No. 1 to Excelsior Energy Inc.**

1. Sensitivity Stability Analysis of the MISO G519 System Impact Study made changes to the base case, where it states that “[i]n addition to the changes described for b5a, flow on NDEX was reduced to 2080MW in the second sensitivity case (b5b) by keeping the output of Big Stone II in North Dakota.
  - a. Have Big Stone II Partners been notified of this modeling?
  - b. Where is Big Stone II located and where is its load to serve located?
  - c. Would “keeping the output of big Stone II in North Dakota” have costs to the Big Stone II Partners? Would BSII be able to fulfill partners’ need if power was “kept in North Dakota?” Estimate costs and provide documentation.
  - d. Based upon G19 6.1.2.1, “keeping the output of Big Stone II in North Dakota” (sic), is interconnection of Mesaba conditioned on the replication of modeling? Please provide supporting documentation.
  - e. Can Mesaba be interconnected if Big Stone II power is flowing into Minnesota?
  - f. Is Big Stone II power planned to flow to North Dakota? Provide Excelsior’s powerflows showing planned limitation of flow of Big Stone II power.

**Excelsior Energy**  
**Response to MCGP (Gustafson & Castagneri) IR No. 1**

- a. The G519 study is in the public MISO record, as MCGP indicates by footnoting the web link. Power companies in the region, including the Big Stone II lead developer, Otter Tail Power Company, have general “constructive” notice of MISO postings. Excelsior Energy lacks further knowledge of whether Otter Tail or other Big Stone II partners were explicitly notified as to the specific modeling referred to in the request, outside the scope of general MISO procedure.
- b. The Big Stone II project is located in Big Stone City, South Dakota. Excelsior Energy lacks knowledge of specific “load to serve” plans for Big Stone II partners, and in any case Excelsior Energy is not competent to speak on behalf of the Big Stone II partners.
- c. Excelsior Energy lacks knowledge of any costs accrued to Big Stone II partners under the given hypothesis, and Excelsior Energy is not competent to speak on their behalf.
- d. The relevant documentation known to Excelsior Energy is the G519 Report, cited in MCGP’s request, and Excelsior Energy’s Joint Permit Application.
- e. Yes.
- f. Excelsior Energy lacks knowledge of the Big Stone II Partner’s specific power delivery plans, and Excelsior Energy is not competent to speak on their behalf. With respect to power flow, please see the G519 study.

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Response by: Chris Greenman

Title: Counsel, Excelsior Energy Inc.

Telephone: (952) 847-2374

Date: July 27, 2006