## TRANSMISSION PLANNING MEETING NORTHEAST ZONE BRAINERD, MINNESOTA NOVEMBER 2, 2006

**PLEASE TAKE NOTICE** that on November 2, 2006, Minnesota utilities will be conducting a public meeting in Brainerd, Minnesota, to present information about possible identified transmission needs and future transmission line projects in northeastern Minnesota and to seek input from local governmental officials and the public about local transmission needs and inadequacies and possible solutions. The meeting will be held at the following location and time:

DATE	TIME	LOCATION	HOST UTILITIES
November 2, 2006	3:00 – 5:00 p.m.	Ramada Inn	Great River Energy
	6:00 – 8:00 p.m.	2115 South 6 <sup>th</sup> Street	Minnesota Power
	_	Brainerd, Minnesota	Xcel Energy
		56401	American Transmission
			Company

**Transmission Planning.** Minnesota electric utilities with transmission lines in the state are required by law to conduct transmission planning and identify reasonably foreseeable inadequacies in the transmission system. These utilities must file a Biennial Transmission Projects Report with the Public Utilities Commission by November 1 of each odd numbered year. The last report was filed November 1, 2005. The 2005 Biennial Report and earlier reports can be found on the following website: www.minnelectrans.com.

The overall goal of transmission planning is to ensure the reliable operation of the transmission system to meet the demand for power at the lowest reasonable cost. Planning in advance is necessary to ensure that appropriate infrastructure is in place to meet increasing demands for power, to secure interconnections for new generating facilities, to address constraints in the large transmission grid, and to replace or upgrade old and deteriorating facilities. Planning is also necessary to ensure compliance with state energy policies including those related to distributed generation, renewable energy, and community based energy development. Planning also requires consideration of other possible alternatives before determining whether additional transmission infrastructure is the preferred method to address a particular situation.

**Northeast Zone.** In the 2005 Biennial Report, the utilities identified twelve separate areas in the Northeast Zone where an inadequacy in the present system has been identified. These include areas around Lake Mille Lacs, Floodwood, Nashwauk, and Grand Marais. In addition, a 230 kV line from Grand Rapids to the Bemidji area is under consideration and an interconnection to the proposed Mesaba integrated gasification combined cycle (IGCC) facility proposed for the Iron Range is being studied. A map showing the areas where inadequacies exist and where construction of new infrastructure is possible is enclosed. An electronic version of the map and specific information about each of the inadequacies are available in the 2005 Report at the utilities' website given above.

**Meeting Format.** The November 2<sup>nd</sup> meeting will be conducted as an open house. The public is invited to attend at their convenience between the hours of 3:00-5:00 P.M. or 6:00-8:00 P.M. Each of the utilities will have displays set up and will be able to provide information and maps identifying transmission needs and possible transmission projects in the region. The utilities will also present general information on the Minnesota transmission system and on transmission planning.

**Discussion Topics.** At the meeting the utilities will discuss inadequacies in the transmission system that must be addressed within the next ten years and alternative ways to address these inadequacies. Utility representatives will discuss the timing and status of those high voltage transmission lines under serious consideration in the Northeast Zone and will provide information about the regulatory approval processes, including certificates of need and route permits, that are applicable. The utilities will have information available about three proposed high voltage transmission lines – two 345 kilovolt lines from the Dakotas to the Twin Cities and one 345 kV line from Red Wing to LaCrosse – that are part of what is called the CapX 2020 Vision Plan. The utilities can describe any additional inadequacies that have been identified since the 2005 Biennial Report was submitted a year ago, whether related to new generation or to increased industrial loads for facilities such as ethanol plants or to other causes. The utilities will also be prepared to discuss how certain state energy policies related to distributed generation and renewables are considered in evaluating alternatives.

**Public Input.** The public is invited to come and ask questions and to learn about ongoing transmission planning activities and possible projects. The utilities encourage the public to ask questions, make suggestions, and raise concerns about any of these activities. Input from the public and from local governmental officials on possible other inadequacies in the area and on alternative ideas for addressing any of these inadequacies is particularly encouraged. Ideas about how to improve these planning meetings or what to include in the 2007 Biennial Report are welcome. In addition, the public may submit comments and suggestions in writing or by e-mail at the address on the www.minnelectrans.com webpage. The utilities will prepare a synopsis of the information that is received at the meeting, which will be made available to the public and included in the 2007 Biennial Report.

**Further Information.** For more information, visit <u>www.minnelectrans.com</u> or contact the following person, who is acting as the contact person for all the hosting utilities in the Northeast Zone:

Eric Olson Communications Manager ALLETE, Inc. 30 West Superior St. Duluth, Minnesota 55802 Phone: 218-723-3947

E-mail: eolson@allete.com