

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben
Valerie Means
Matthew Schuerger
Joseph K. Sullivan
John A. Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the 2021 Minnesota Biennial
Transmission Projects Report

ISSUE DATE: June 29, 2022

DOCKET NO. E-999/M-21-111

ORDER ACCEPTING REPORT

PROCEDURAL HISTORY

On October 29, 2021, the Minnesota Transmission Owners (MTO) filed its biennial transmission projects report. The MTO includes the following entities:

- American Transmission Company, LLC
- Central Minnesota Municipal Power Agency
- Dairyland Power Cooperative
- East River Electric Power Cooperative
- Great River Energy
- ITC Midwest LLC
- L&O Power Cooperative
- Minnesota Power
- Minnkota Power Cooperative
- Missouri River Energy Services
- Northern States Power Company
- Otter Tail Power Company
- Rochester Public Utilities
- Southern Minnesota Municipal Power Agency

On January 4, 2022, the Department of Commerce, Division of Energy Resources (the Department) filed comments recommending that the Commission accept the report and set additional reporting requirements.

On January 10, 2022, Carol Overland filed comments stating that the report filed by MTO did not include electronic links to transmission studies, did not address retired generation facilities, and did not properly analyze reliability data.

On February 25, 2022, the MTO filed reply comments addressing the comments filed.

On May 19, 2022, the report came before the Commission.

FINDINGS AND CONCLUSIONS

I. Reliability Report Filing Requirements

The MTO's 2021 biennial transmission projects report is the eleventh report since the statutory requirement for the filing was established by the Legislature in 2001.¹ The statute requires utilities that own or operate electric transmission facilities to file a report by November 1 of each odd numbered year. The report must:

- list specific present and reasonably foreseeable future inadequacies in the transmission system in Minnesota;
- identify alternative means of addressing each inadequacy listed;
- identify general economic, environmental, and social issues associated with each alternative; and
- provide a summary of public input related to the list of inadequacies and the role of local government officials and other interested persons in assisting to develop the list and analyze alternatives.

The report must also include information on transmission upgrades needed to achieve renewable energy objectives under Minn. Stat. § 216B.1691.² The statute also requires the report to include a distribution study that identifies interconnection points on the distribution system where small-scale distributed generation resources could be added and identifies necessary distribution upgrades to support the continued development of such resources.

II. MTO's Report

The MTO's report identifies existing and foreseeable transmission inadequacies in the state's six transmission planning zones: the Northwest Zone, the Northeast Zone, the West Central Zone, the Twin Cities Zone, the Southwest Zone, and the Southeast Zone.³ The report also incorporates statutorily required information and addresses requirements set by the Commission in prior orders.⁴ The report did not identify any proposed high-voltage transmission lines for Commission certification.

As part of its filing, the MTO also requested that the Commission extend an existing variance previously granted to Minn. R. 7848.0900 to, in effect, exempt the utilities from the requirement to hold public meetings in each transmission zone, a requirement designed to generate public input into the process of identifying potential transmission inadequacies. The MTO stated that

¹ Minn. Stat. § 216B.2425, subd. 2.

² Minn. Stat. § 216B.2425, subd. 7.

³ Minn. R. 7848.0700.

⁴ *In the Matter of the 2019 Minnesota Biennial Transmission Projects Report*, Docket No. E-999/M-19-205, Order Accepting Report, Granting Variance, and Setting Additional Requirements (August 19, 2020); and *In the Matter of the 2017 Biennial Transmission Projects Report*, Docket No. E-999/M-17-377, Order Accepting Report, Granting Variance, and Setting Additional Requirements (June 12, 2018).

over many years almost no members of the public attended or participated, making it unnecessary to require the utilities to hold such meetings.

III. Comments on the Petition

The Department analyzed the report and recommended that the Commission accept it but require three of the utility companies (Otter Tail Power Company, Minnesota Power, and Xcel Energy) to file the following information in future proceedings requesting cost recovery for new energy facilities:

- a summary of all mitigation measures that have been added at any step in the permitting process
- the general reason for the mitigation measure, including whether the measure was requested or required
- the entity requesting or requiring the mitigation
- the cost of the mitigation measure

In response to the Department's recommended reporting requirements, the three utilities agreed that it would be reasonable to provide the requested information in the context of rate recovery proceedings but stated that this docket is not the proper forum for establishing such requirements.

Carol Overland stated that MTO's report did not include electronic website addresses with direct links to transmission studies, did not address retired generation facilities, and failed to properly assess reliability issues. She also claimed that the MTO planned to increase the capacity of Minnesota Power's Arrowhead substation and associated 345 kilovolt high voltage transmission line but had not clearly identified intended upgrades.

In response to Ms. Overland's comments, the MTO stated that its report, contrary to her assertions, shows that approximately 42,000 megawatts of coal across the country will be retired within 10 years, triggering the need for replacement capacity. The MTO also stated that it updated its list of transmission studies to include an additional electronic link the MTO had originally intended to include. Additionally, the MTO reiterated that none of the projects identified in its report would result in an increase in capacity of the Arrowhead transmission line or otherwise impact the line.

IV. Commission Action

The Commission has reviewed the MTO's biennial transmission projects report and will accept the report, which complies with applicable statutory and rule requirements. The Commission also concurs that it is reasonable to extend the variance to Minn. R. 7848.0900, as requested, for the same reasons previously stated – the lack of attendance and participation by members of the public.

Under Minn. R. 7829.3200, the Commission must grant a variance when the conditions for a variance are met; accordingly, the Commission finds that (1) enforcement of the rule would excessively burden the Transmission Owners by requiring them to spend money and divert engineers and other experts to hold meetings that do not appear to provide a corresponding public benefit; (2) varying the requirement for public meetings where there has been a

demonstrated lack of public participation would not adversely affect the public interest; and (3) granting the variance is not contrary to any standard imposed by law. The Commission also concurs with the MTO that it is not necessary to require the utilities to hold a webinar in lieu of in-person public meetings.

The Commission will also establish additional reporting and compliance filing requirements, as set forth in the ordering paragraphs below; the MTO concurred with these requirements.

Finally, in lieu of requiring Xcel Energy, Otter Tail Power Company, and Minnesota Power, to file the information requested by the Department, the Commission will instead encourage the Department to seek that information in future applicable rate recovery proceedings.

ORDER

1. The Commission accepts the 2021 Biennial Transmission Projects Report.
2. The Commission authorizes the MTO to publicize future Biennial Transmission Projects Reports by posting a link to the report on the MTO website (www.minnelectrans.com) and posting directions for finding the Commission's website via e-Dockets, in lieu of mailing compact discs or jump drives with electronic copies.
3. The Commission encourages the Department to collect information on mitigation costs in future proceedings requesting rate recovery of the costs of new energy facilities.
4. The Commission extends the variance to the public participation requirements of Minnesota Rules, part 7848.0900 and will also not require the utilities to convene a webinar on the 2021 report.
5. The MTO must file a 2023 Report that meets the requirements of Minn. Stat. § 216B.2425, subd. 2, and includes the information that was required to be filed in the 2021 Report.
6. MTO must file, within 90 days, additional information as set forth in ordering paragraph 5(d) of the Commission's August 19, 2020, order, in Docket E-999/M-19-205, which required a filing within 90 days that included "an assessment of whether MISO has been responsive to Minnesota's identified and likely transmission needs."
7. MTO must file, within 90 days, a compliance filing that includes its schedule for implementing Ambient Adjusted Rating (AAR) and an analysis of viability of Dynamic Line Rating (DLR), transmission system optimization and reconfigurations and replacement of line rating limiter, including substation equipment. Require MTO to discuss other available solutions considered, but not deployed.
8. The MTO must file, within 90 days, a compliance filing that includes information on: 1) expected sustained HVTL or generation planned outages; 2) whether those outages are anticipated to have new or incremental congestion; and 3) whether those outages are

anticipated to contribute to sustained incremental congestion. The MTOs shall also include this information in future Biennial Transmission Projects Reports.

9. Commission staff may issue a notice of comment requesting comments from stakeholders on how to best update or repeal the biennial report's filing requirements.
10. This order shall become effective immediately.

BY ORDER OF THE COMMISSION



Will Seuffert
Executive Secretary



This document can be made available in alternative formats (e.g., large print or audio) by calling 651.296.0406 (voice). Persons with hearing or speech impairment may call using their preferred Telecommunications Relay Service or email consumer.puc@state.mn.us for assistance.

CERTIFICATE OF SERVICE

I, Chrishna Beard, hereby certify that I have this day, served a true and correct copy of the following document to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States mail at St. Paul, Minnesota.

**Minnesota Public Utilities Commission
ORDER ACCEPTING REPORT**

Docket Number **E-999/M-21-111**
Dated this 29th day of June, 2022

/s/ Chrishna Beard

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Derek	Bertsch	derek.bertsch@mrenergy.com	Missouri River Energy Services	3724 West Avera Drive PO Box 88920 Sioux Falls, SD 57109-8920	Electronic Service	No	OFF_SL_21-111_M-21-111
Jon	Brekke	jbrekke@greenergy.com	Great River Energy	12300 Elm Creek Boulevard Maple Grove, MN 553694718	Electronic Service	No	OFF_SL_21-111_M-21-111
Christina	Brusven	cbrusven@fredlaw.com	Fredrikson Byron	200 S 6th St Ste 4000 Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_21-111_M-21-111
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-111_M-21-111
Regulatory	Contact	N/A	Exergy Minnesota Holding, LLC	802 W Banock, 12th Boise, ID 83702	Paper Service	No	OFF_SL_21-111_M-21-111
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_21-111_M-21-111
Stacy	Dahl	sdahl@minnkota.com	Minnkota Power Cooperative, Inc.	5301 32nd Ave S Grand Forks, ND 58201	Electronic Service	No	OFF_SL_21-111_M-21-111
Lorene	Damsits	lorened@cmpasgroup.org	Central MN MPA	459 S Grove St Blue Earth, MN 56013	Electronic Service	No	OFF_SL_21-111_M-21-111
Curt	Dieren	curt.dieren@dgr.com	L&O Power Cooperative	1302 S Union St Rock Rapids, IA 51246	Electronic Service	No	OFF_SL_21-111_M-21-111

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Oncu	Er	oncu.er@avantenergy.com	Avant Energy, Agent for MMPA	220 S. Sixth St. Ste. 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-111_M-21-111
Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company	PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	No	OFF_SL_21-111_M-21-111
Linda	Gomez	lindagomez@alliantenergy.com	Wisconsin Power and Light Company	4902 N Biltmore Ln Madison, WI 53718	Electronic Service	No	OFF_SL_21-111_M-21-111
Michael	Greiveldinger	MichaelGreiveldinger@alliantenergy.com	Wisconsin Power and Light	4902 North Biltmore Lane Madison, WI 53718	Electronic Service	No	OFF_SL_21-111_M-21-111
David	Grover	dgrover@itctransco.com	ITC Midwest	5615 Clinton Avenue So Minneapolis, MN 55419	Electronic Service	No	OFF_SL_21-111_M-21-111
Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_21-111_M-21-111
Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.	445 Etna Street Ste. 61 St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-111_M-21-111
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2950 Yellowtail Ave. Marathon, FL 33050	Electronic Service	No	OFF_SL_21-111_M-21-111
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Thomas	Koehler	TGK@IBEW160.org	Local Union #160, IBEW	2909 Anthony Ln St Anthony Village, MN 55418-3238	Electronic Service	No	OFF_SL_21-111_M-21-111
Seth	Koneczny	st.koneczny@smmpa.org	SMMPA	500 First Avenue, SW Rochester, MN 559023303	Electronic Service	No	OFF_SL_21-111_M-21-111
Mark	Kotschevar	mkotschevar@rupu.org	Rochester Public Utilities	4000 East River Road NE Rochester, MN 55906	Electronic Service	No	OFF_SL_21-111_M-21-111
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Robert	Lunder	Robert.Lunder@mdu.com	Montana-Dakota Utilities (ET)	400 N 4th St Bismark, ND 58501	Electronic Service	No	OFF_SL_21-111_M-21-111
Mike	Malone	mmalone@hcpd.com	Heartland Consumer Power District	P.O. Box 248 Madison, SD 570420248	Electronic Service	No	OFF_SL_21-111_M-21-111
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-111_M-21-111
Robert	McKee	rmckee@atcllc.com	American Transmission Company, LLC	5303 Fen Oak Dr Madison, WI 53718	Electronic Service	No	OFF_SL_21-111_M-21-111
John	McWilliams	John.McWilliams@DairylandPower.com	Dairyland Power Cooperative	3200 East Ave SPO Box 817 La Crosse, WI 54601-7227	Electronic Service	No	OFF_SL_21-111_M-21-111

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Samuel	Meersman	sam.meersman@avantenergy.com	Avant Energy, Inc.	220 South Sixth Street, Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_21-111_M-21-111
Dalene	Monsebroten	dalene.monsebroten@nmpagency.com	Northern Municipal Power Agency	123 2nd St W Thief River Falls, MN 56701	Electronic Service	No	OFF_SL_21-111_M-21-111
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Mark	Nibaur	markn@austinutilities.com	Austin Utilities	400 Fourth Street NE Austin, MN 55912	Electronic Service	No	OFF_SL_21-111_M-21-111
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Matthew	Olsen	molsen@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_21-111_M-21-111
Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office	1110 West Avenue Red Wing, MN 55066	Electronic Service	No	OFF_SL_21-111_M-21-111
David	Raatz	draatz@bepc.com	Basin Electric Power Cooperative	1717 East Interstate Avenue Bismarck, ND 58501	Electronic Service	No	OFF_SL_21-111_M-21-111

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Stephen	Rakow	stephen.rakow@state.mn.us	Department of Commerce	Suite 280 85 Seventh Place East St. Paul, MN 551012198	Electronic Service	No	OFF_SL_21-111_M-21-111
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-111_M-21-111
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-111_M-21-111
Kay	Schraeder	kschraeder@minnkota.com	Minnkota Power	5301 32nd Ave S Grand Forks, ND 58201	Electronic Service	No	OFF_SL_21-111_M-21-111
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-111_M-21-111
Bria	Shea	bria.e.shea@xcelenergy.com	Xcel Energy	414 Nicollet Mall Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-111_M-21-111
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	OFF_SL_21-111_M-21-111
Trevor	Smith	trevor.smith@avantenergy.com	Avant Energy, Inc.	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Byron E.	Starns	byron.starns@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_21-111_M-21-111

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-111_M-21-111
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_21-111_M-21-111
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_21-111_M-21-111
Todd	Tadych	ttadych@atcllc.com	American Transmission Company LLC	5303 Fen Oak Dr Madison, WI 53718	Electronic Service	No	OFF_SL_21-111_M-21-111
Carolyn	Tanchester	ctanchester@atcllc.com	American Transmission Company	W234 N2000 Ridgeview Parkway Court Waukesha, WI 53188	Electronic Service	No	OFF_SL_21-111_M-21-111
Jesse	Tomford	jtomford@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	No	OFF_SL_21-111_M-21-111
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_21-111_M-21-111
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	OFF_SL_21-111_M-21-111
Michael	Volker	mvolker@eastriver.coop	East River Electric Power Coop	211 S. Harth Ave Madison, SD 57042	Electronic Service	No	OFF_SL_21-111_M-21-111

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Jason	Walker	jasonw@swrdc.org	Southwest Regional Development Commission	2401 Broadway Ave., Ste 1 Slayton, MN 56172	Electronic Service	No	OFF_SL_21-111_M-21-111
Jason	Weiers	jweiers@otpc.com	Otter Tail Power Company	215 South Cascade Street PO Box 496 Fergus Falls, MN 56538	Electronic Service	No	OFF_SL_21-111_M-21-111
Jessica	Welu	jessicaw@swrdc.org	Southwest Regional Development Commission	2401 Broadway Ave., Ste 1 Slayton, MN 56172	Electronic Service	No	OFF_SL_21-111_M-21-111
Michael	Zajcek	Michael.Zajcek@state.mn.us	Department of Commerce	85 East Seventh Place Suite 500 St. Paul, Minnesota 55101	Electronic Service	No	OFF_SL_21-111_M-21-111
Christopher	Zibart	czibart@atcllc.com	American Transmission Company LLC	W234 N2000 Ridgeview Pkwy Court Waukesha, WI 53188-1022	Electronic Service	No	OFF_SL_21-111_M-21-111