

**BEFORE THE MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE  
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of a Petition by Excelsior Energy, Inc.  
for Approval of a Power Purchase Agreement under  
Minn. Stat. §216B.1694, and Determination of Least  
Cost Technology and Establishment of a Clean Energy  
Minimum Under Minn. Stat. §216B.1693.

MPUC Docket: E/6472/M-05-1993

OAH Docket: 12-2500-17260-2

**mncoalgasplant.com's Initial Document Requests to  
LOCAL GOVERNMENTS – COUNTY OF ITASCA**

**RE: Ancillary services and other generation and transmission upgrades necessary –  
Minn. Stat. §216B.1693(a); and Project's economic development benefits to state – Minn.  
Stat. §216B.1694, Subd. 2(7).**

In an effort to avoid duplication of responses:

1. Please provide responses, now and continuing, to Information and Document Requests of any and all other parties in OAH Docket No. 12-2500-17260-2 (MPUC Docket No. E-6472/M-05-1993).

Information and document requests regarding analysis of costs of ancillary services as required by Minn. Stat. §216B.1693(a):

2. Provide all documents showing any infrastructure development planned by the answering local government for infrastructure to be used by or to provide services to Excelsior's Mesaba project, including but not limited to roads and rails. If infrastructure development other than road and rail is contemplated that is not addressed below, include documents on that infrastructure as requested for road and rail.
3. Provide all documents showing individual and total cost to county of infrastructure planned and/or contemplated for Excelsior.
4. Provide all documents showing county entity responsible for infrastructure development, i.e., Public Utility, Rail Authority, Road Department, etc.
5. Provide all documents showing county entity created or an inactive entity revived to facilitate this development, including the date of organization and/or reorganization;

- board members, principals, executives and staff; dates of term of service; relationship to other local entities, i.e., local government staff or elected official, professional/contractual; compensation received from entity; other indirect compensation.
6. Provide all documents showing whether county entity's governance board, principals, executives and staff have connections as local government staff or elected official, profession/contractual, or have received compensation from this entity or received other indirect compensation, and showing all forms of compensation by amount or items for each party, and address conflict of interest issues for each.
  7. Provide all documents showing recusal from votes for conflict-of-interest regarding Excelsior/Mesaba project.
  8. Provide all documents showing rationale for county planning, condemnation, construction and operation of rail line for private entity.
  9. Provide all documents showing rationale for public payment for county planning, condemnation, construction and operation of rail line for private entity.
  10. Provide all documents showing comprehensive plan elements addressing development such as Excelsior's Mesaba project, and showing whether this project is consistent with comprehensive plan.
  11. Provide copy of any and all Agreements with Excelsior/Mesaba regarding rail, road or other infrastructure.
  12. Provide all documents showing public use justification to be utilized for Rail Authority development of rail line.
  13. Provide all documents showing public use justification to be utilized for condemnation of land for rail line.
  14. Provide all documents identifying members of County Rail Authority. Provide copy of county resolution(s) authorizing County Rail Authority. Provide copy of county resolution authorizing County Rail Authority expenditures thus far.
  15. Provide all documents showing funding source for County Rail Authority and identifying amounts allocated from each source thus far, and anticipated needs.
  16. Provide all documents showing entity chosen to prepare Surface Transportation Board permit application and cost, with itemization of costs.
  17. Provide all documents identifying any costs, by type and amount, to be covered by state funding, including but not limited to bonding and grants, separating funds that must be repaid, and what party must pay. Provide all documents that show what

- amount and percentage of any state dollars listed will be repaid by Excelsior, and by Itasca County. Provide all documents showing liability apportionment if Excelsior does not go forward, or fails and whether Itasca County is liable.
18. Provide all documents showing any costs, by type and amount, to be covered by federal funding, including but not limited to bonding and grants. Provide all documents that show which funds must be repaid, and what party must pay. Provide all documents showing what amount and percentage of any federal dollars listed will be repaid by Excelsior, and by Itasca County. Provide all documents showing what happens if Excelsior does not go forward, or fails and whether Itasca County is liable.
  19. Provide all documents showing any costs, by type and amount, to be covered by county funding, including but not limited to bonding and grants. Provide resolution or other documentation showing whether there will be a county referendum to approve allocation of funds. Provide all documents identifying funds that must be repaid, and what party must pay. Provide all documents showing what amount and percentage of any county dollars listed will be repaid by Excelsior, by Itasca County. What happens if Excelsior does not go forward, or fails and whether Itasca County is liable.
  20. Provide all documents for rail, and separately for road, showing per mile costs for both rail line and roads:
    - a. Road – documents showing specifications including length, size and material, number of right and left turn lanes etc.
    - b. Rail – protective arms and other safety measures
    - c. Materials cost and installation (dimensions, specifications)
    - d. Underlayment – cost and installation (dimensions, specifications)
    - e. Other misc. hardware
    - f. Licensing/permitting costs
    - g. Organizational legal fees
    - h. Land costs –
      - i. Per acre easement allowances
      - ii. Land acquisition costs
      - iii. Engineering
      - iv. Site prep and grading
      - v. Appraisals
      - vi. Legal costs for land acquisition
      - vii. Legal costs of eminent domain proceedings, including percentage of acquisitions anticipated to require eminent domain proceedings.
  21. Provide all documents addressing what party responsible for rail cars, what types of cars are needed, whether the cars are to be purchased or leased, who pays for the cars, cost of each rail car, whether Excelsior will pay for cars it uses, whether Excelsior will pay for cars secured for it but which it does not use, and whether the county charge Excelsior for cars and at what rate.

22. Provide all documents showing whether power line carrier or fiber optic will be used for control of transmission line.
23. Provide all documents showing locations where rail protective arms will be within 1000 feet of transmission line.
24. Provide all documents that identify circumstances under which power line carrier interferes with rail protective arms, and identify measures to assure power line carrier does not interfere with rail.
25. Provide all documents showing miles of Right of Way (RoW) for rail line and provide route maps.
26. Provide all documents showing landowners by name and address for each parcel where easement is necessary for rail line. Where links can provide this information electronically, provision of a document, i.e., WORD, with active links is sufficient.
27. Provide all documents showing rail RoW shared with pre-existing corridors on map. Identify existing infrastructure, easement holder and fee owner of existing corridor.
28. Natural gas pipelines have a tax similar to the electric personal property tax. Provide all documents showing which local governments will receive tax revenue, and how much each will receive.
29. Produce copy of tariff for rail service from railway to the Mesaba plant.
30. Provide all documents, including pro forma, showing projected costs and expenses of short line rail carrier and whether local utility have a net profit from sale of rail service to Excelsior. Include documents showing:
  - Whether railroad authority will have sufficient revenue from rail service to Excelsior to cover cost of infrastructure.
  - Whether railroad authority will have sufficient revenue from sale rail service to Excelsior to cover cost of infrastructure and operating costs.
31. Provide all documents showing funding source for infrastructure, including infrastructure type and specific source, type of financing such as grant, loan, bonding, or general fund, and amount.
32. If any part of the funding for any infrastructure is grants, provide grant applications and all documents showing source and amount. Provide documentation showing any requirement that all or part be paid and party liable for repayment.
33. If any part of the funding for any infrastructure is state bonding, provide documentation of source and amount. If the project does not go forward or fails,

- provide documentation of any liability for pay back and showing what party or parties are liable.
34. If any part of the funding for any infrastructure is County bonding, provide documentation of source and amount. If the project does not go forward or fails, provide documentation of any liability for pay back and showing what party or parties are liable.
  35. If any part of the funding for any infrastructure is federal bonding or other federal funding, provide documentation of source and amount. If the project does not go forward or fails, provide documentation of any liability for pay back and showing what party or parties are liable.
  36. Produce all Agreements with Excelsior, Excelsior subsidiaries or its agents for payment for development of infrastructure.
  37. Produce all Agreements with Excelsior for payment of services provided.
  38. Provide all documents showing whether Excelsior is providing any other compensation to City and/or City Officials to facilitate this infrastructure development. Identify all sources, recipients, amounts, and provide copies of any and all Agreements.
  39. If there are no Agreements with Excelsior at this time, provide all documents showing whether infrastructure construction go forward in absence of Agreement, conditions, and guarantor of funds and payment.
  40. Provide all documents showing whether County jobs be created, either directly or indirectly, including but not limited to regulatory, management, and labor, what jobs and at what compensation rate (broken down by wage and benefit categories), and for each position anticipated, Provide all documents showing funding source.
  41. Provide copy of City's conflict-of-interest policy.
  42. Nashwauk and Taconite are represented by the same attorney, who is also the area's County Commissioner. Provide any documents regarding potential or realized conflict of interest between Commissioner Dimich's role as Commissioner and as representative or of firm that represents two cities that have an interest in the Mesaba project. Provide all documents showing how potential for conflict-of-interest is being addressed. Provide all documentation showing whether Commissioner Dimich been asked to recuse himself or has voluntarily recused himself on Excelsior related votes.
  43. Does the County have a nepotism policy?
  44. Provide all documents showing the county's 2005 and 2006 (thus far) total lobbying expenses and lobbying expenses related to the Mesaba project, including legislative,

administrative, and other local governments/entities. Provide all documents showing total amount spent, amount was spent on lobbyists, documents identify lobbyists utilized, contracts with lobbyists and/or lobbying associations, amount spent on lobbyist disbursements, and documenting what lobbying has been done by County Commissioners and employees by issue and by time and resources spent.

45. Provide all documents showing, for 2005 and 2006 thus far, county's consultant expenses, including engineering and policy and any other, showing year, identity of consultants, firm/association, task, and itemization of costs.
46. Provide all documents showing the appraised and market valuation of Excelsior's Mesaba plant, the amount of real estate tax revenue is expected to be received by Excelsior for Mesaba plant, and how revenue will be apportioned between local governments.
47. Provide all documents showing the amount expected to be received by county from Excelsior under Host Fee Agreement. Attach copy of Host Fee Agreement.
48. If there is no Host Fee Agreement, provide documents showing the deadline for agreement and whether county would go forward with road, rail and other infrastructure development without Host Fee Agreement.
49. Provide all documents showing whether county will recover costs of rail and road and other infrastructure costs through Host Fee Agreement.
50. Goodhue County has a Safety department because it hosts the Prairie Island plant. Provide all documents showing anticipated county safety expenses associated with hosting a large power plant, such as increased emergency response needs, equipment, etc., and whether this is expected a county expense. If the county would not be the entity responsible for emergency response, provide all documentation showing the entity that is responsible.
51. Provide all documents that show other tax revenue will be received from Excelsior, identified by type and amount.
52. Provide all documents that show other costs of Excelsior to County not addressed previously.
53. Provide all documents that show other benefits of Excelsior to County not addressed previously.
54. Provide all documents showing the notice that has been provided to landowners subject to infrastructure as depicted on SEH map entitled "Itasca County Public Infrastructure," attached.

All questions and answers are deemed continuing, and should be supplemented as additional information is discovered.

Dated: June 21, 2006



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