

# Exhibit C

**From:** Brickwedde, Peter (COMM) [<mailto:Peter.Brickwedde@state.mn.us>]  
**Sent:** Tuesday, April 17, 2012 10:09 AM  
**To:** Steve Tomac; Kenric J Scheevel <[kjs@dairynet.com](mailto:kjs@dairynet.com)>  
**Cc:** Grant, Bill (COMM) <[bill.grant@state.mn.us](mailto:bill.grant@state.mn.us)>; Seuffert, Will (GOV) <[will.seuffert@state.mn.us](mailto:will.seuffert@state.mn.us)>  
**Subject:** IRP proposal framework

Kenric & Steve,

Below please find an outline of a proposal that we believe represents an effective compromise on the IRP issue. We think that this concept balances an alternative method of reporting for Dairyland and Basin (along the lines of what you have indicated is your current business practice in other states) while maintaining adequate protections for the state and Minnesota consumers from the affects of potential reliability issues and/or increased electric costs.

Our goal for tomorrow's 10:30 AM meeting will be to flush out the details for each of these points so that we can turn draft language over to the Revisor's Office for preparation as a delete all amendment for Senator Sparks and Representative Murray.

Here is the proposal framework:

- A generation and transmission cooperative electric association that provides less than three percent of the electricity annually sold at retail in Minnesota can comply with the requirements of state law by either:
  - i. Filing an integrated resource plan pursuant to MINN. STAT. §216B.2422 subd. 2; or
  - ii. Making an annual report to be presented before the Public Utilities Commission. The presentation report must include the expected level of demand and generation resources covering the next 15 years and, if applicable, outline solutions for meeting any generation deficiencies identified in the report.
- If a qualifying utility chooses option ii, submission of the presentation report to the Commission does not exempt the utility from making adequate infrastructure investments, undertaking sufficient preventative maintenance with regard to generation, transmission, and other facilities and furnishing safe, adequate, efficient and reasonable service.
- Submission of the annual report and presentation shall be done in accordance in a form and on a schedule established by the Commission.
- This new language will be inserted into MINN. STAT. §216B.2422.
- The legislation would become effective after a final Commission order is issued in any proceedings currently pending under MINN. STAT. §216B.2422 for eligible utilities.

Thank you and we look forward to our meeting tomorrow morning.

-Peter

Peter L. Brickwedde  
Assistant Director of Government Affairs  
Minnesota Department of Commerce  
85 7th Street East Suite 500  
St. Paul, MN 55101  
651-296-2569