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**VIA ELECTRONIC DELIVERY**

May 28, 2024

Mr. William Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place E, Suite 350  
St. Paul, Minnesota 55101

**Re: *In the Matter of the Application for a Certificate of Need for the Big Stone South-Alexandria-Big Oaks 345 kV Transmission Project;*  
*Reply Comments by the Midcontinent Independent System Operator, Inc.;*  
*Docket No. E002, E017, ET2, E015, ET10/CN-22-538***

Dear Mr. Seuffert:

The docket in the above-referenced case provided interested persons the opportunity to comment upon the certificate of need application pending before the Minnesota Public Utilities Commission (“Commission”) for approval to construct the Big Stone South-Alexandria-Big Oaks 345 kV Transmission Project (“Big Stone South Project” or “Project”). The Commission set April 23, 2024 as the deadline for initial comments, May 21 for reply comments, and May 28 for supplemental comments.<sup>1</sup> MISO filed timely comments on April 23, 2024.<sup>2</sup> On April 23, 2024, the Department of Commerce (“DOC”) requested an extension of the deadlines<sup>3</sup> and NoCapX 2020 (“NoCapX”) requested that the comment period be extended until July 8, 2024.<sup>4</sup> The Commission granted an extension, setting dates of April 30, May 28, and June 4, 2024 as revised dates for initial comments, reply comments, and supplemental comments.<sup>5</sup>

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<sup>1</sup> *Notice of Comment Period on the Merits of the Certificate of Need Application* (Feb. 21, 2024).

<sup>2</sup> Midcontinent Indep. Sys. Operator Initial Comments, Docket No. CN-22-538, at 2 (Apr. 23, 2024) (“MISO Comments”).

<sup>3</sup> Request for Extension of Time to File Comments, Minnesota Department of Commerce, Docket No. CN-22-538 (Apr. 23, 2024).

<sup>4</sup> NoCapX 2020 Filing, Docket No. CN-22-538 at 2 (Apr. 23, 2024).

<sup>5</sup> *Notice of Extended Comment Period on the Merits of the Certificate of Need Application* (Apr. 23, 2024).

On April 30, 2023, the DOC submitted substantive comments relating its evaluation of the application.<sup>6</sup> On that same date, NoCapX filed the unsupported conjectures of its attorney,<sup>7</sup> taking advantage of the extension to opine upon MISO’s filed comments and promising to submit additional conjectures that it is “saving . . . for Reply Comments and supplemental.”<sup>8</sup> Owing to the NoCapX filing containing only its attorney’s views, these reply comments are submitted on behalf of the Midcontinent Independent System Operator, Inc. (“MISO”) by citing not only factual support for issuance of a certificate of need but also relevant legal authority.

## **Overview**

The Big Stone South Project will help ensure the ability of the transmission system to meet challenges presented by the on-going and projected transition in generator resources and the need for development of long-term transmission planning solutions. The NoCapX comments misrepresent MISO’s role and the process it oversees for transmission planning. The MISO Transmission Expansion Plan (“MTEP”) process follows a Federal Energy Regulatory Commission (“FERC”) approved process to ensure benefits to the public through enhanced local and regional reliability of the transmission system. Further, NoCapX disregards the similarities in MISO’s planning criteria and the Commission’s criteria for evaluating certificate of need applications. MISO, as the regional planner, factors in all transmission projects in Minnesota, and the entirety of the MISO footprint, in MISO’s planning process. Transmission projects other than the Big Stone South Project are not substitutes for the Project. Without the Project, Minnesota and other states in the MISO footprint would not receive the full set of reliability and economic benefits that are provided by the Long Range Transmission Planning (“LRTP”) Tranche 1 portfolio of transmission projects.

## **Response to the NoCapX Comments**

### **MISO’s Role in Transmission Planning and Stakeholder Process**

NoCapX states that “MISO postures itself as the de facto regulator. . . .”<sup>9</sup> To the contrary, the MISO Comments set out the framework in which it operates. MISO is a “not-for-profit, member-based regional transmission organization (‘RTO’) providing reliability and market services over approximately 70,000 miles of transmission lines in fifteen states and one Canadian

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<sup>6</sup> Minnesota Department of Commerce Initial Comments, Docket No. CN-22-538 (Apr. 30, 2024) (“DOC Comments”).

<sup>7</sup> The MISO Comments were submitted by Jeremiah Doner, an expert on transmission planning who “direct[s] the teams focused on multiple areas of transmission planning. . . .” *See* MISO Comments at 2. Mr. Doner is far more than “an employee whose duties focus primarily on economic and market issues.” NoCapX 2020 Initial Comments, Docket No. CN-22-538 at 3 (Apr. 30, 2024) (“NoCapX Comments”).

<sup>8</sup> NoCapX at 6.

<sup>9</sup> *Id.* at 3.

province.”<sup>10</sup> “As an RTO, MISO is responsible for operational oversight and control, market operations, and planning of the transmission system of its member Transmission Owners. . . .”<sup>11</sup> A core responsibility of MISO, as stated in the U.S. Code of Federal Regulations, relates to this responsibility to plan the transmission system:<sup>12</sup>

(7) Planning and expansion. The Regional Transmission Organization must be responsible for planning, and for directing or arranging, necessary transmission expansions, additions, and upgrades that will enable it to provide efficient, reliable, and nondiscriminatory transmission service and coordinate such efforts with the appropriate state authorities.

MISO is subject to FERC regulatory orders regarding its required transmission planning process. Among these are FERC Order Nos. 890 and 1000 requirements.<sup>13</sup> FERC Order No. 890 directed transmission providers such as MISO to conduct transmission planning according to nine principles (“coordination, openness, transparency, information exchange, comparability, dispute resolution, regional participation, economic planning studies, and cost allocation for new projects”<sup>14</sup>). Building upon a FERC-approved process that predated Order No. 890, MISO’s transmission planning process was enhanced to comply with additional Order No. 890 requirements and was thereafter accepted by FERC.<sup>15</sup> The specific planning criteria addressed the concern stated by NoCapX regarding planning in the public interest, in contrast to planning in the interest of the transmission owner.<sup>16</sup> “FERC Order No. 1000 furthered the planning principles outlined in FERC Order No. 890 and included the requirements to plan for public policy and for coordinated inter-regional planning and cost allocation.”<sup>17</sup> Contrary to the NoCapX statement that “policy is not need,”<sup>18</sup> MISO is required to plan for policy developments as a regulated entity. MISO is a policy taker, not a policy maker, and plans expansions to enable MISO to provide “efficient, reliable, and nondiscriminatory transmission service.”<sup>19</sup>

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<sup>10</sup> MISO Comments at 2. MISO meets FERC’s criteria and has been accepted as an RTO. *See Midwest Indep. Transmission Sys. Operator, Inc.*, 97 FERC ¶ 61,326 (2001).

<sup>11</sup> MISO Comments at 2.

<sup>12</sup> 18 C.F.R. Ch. I, Subpart F (“Procedures and Requirements Regarding Regional Transmission Organizations”) §35.34(k)(7).

<sup>13</sup> MISO Comments at 5.

<sup>14</sup> *Id.* at fn. 7.

<sup>15</sup> *Midwest Indep. Transmission Sys. Operator, Inc.*, 152 FERC ¶ 61,033 (2015).

<sup>16</sup> NoCapX Comments at 3.

<sup>17</sup> MISO Comments at 5.

<sup>18</sup> NoCapX Comments at 5.

<sup>19</sup> *See* footnote 12.

NoCapX mischaracterizes the MISO transmission planning process as “not an open and transparent process.”<sup>20</sup> These were among the FERC requirements that MISO met in the wake of Order No. 890. All LRTP workshops, Planning Advisory Committee meetings, and MISO Board of Directors meetings are open to the public, and neither prior approval nor the payment of fees is required in order to participate.<sup>21</sup> For the Tranche 1 portfolio study process, “MISO conducted over 200 internal and stakeholder meetings, the latter of which included 200-300 attendees at each meeting to develop a final set of reliability, economic, and public policy assessments” that resulted in the LRTP Tranche 1 portfolio.<sup>22</sup> Stakeholders included “regulatory authorities, public consumer advocates, environmental representatives, end use customers, and independent power producers, among others. . . .”<sup>23</sup> Involving this broad group of stakeholders in the development of LRTP Tranche 1 ensured that this portfolio, including the Big Stone Project, was planned in the public interest.

### **MISO’s Planning Criteria and Minnesota Certificate of Need Criteria**

NoCapX argues that MISO’s planning criteria are “very different than that used by the Public Utilities Commission.”<sup>24</sup> NoCapX fails to delineate differences. Significant similarities exist between MISO’s criteria and the Commission’s statutory criteria. As stated in the MISO Comments:<sup>25</sup>

[T]he objectives of the MTEP process are to (i) identify transmission system expansions that will ensure the reliability of the transmission system that is under the operational and planning control of MISO, (ii) identify expansion that is critically needed to support the reliable and competitive supply of electric power by this system, and (iii) identify expansion that is necessary to support energy policy mandates in effect within the MISO footprint.

The first factor to be considered by the Commission in evaluating a certificate of need is “the accuracy of the long-range energy demand forecasts on which the necessity for the facility is

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<sup>20</sup> NoCapX Comments at 6.

<sup>21</sup> Information about LRTP workshops, Planning Advisory Committee meetings, and Board of Directors Meetings can be found at the following links:  
<https://www.misoenergy.org/engage/committees/long-range-transmission-planning/>,  
<https://www.misoenergy.org/engage/committees/planning-advisory-committee/>,  
<https://www.misoenergy.org/engage/committees/board-of-directors-bod/>.

<sup>22</sup> MISO Comments at 9.

<sup>23</sup> *Id.* at 6.

<sup>24</sup> NoCapX Comments at 5; *see also Id.* at 3 (“Minnesota’s Certificate of Need statutes and rules focus on Minnesota and the ‘need’ of the applicants, which is very different focus from that of MISO.”).

<sup>25</sup> MISO Comments at 5-6.

based.”<sup>26</sup> As explained in the MISO Comments, the “LRTP Tranche 1 portfolio justification was based upon an initial ‘least regrets’ Future 1 Scenario[.]”<sup>27</sup> “The assumed Future 1 uses the plans stated in utility integrated resource plans and most, but not all (*i.e.* eighty-five percent), of aspirational utility plans stated in utility announcements and state goals/preferences. The load growth in the Future 1 Scenario is assumed to continue along recent trends.”<sup>28</sup> The Application explains that Future 1, as the “least regrets” Future, is the most conservative Future developed by MISO.<sup>29</sup> Therefore, “any benefits of transmission lines that are demonstrated under the Future 1 assumptions can be assumed to increase under Future 2 and Future 3, which both assume higher levels of decarbonization and renewable penetration, and higher load growth driven by increased electrification.”<sup>30</sup>

The statutory certificate of need criteria requires the Commission to consider “the effect of existing or possible energy conservation programs... and this section or other federal or state legislation on long-term energy demand.”<sup>31</sup> Energy conservation programs, specifically energy efficiency, were included in MISO’s analysis of the LRTP Tranche 1 portfolio. As the comments from the DOC state “the impact of energy efficiency (EE) programs on the peak demand forecast is of lesser importance since peak demand is not necessarily the issue to be addressed” by the Project.<sup>32</sup> The DOC explained that “a certain amount of EE is built into the forecast” used by MISO to develop LRTP Tranche 1.<sup>33</sup> The DOC further expounded:<sup>34</sup>

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<sup>26</sup> Minn. Stat. § 216B.243, subd. 3(1).

<sup>27</sup> MISO Comments at 15.

<sup>28</sup> *Id.*

<sup>29</sup> *Application for a Certificate of Need for the Big Stone South – Alexandria – Big Oaks Transmission*, Northern States Power Company, Great River Energy, Minnesota Power, Otter Tail Power Company, and Western Minnesota Municipal Power Agency, Docket No. CN-22-538, at 58 (Sept. 29, 2023) (“Application”).

<sup>30</sup> *Id.* Future 2 and 3 are discussed in more detail in section 4.2.4 of the Application and the MISO Futures Report (Appendix E-3 to the Application).

<sup>31</sup> Minn. Stat. § 216B.243, subd. 3(2). Minn. Rule 7849.0290 requires a certificate of need application to contain information regarding the applicant’s energy conservation programs and how those programs affect the forecast information required under Minn. Rule 7849.0270. The Applicants sought, and were granted, an exemption from this requirement. *In the Matter of the Application for a Certificate of Need for the Big Stone South-Alexandria-Big Oaks 345 kV Transmission Project*, Docket No. CN-22-538, Order Granting Applicants’ Exemption Request (Apr. 19, 2023). In part, Applicants provide information regarding how conservation and energy efficiency was considered by MISO in its evaluation of the Project.” *See Request for Exemption from Certain Certificate of Need Application Content Requirements*, Docket No. CN-22-538 at 8 (Mar. 10, 2023).

<sup>32</sup> DOC Comments at 10.

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

In addition to that EE level, MISO studied the technical potential for EE, created packages of EE programs, and input the EE packages into MISO’s resource planning model (EGEAS). Then EGEAS was run to determine the amount of supply-side and demand-side resources that would be added under each of the Futures. The LRTP projects were then designed in transmission models with the EGEAS-determined amount of supply-side units built into them. Thus, the MISO process already included the effects of expected EE (built into the forecasts) and new EE (as expansion units) programs.

Minn. Stat. § 216B.243, subd. 3(3) states that “the commission shall evaluate... in the case of a high-voltage transmission line, the relationship of the proposed line to regional energy needs, as presented in the transmission plan submitted under section 216B.2425.” The Big Stone South Project was included in 2023 Biennial Transmission Projects Report.<sup>35</sup> As stated in the report, the Project is needed to provide sufficient capacity to transfer energy from wind generators in the Dakotas and Western Minnesota to the Twin Cities load center.<sup>36</sup>

Minn. Stat. § 216B.243, subd. 3(5) also requires the Commission to consider the ability of the Project “to increase reliability of energy supply in Minnesota and the region.” This factor is nearly identical to MISO’s second objective listed above. Both the Commission and MISO must consider the adequacy of energy supply provided by the transmission system in Minnesota and the region. As stated in MISO’s Comments, “[t]he Eastern Dakotas and Western/Central Minnesota 230 kilovolt (“kV”) system is heavily constrained” and “has played a key role in delivering energy across a large geographic area from generation that is transported out of the Dakotas and into Minnesota.”<sup>37</sup> Specifically, the 230 kV system “is a key link for serving load in central and northern Minnesota.”<sup>38</sup> The Big Stone South Project, in conjunction with the Jamestown-Ellendale 345 kV project (described in the MTEP21 Report Addendum, Appendix E-1 to the Application), “unload[s] the 230 kV system of concern and improve[s] reliability across the greater Eastern Dakotas and Minnesota.”<sup>39</sup> In addition to satisfying the statutory criteria, this also refutes NoCapX’s contention that MISO has not demonstrated that the Big Stone South Project addresses local load serving needs.<sup>40</sup> The Project is necessary to ensure that load in central and northern Minnesota are reliably supplied with energy.

Construction of the Big Stone South Project will also support the development of more generation to serve load in Minnesota. MISO’s 2022 Interconnection Queue Cycle assumes that the LRTP Tranche 1 portfolio will be constructed. This queue cycle, which includes 7.5 gigawatts

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<sup>35</sup> Available at: <https://www.minnelectrans.com/report-2023.html>.

<sup>36</sup> *Id.*

<sup>37</sup> MISO Comments at 11.

<sup>38</sup> *Id.* at 11-12.

<sup>39</sup> *Id.* at 12.

<sup>40</sup> NoCapX Comments at 3.

(“GW”) of new generation resources in Minnesota, could be negatively impacted if construction of the Big Stone South Project is delayed or denied.<sup>41</sup>

Minn. Stat. § 216B.243, subd. 3(5) also requires the Commission to evaluate the “benefits of this facility, including its uses to protect or enhance environmental quality.” The environmental impact of projects is factored into the MTEP process through the consideration of state policy mandates. During the development of the LRTP Tranche 1 portfolio, Minnesota had in place a renewable portfolio standard requiring electric utilities in the state to generate or procure a certain percentage of the electricity delivered to retail customers from renewable generation.<sup>42</sup> The LRTP Tranche 1 portfolio, including the Big Stone South Project, will “enable the reliable delivery of increased levels of renewable generation[.]”<sup>43</sup> As explained in the Application, MISO estimated that the development of the LRTP Tranche 1 portfolio will “reduce carbon emissions by 399 million metric tons over the first 20 years of the LRTP Tranche 1 Portfolio being in-service and 677 million metric tons over the first 40 years of LRTP Tranche 1 projects being in service.”<sup>44</sup> Xcel Energy performed a carbon reduction analysis and estimated that the Big Stone South Project “will reduce CO<sub>2</sub> emissions within MISO by 17.8 to 22.4 million metric tons over the first 20 years that the Project is in service and by 36.1 to 49.6 million metric tons over the first 40 years that the Project is in service.”<sup>45</sup> The enablement of renewable generation, and the corresponding reduction in carbon emissions, facilitated by the Project, and the rest of LRTP Tranche 1 portfolio, is made even more necessary by the enactment of the carbon-free standard in Minnesota.<sup>46</sup> The construction of the Big Stone South Project will aid the Applicants in achieving the standard’s requirement of generating or procuring 100 percent of the electric delivered to retail customers from carbon-free energy technology by 2040.<sup>47</sup> If the Project is not developed, Minnesota will not receive the environmental benefits created by these carbon emission reductions.

MISO considered alternatives to the Big Stone South Project as required by Minn. Stat. § 216B.243, subd. 3(6). “MISO considered five alternative sets of transmission projects to the approved Jamestown – Ellendale 345 kV project and the Big Stone South Project to assess the impacts on system performance.”<sup>48</sup> MISO determined that the “Big Stone South Project, in combination with the Jamestown – Ellendale 345 kV project, provides the best solution to

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<sup>41</sup> MISO Comments at 14.

<sup>42</sup> The state policy mandates and goals used in the development of Future 1 are included on page 12 of the MISO Futures Report (Appendix E-3 to the Application).

<sup>43</sup> MISO Comments at 8.

<sup>44</sup> Application at 80.

<sup>45</sup> *Id.* at 82.

<sup>46</sup> Minn Stat. § 216B.1691, subd. 2g.

<sup>47</sup> *Id.*

<sup>48</sup> MISO Comments at 13.

resolving the reliability issues in the area.”<sup>49</sup> MISO commented upon alternatives to the Big Stone Sought Project.<sup>50</sup>

- Big Stone South – Alexandria 345 kV & Jamestown – Ellendale 345 kV excludes the double circuit lines to Cassie’s Crossing (now “Big Oaks”), but causes a number of N-1 violations in the Alexandria area,
- Big Stone South – Hankinson – Fergus Falls 345 kV & Jamestown – Ellendale 345 kV, which solves the 230kV overloads around the Wahpeton area but creates new issues on the 230kV and 115kV system around Fergus Falls,
- Big Stone South – Hazel Creek – Blue Lake 345 kV & Jamestown – Ellendale 345 kV, which reduces almost all the overloads but not to the extent of the preferred project,
- Big Stone South – Alexandria 345 kV & Big Stone South – Hazel Creek – Blue Lake 345 kV & Jamestown – Ellendale 345 kV, which combines two alternatives and fully relieves the reliability issues but the addition of southern circuit to Blue Lake does not add enough additional value over the preferred project, and
- Big Stone South – Breckenridge – Barnesville 345 kV & Jamestown – Ellendale 345 kV, which solves many of the reliability issues in the area but does not resolve a number of key overloads remaining on the 230 kV system around Wahpeton.

Under Minn. Stat. § 216B.243, subd. 3(9), the Commission must also consider, “with respect to a high-voltage transmission line, the benefits of enhanced regional reliability, access, or deliverability to the extent these factors improve the robustness of the transmission system or lower costs for electric consumers in Minnesota.” Both the Commission and MISO must consider the impacts a transmission project has on the reliability of the regional transmission system. As stated in MISO’s Comments, “the Big Stone South Project, in conjunction with Jamestown-Ellendale 345 kV project. . . , addresses many thermal and voltage issues for Western Minnesota and the Eastern Dakotas.”<sup>51</sup> “The Big Stone South Project alleviates thermal loading on 40 lines and transformers, including severe overloading exceeding 125 percent as well as 100 voltage issues resulting from N-1 contingency events. The projects also relieve overloads on 80 facilities and 99 voltage violations for N-1-1 contingencies.”<sup>52</sup> In terms of regional benefits, the LRTP Tranche 1 portfolio “mitigated overloading on 436 facilities, including many severe overloads over 125 percent that could cause cascading or system instability[.]”<sup>53</sup> The LRTP Tranche 1 portfolio,

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<sup>49</sup> *Id.* at 14.

<sup>50</sup> *Id.* at 14.

<sup>51</sup> MISO Comments at 12.

<sup>52</sup> *Id.* An “N-1” event includes NERC TPL Category P1, P2, P4, P5 and P7 contingencies and means that the grid experiences the outage of a single transmission component (*e.g.*, line, transformer) or generator. An “N-1-1” event includes NERC TPL Category P3 and P6 contingencies and means that a sequence takes place consisting of an initial loss followed by another loss of a single line, cable, transformer, or generator.

<sup>53</sup> *Id.* at 14.



including the Project, will increase the reliability of the transmission system in Minnesota and the region.

NoCapX has failed to demonstrate that consideration of Minnesota’s requirements would result in anything other than approval of the Certificate of Need for the Big Stone South Project.

### **Needed Expansion of the Transmission System**

NoCapX also states that “[e]xpansion’ is not necessary, particularly when so many miles of new high voltage transmission have been built and are operating.”<sup>54</sup> As explained below, the other transmission projects in Minnesota that have been built, or are being developed, are not substitutes for the Big Stone South Project. NoCapX ignores “the increasing transition from conventional dispatchable coal and natural gas generation in the Midwest to weather-dependent generation”<sup>55</sup> that present the numerous reliability issues in Minnesota that are discussed above and that will not be addressed unless the Project is constructed.

The Tranche 1 portfolio will allow for a more cost-effective regional build-out of generation resources rather than a greater amount of locally sited generation.<sup>56</sup> MISO determined that the Tranche 1 portfolio will result in resource investment savings of \$17.5 billion (in 2022 dollars) in 20-year present value terms.<sup>57</sup> The LRTP Tranche 1 portfolio will lead to congestion and fuel savings of \$13.1 billion (in 2022 dollars) in 20-year present value benefits.<sup>58</sup> MISO has estimated that the benefits to MISO Zone 1, which includes Minnesota, Montana, North Dakota, South Dakota, and Western Wisconsin, will be between 2.8 and 4.0 times the portfolio costs.<sup>59</sup> Ultimately, these avoided costs represent costs that would be passed onto consumers, but for the construction of LRTP Tranche 1 portfolio. Construction of the Big Stone South Project is necessary to address reliability issues that will not be resolved otherwise and to reduce long-term costs to consumers.

### **Additional Projects NoCapX Proposes to Include in the Commission’s Evaluation**

NoCapX states that the Big Stone South Project “must not be considered in a vacuum” and that there are other projects in the area that must be considered.<sup>60</sup> MISO, as the regional planner, is aware of other projects in the area and they are not substitutes for the Big Stone South Project. When studying the transmission system, MISO performs an engineering evaluation of the system

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<sup>54</sup> NoCapX Comments at 5.

<sup>55</sup> MISO Comments at 8-9.

<sup>56</sup> *Id.* at 15.

<sup>57</sup> *Id.* at 15.

<sup>58</sup> *Id.* at 15.

<sup>59</sup> *Id.* at 16.

<sup>60</sup> NoCapX Comments at 3.

as a whole and evaluates critical individual system components (transformers, lines, switchgear).<sup>61</sup> MISO developed the transmission topology used in performing a reliability analysis of the LRTP Tranche 1 portfolio “by adding the transmission upgrades previously approved in the MTEP regional planning process and projects identified by MISO in prior MTEPs as expected to be needed to meet NERC reliability standards.”<sup>62</sup> MISO considered other transmission projects in the area and determined that the Project is needed. The Big Stone South Project is necessary to alleviate the reliability concerns discussed above and in the MISO Comments, and other transmission projects in the region will not address these reliability concerns.

NoCapX asks the Commission to accept in this docket an evaluation of need in light of applications relating to the Wilmarth-North Rochester-Tremval, Brookings-Hampton, and Minnesota Energy Connection projects.<sup>63</sup> Dockets have been established for the evaluation of these other projects in Minnesota. These transmission upgrades are not substitutes for one another, each having gone through the MISO transmission planning process that takes into consideration other existing and proposed transmission upgrades. Most obviously, the Wilmarth-North Rochester-Tremval project is a LRTP Tranche 1 project that “was determined to be a necessary component of the portfolio that would together provide benefits that broadly span the MISO Midwest Subregion[.]”<sup>64</sup> Failure to construct any Tranche 1 project would diminish the reliability and economic benefits provided by the portfolio.

The Brookings-Hampton project, the subject of docket CN-23-200, involves a second 345 kV circuit in Brookings County. The project was the product of MISO’s stakeholder-driven transmission planning process that addressed reliability needs that are separate and apart from those addressed by the Big Stone South Project. NoCapX has not stated otherwise. The Brookings-Hampton project was approved by the MISO Board for inclusion as a reliability project in MTEP22, which was issued after approval of the Tranche 1 projects. As previously stated, MISO’s planning process recognized the planned addition of the Tranche 1 projects when the Brookings-Hampton project was proposed and approved. The Big Stone South and Brookings-Hampton projects are not substitutes for one another, and need not be evaluated in tandem with the Big Stone South Project as suggested by NoCapX.

NoCapX also questions whether the Big Stone South Project and the Minnesota Energy Connection project, which is the subject of a certificate of need application in Docket No. CN-22-131,<sup>65</sup> are duplicative.<sup>66</sup> That docket contains an application by Xcel Energy regarding new tie

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<sup>61</sup> MISO Comments at 9-10.

<sup>62</sup> *Id.* at 11.

<sup>63</sup> NoCapX Comments at 2 (including mistaken citation to Brookings-Hampton docket, which should be CN-23-200).

<sup>64</sup> MISO Comments at 8. The Project is the subject of Docket No. CN-22-532.

<sup>65</sup> *Application to the Minnesota Public Utilities Commission for a Certificate of Need for the Minnesota Energy Connection Project*, Northern States Power Company, Docket No. CN-22-131 (Mar. 9, 2023) (“Minnesota Energy Connection Application”).

<sup>66</sup> NoCapX Comments at 5.

lines and associated facilities to connect additional renewable generation to the Sherburne County Generation Station Substation (“Sherco Substation”).<sup>67</sup> Construction of the Minnesota Energy Connection will allow Xcel Energy to preserve its existing transmission interconnection rights for approximately 2,000 MW to be used to transmit renewable generation.<sup>68</sup> The Minnesota Energy Connection filing was made due to the retirement of Sherco Unit 2 in 2023 and the planned retirements of Sherco Units 1 and 3 in 2026 and 2030 respectively.<sup>69</sup> The Big Stone South Project does not impact Xcel Energy’s interconnection rights at the Sherco Substation. Rather, as outlined in the MISO Comments, the Big Stone South Project is necessary to address specific reliability issues in Minnesota and, with the entirety of the LRTP Tranche 1 portfolio, will provide reliability and economic benefits throughout the MISO Midwest Subregion. The Big Stone South Project and the Minnesota Energy Connection project are not the result of duplicative planning efforts.

### **Conclusion**

MISO conducts transmission planning in its footprint in accordance with federal law. As part of the MTEP process, MISO addresses many of the same factors that the Commission considers in its evaluation of a certificate of need application. In developing the LRTP Tranche 1 portfolio, MISO considered all aspects of the transmission system and determined that the Big Stone South Project is necessary to meet future system needs. The continuing transition to renewable generation within the MISO Midwest Subregion necessitates the construction of the Big Stone South Project.

Sincerely,

*/s/ Jeffrey Small*

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<sup>67</sup> Minnesota Energy Connection Application at 7.

<sup>68</sup> *Id.* at 4.

<sup>69</sup> *Id.* at 3.

## CERTIFICATE OF SERVICE

A true and correct copy of the Comments by the Midcontinent Independent System Operator, Inc., on this 28<sup>th</sup> day of May, 2024, has been efiled by posting the same on eDockets in the above-referenced docket. The Comments has also been served on the Service List on file with the Minnesota Public Utilities Commission.

*/s/Adriana Rodriguez*  
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