

January 27th, 2025

Will Seuffert
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce
Docket No. ET-2,E-017,ET-6135, E-100/CN-24-263

Dear Mr. Seuffert:

Attached are the supplemental comments of the Minnesota Department of Commerce (Department) in the following matter:

The Application of Great River Energy, Otter Tail Power Co., Western Minnesota Municipal Power Agency, Agralite Electric Coop., and the City of Benson for a Certificate of Need and Route Permit for the Appleton to Benson 115 Kilovolt Transmission Line Project.

The Petition was filed by Great River Energy, Otter Tail Power Company, Western Municipal Power Agency (Missouri River Energy Services), Agralite Electric Cooperative, and the City of Benson, MN on December 27, 2024.

The Department recommends that the Minnesota Public Utilities Commission **find the application complete** and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ DR. SYDNIE LIEB
Assistant Commissioner of Regulatory Affairs

AZ/SR/ad
Attachment

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Before the Minnesota Public Utilities Commission

Supplemental Comments of the Minnesota Department of Commerce

Docket No. ET-2,E-017,ET-6135, E-100/CN-24-263

I. INTRODUCTION

On December 27, 2024, Great River Energy (GRE), Otter Tail Power Company (OTP), Western Minnesota Municipal Power Agency (WMMPA), Agralite Electric Cooperative (Agralite), and the City of Benson (Benson) (together, “Applicants”) filed the Applicants’ *Application to the Minnesota Public Utilities Commission for a Certificate of Need and Route Permit for the Appleton to Benson 115 Kilovolt Transmission Line Project* (Petition).

The Appleton to Benson area transmission project consists of a 115 kilovolt (kV) high voltage transmission line project in Swift County Minnesota. The Applicants propose to construct approximately 29 miles of new 115 kV transmission line, of which approximately 18 miles will replace an existing 41.6 kV transmission line and approximately 1 mile will rebuild/reconductor an existing 115 kV transmission line. The Applicants also propose to construct a new Appleton Substation, modify or build a new Moyer Substation, and modify substations at Shible Lake, Danvers, and Benson. All proposed transmission lines and facilities are located in Swift County, Minnesota (Project).

Before the Applicants’ Petition is considered on its merits, it must first go through a completeness review. During completeness review, the Minnesota Department of Commerce (Department) reviews a petition to determine if a basic level of information has been provided for each item required by Minnesota Rules. The quality and quantity of information is not at issue, only the presence or absence of the required information.

II. PROCEDURAL BACKGROUND

The Department outlines the following procedural history relevant to the Completeness Review.

July 29, 2024	The Applicants file their combined Notice Plan ¹ and Exemption Petition. ²
September 12, 2024	The Department files its Supplemental Comments, recommending approval of the Applicants’ revised Notice Plan and Exemption Petition. ³

¹ Note the Notice Plan and Exemption Plan were filed in the same document. Great River Energy, Otter Tail Power Company, Western Minnesota Municipal Power Agency, Agralite Electric Cooperative, and the City of Benson, Notice Plan, July 29, 2024, (eDockets) [20247-209055-01](#) at 1-8.

² Note the Notice Plan and Exemption Plan were filed in the same document. Great River Energy, Otter Tail Power Company, Western Minnesota Municipal Power Agency, Agralite Electric Cooperative, and the City of Benson, Exemption Petition, July 29, 2024, (eDockets) [20247-209055-01](#) at 1-13.

³ Minnesota Department of Commerce, Supplemental Comments, September 12, 2024, (eDockets) [20249-210172-01](#).

September 13, 2024	The Applicants file their Response to Reply Comments, which did not object to the Department's revised recommendations. ⁴
October 1, 2024	The Minnesota Public Utilities Commission (Commission) issued its Order accepting the Department's recommendations. Order Point 6 granted the following exemptions: <ul style="list-style-type: none">a. Minnesota Rules 7849.0260 subps. A(3) and C(6) with the provision of the proposed alternative data.b. Minnesota Rules 7849.0270 subps. 1 and 2 with the provision of the proposed alternative data, and a full exemption to subps. 3 to 5.c. Minnesota Rules 7849.0280 subps. B through I.d. Minnesota Rules 7849.0290 with the provision of the proposed alternative data.e. Minnesota Rules 7849.0300 and 7849.0340 with the provision of the proposed alternative data.⁵
December 27, 2024	The Applicants file their Petition for the proposed Project. ⁶
January 3, 2025	The Commission issues its <i>Notice of Comment Period on Application Completeness</i> (Notice). ⁷
January 14, 2025	The Department files its Initial Comments, recommending additional data be filed on rate impact, demand data, and the coordination of forecasts. ⁸
January 21, 2025	The Applicants file their Reply Comments. ⁹

Topic(s) open for comment:

- Does the joint application contain the information required in Minn. R. 7849?

⁴ Great River Energy, Otter Tail Power Company, Western Minnesota Municipal Power Agency, Agralite Electric Cooperative, and the City of Benson, Exemption Petition, Response to Reply Comments, September 13, 2024, (eDockets) [20249-210212-01](#).

⁵ Minnesota Public Utilities Commission, Order, October 1, 2024, (eDockets) [202410-210618-01](#).

⁶ Great River Energy, Otter Tail Power Company, Western Minnesota Municipal Power Agency, Agralite Electric Cooperative, and the City of Benson, Application for a Certificate of Need and Route Permit, December 27, 2024, (eDockets) [202412-213349-02](#), (hereinafter "Petition").

⁷ Minnesota Public Utilities Commission, Notice of Comment on Application Completeness, January 3, 2025, (eDockets) [20251-213500-01](#).

⁸ Minnesota Department of Commerce, Initial Comments, January 14, 2025, (eDockets) [20251-213897-01](#), (hereinafter "Department Initial Comments").

⁹ Great River Energy, Otter Tail Power Company, Western Minnesota Municipal Power Agency, Agralite Electric Cooperative, and the City of Benson, Reply Comments, January 21, 2025, (eDockets) [20251-214178-01](#), (hereinafter "Applicants' Reply Comments").

- Are there any contested issues of fact with respect to the representations made in the application?
- Should an advisory task force be appointed?
- Should the Commission direct the Executive Secretary to issue an authorization to the applicant to initiate consultation with the Minnesota State Historic Preservation Office (SHPO)?
- Are there other issues or concerns related to this matter?

Below are the supplemental comments of Department regarding the completeness of the Petition.

III. DEPARTMENT ANALYSIS

The Department's analysis pertains to three issues identified during the Department's completeness review in its Initial Comments.

A. EFFECT ON RATES

In its Initial Comments, the Department recommended that "the Applicants provide all of the information required by Minn. R. 7849.0260(C)(5)."¹⁰ The Department stated:

The Department finds that the requirement under Minn. R. 7849.0260(C)(5) has only been partially satisfied. The rule requires that the Applicants demonstrate "for the proposed facility and for each of the alternatives provided in response to item B that could provide electric power at the asserted level of need, a discussion of [...] an estimate of its effect on rates systemwide and in Minnesota, assuming a test year beginning with the proposed in-service date."

The Department confirms that OTP provides the required information, but GRE and WMMPA have not provided the required information. The approved provision of alternative data that was granted in the Commission's 2024 Order Point 6.b applies only to "Minnesota Rules 7849.0270 Subps. 1 and 2 with the provision of the proposed alternative data." The Commission did not grant an exemption to Minn. R. 7849.0260(C)(5). The 2024 Order Point 6.a only grants an exemption to "Minnesota Rules 7849.0260 Subps. A(3) and C(6) with the provision of the proposed alternative data."¹¹

In its Reply Comments, the Applicants state their response in Section 3.4.2 of the Petition, and provide the following additional information:

The Applicants respectfully submit that the information provided with respect to Great River Energy and Western Minnesota is responsive to the rule requirement because the Applicants have provided the rate impact of

¹⁰ Department Initial Comments at 4.

¹¹ *Id.*, at 3-4.

the Project for each entity, reflecting that each entity is a wholesale electric provider. As additional context, the Great River Energy rate impact represents a 0.7 percent increase to annual member transmission revenue requirements; the MRES rate impact represents a 1.4 percent increase to annual member transmission revenue requirements. The Applicants commit to coordinating further with DOC-DER should further questions arise regarding the Project's effect on rates.¹²

The Department made its recommendation because of the information asymmetry between the rate impact provided by OTP and that provided by GRE and WMMPA. The newly provided information adds additional clarity to the impact on rates, and expands upon the cost of the project for each entity. The Department also recognizes that GRE and WMMPA are wholesale electric providers, and do not set retail rates as OTP does. Based on the new information submitted, the Department now recommends that the Commission find the Applicant's response to Minn. R. 7849.0260(C)(5) complete.

B. SYSTEM MONTHLY PEAK DEMAND DATA

In its Initial Comments, the Department recommended that "the Applicants provide actual historical load data for local substations in compliance with Minn. R. 7849.0270, subp. 2(C)."¹³ The Department misstated its recommendation, and meant to declare noncompliance with Minn. R. 7849.0270, subp. 2(D), which requires "the applicant's system peak demand by month."

In their Reply Comments, the Applicants state:

Minnesota Rule 7849.0270, subpart 2(C), states that an application should include "an estimate of the demand for power in the applicant's system at the time of annual system peak demand. . . ." The Applicants requested an exemption from this requirement, instead proposing to provide "actual historical load data for local substations." The Commission approved the Applicants' requested exemption. DOC-DER states that it "is unable to find any actual historical monthly load data for local substations." Table 4.2-1 of the Application includes actual historical peak load data (the highest peak hour seen by meter up to 2023) for each substation. All peak hours were found in the summer months, and the Applicants used a summer-peak model for the analysis. With this clarification, the Applicants respectfully submit that the data included in the Application includes the "actual historical load data for local substations" that the Applicants proposed to provide. The Applicants will also coordinate further with DOC-DER throughout this process to provide information needed for DOC-DER's analysis.¹⁴ [citations omitted]

¹² Applicants' Reply Comments at 2.

¹³ Department Initial Comments at 5.

¹⁴ Applicant's Reply Comments at 2-3.

As stated by the Applicants above, the Applicants provide a single peak load for one month in Table 4.2-1 of the Petition, which is not “the applicant's system peak demand by month.” While the response by the Applicants does not contain the required data, the highest system peak demand and forecasts are the most relevant information for the establishment of the need for the Petition. Should any intervenors decide that monthly data is required to establish the need for the project, they may request this information during the merit review. In order to reduce the administrative burden required to supply the monthly data, which does not appear to be relevant to the matter at hand , the Department recommends the Commission find the Applicant’s response to Minn. R. 7849.0270 subp. 2(D) to be substantially complete.¹⁵

C. COORDINATION OF FORECASTS

In its Initial Comments, the Department recommended that “the Applicants provide a discussion of the coordination of historical and forecasted substation data in compliance with Minn. R. 7849.0270, subp. 6.”¹⁶

In their Reply Comments, the Applicants state:

Minnesota Rule 7849.0270, subpart 6, states that an application should include “a description of the extent to which the applicant coordinates its load forecasts with those of other systems” and “a description of the manner in which such forecasts are coordinated, and any problems experienced in efforts to coordinate load forecasts.” DOC-DER recommended that the Applicants provide a discussion responsive to this rule, and the Applicants do so in this filing. Specifically, as relevant to this Project, the Midcontinent Independent System Operator, Inc. (“MISO”) coordinates load forecasts in the local region through the MISO transmission expansion plan (“MTEP”) process. Load forecasts are provided by transmission owners to MISO annually to create a coordinated set of models used for transmission planning. For this Project, the load data and forecasts were coordinated with the Applicants as part of the analysis reflected in Appendix I and Section 4 of the Application, with Great River Energy, Otter Tail Power, and MRES (on behalf of Western Minnesota) providing the most up to date meter data and forecasts for the local study area. The Applicants did not experience any problems coordinating load forecasts for this Project.¹⁷

While the Department does not dispute the Applicants’ response or their efforts to coordinate forecasts, the Department maintains that a discussion of coordination was not provided in the Petition, and instead the products of the coordination were provided. However, the above response from Reply Comments does provide a discussion of how forecasts were coordinated. Therefore, the Department

¹⁵ Minn. R. 7849.0200 subp. 5 allows the Commission to determine that an application is substantially complete.

¹⁶ Department Initial Comments at 5.

¹⁷ Applicants Reply Comments at 3.

now recommends that the Commission find the Applicants' response to Minn. R. 7849.0270 subp. 6 complete.

IV. DEPARTMENT RECOMMENDATIONS

Based on analysis of the Petition and the information in the record, the Department recommends that the Commission find the Applicants' Petition to be substantially complete.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Supplemental Comments**

Docket No. ET2, E017, ET6135, E100/CN-24-263

Dated this 24th day of January 2025

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
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3	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	24-263CN-24-263
4	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	24-263CN-24-263
5	Thomas	Hoffman	thoffman@agralite.com	Agralite Electric Cooperative		320 Highway 12 SE Benson MN, 56215 United States	Electronic Service		No	24-263CN-24-263
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7	Kris	Koch	kkoch@otpc.com	Otter Tail Power Company		215 S. Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		No	24-263CN-24-263
8	Stephen	Kowal	skowal@bensonmnlaw.com	Wilcox Law Office, P.A.		1150 Wisconsin Avenue Benson MN, 56215 United States	Electronic Service		No	24-263CN-24-263
9	David C.	McLaughlin	dmclaughlin@fluegellaw.com	Western Minnesota Municipal Power Agency		129 2nd Street Ortonville MN, 56278 United States	Electronic Service		No	24-263CN-24-263
10	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	24-263CN-24-263
11	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		Yes	24-263CN-24-263
12	Mark	Strohufus	mstrohufus@greenergy.com	Great River Energy		12300 Elm Creek Boulevard Maple Grove MN, 55369-4718 United States	Electronic Service		No	24-263CN-24-263
13	Haley	Waller Pitts	hwallerpitts@fredlaw.com	Fredrikson & Byron, P.A.		60 S Sixth St Ste 1500 Minneapolis MN, 55402-4400 United States	Electronic Service		No	24-263CN-24-263

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3	Randall	Doneen	randall.doneen@state.mn.us		Department of Natural Resources	500 Lafayette Rd, PO Box 25 Saint Paul MN, 55155 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
4	Kate	Fairman	kate.fairman@state.mn.us		Department of Natural Resources	Box 32 500 Lafayette Rd St. Paul MN, 55155-4032 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
5	Annie	Felix Gerth	annie.felix-gerth@state.mn.us			Board of Water & Soil Resources 520 Lafayette Rd Saint Paul MN, 55155 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
6	Todd	Green	todd.a.green@state.mn.us		Minnesota Department of Labor & Industry	443 Lafayette Rd N St. Paul MN, 55155-4341 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
7	Kari	Howe	kari.howe@state.mn.us		DEED	332 Minnesota St, #E200 1ST National Bank Bldg St. Paul MN, 55101 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
8	Raymond	Kirsch	raymond.kirsch@state.mn.us		Department of Commerce	85 7th Place E Ste 500 St. Paul MN, 55101 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
9	Chad	Konickson	chad.konickson@usace.army.mil	U.S.Army Corps of Engineers		332 Minnesota St. Suite E1500 Saint Paul MN, 55101 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
10	Stacy	Kotch Egstad	stacy.kotch@state.mn.us		MINNESOTA DEPARTMENT OF TRANSPORTATION	395 John Ireland Blvd. St. Paul MN, 55155 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
11	Dawn S	Marsh	dawn_marsh@fws.gov	U.S. Fish & Wildlife Service		Minnesota-Wisconsin Field Offices 4101 American Blvd E Bloomington MN, 55425 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
12	Stephan	Roos	stephan.roos@state.mn.us		Minnesota Department of Agriculture	625 Robert St N Saint Paul MN, 55155-2538 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS

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15	Cynthia	Warzecha	cynthia.warzecha@state.mn.us	Minnesota Department of Natural Resources		500 Lafayette Road Box 25 St. Paul MN, 55155-4040 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
16	Alan	Whipple	sa.property@state.mn.us		Minnesota Department Of Revenue	Property Tax Division 600 N. Robert Street St. Paul MN, 55146-3340 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS
17	Jonathan	Wolfgram	jonathan.wolfgram@state.mn.us		Office of Pipeline Safety	445 Minnesota St Ste 147 Woodbury MN, 55125 United States	Electronic Service		No	CN - CERTIFICATE OF NEEDS