Jeffrey L. Small
Senior Corporate Counsel
(317) 752-7149
E-mail: jsmall@misoenergy.org

VIA ELECTRONIC DELIVERY

April 25, 2025

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

Re: ***In the Matter of the Application for a Certificate of Need for the Mankato-Mississippi River Transmission Project*;**
Reply Comments by the Midcontinent Independent System Operator, Inc.;
Docket No. E002/CN-22-532

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 Mankato − Mississippi River Transmission Project (or "Project"). The Commission set March 28, 2025 as the deadline for initial comments and April 25, 2025 for reply comments.[1] The Midcontinent Independent System Operator, Inc. ("MISO") filed timely comments on March 28, 2025.[2]

On March 28, 2025, the Joint Commenters[3] submitted initial comments supporting the issuance of a certificate of need, and the Department of Commerce ("DOC") submitted substantive

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1 *Notice of Comment Period on the Merits of the Certificate of Need Application* (Jan. 10, 2025).

2 Midcontinent Indep. Sys. Operator Initial Comments, Docket No. CN-22-532 (Mar. 28, 2025) ("MISO Comments"). 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.

3 Joint Commenters Initial Comments, Docket No. CN-22-532 (Mar. 28, 2025). The Joint Commenters include Clean Grid Alliance, Minnesota Center for Environmental Advocacy, Fresh Energy, Sierra Club, Clean Energy Economy Minnesota, Center for Rural Affairs, Union

comments relating its evaluation of the application.[4] On that same date, the Prehn Family and NoCapX 2020 ("NoCapX") filed the unsupported conjectures of its attorney.[5] Owing to the NoCapX Comments 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 Mankato − Mississippi River Transmission Project, the subject of the Application by Xcel Energy, 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 Mankato − Mississippi River Transmission 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 IS NOT THE REGULATOR," but no interested person claims that MISO is.[6] 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

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of Concerned Scientists, the National Audubon Society, and the Citizens Utility Board of Minnesota.

4 Minnesota Department of Commerce Initial Comments, Docket No. CN-22-532 (Mar. 28, 2025) ("DOC Comments").

5 Prehn Family and NoCapX 2020 Initial Comments, Docket No. CN-22-532 (Mar. 28, 2025) ("NoCapX Comments"). NoCapX submitted untimely supplemental comments on April 1, 2025, which are not addressed in the instant comments.

6 *Id.* at 15.

Canadian province."[7] "As an RTO, MISO is responsible for operational oversight and control, market operations, and planning of the transmission system of its member Transmission Owners. . . ."[8] A core responsibility of MISO, as stated in the U.S. Code of Federal Regulations, relates to this responsibility to plan the transmission system: [9]

> (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.[10] 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"[11]). 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.[12] 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.[13] "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."[14]

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7 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).

8 MISO Comments at 2.

9 18 C.F.R. Ch. I, Subpart F ("Procedures and Requirements Regarding Regional Transmission Organizations") §35.34(k)(7).

10 MISO Comments at 5.

11 *Id*. at fn. 7.

12 *Midwest Indep. Transmission Sys. Operator, Inc.*, 152 FERC ¶ 61,033 (2015).

13 NoCapX Comments at 8 ("Thus far, the benefit is the MISO members… There's no demonstrated benefit to Minnesota, it's ratepayers, and the landowners. . . .").

14 MISO Comments at 5.

NoCapX mischaracterizes the MTEP as a "marketing plan."[15] Rather, the MTEP21, including LRTP Tranche 1, was developed through an open and transparent stakeholder process. 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.[16] 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.[17] Stakeholders included "regulatory authorities, public consumer advocates, environmental representatives, end use customers, and independent power producers, among others. . . ."[18] Involving this broad group of stakeholders in the development of LRTP Tranche 1 ensured that this portfolio, including the Mankato − Mississippi River Transmission Project, was planned in the public interest.

MISO's Planning Criteria and Minnesota Certificate of Need Criteria

NoCapX states that "[r]eview and analysis of this Certificate of Need application must comply with Minnesota Certificate of Need statutes and rules."[19] NoCapX fails to recognize that similarities exist between MISO's criteria and the Commission's statutory criteria. As stated in the MISO Comments: [20]

> [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.

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15 NoCapX Comments at 2. NoCapX erroneously claims several times in its comments that MISO is a "marketing entity." *See id.* at 2, 8.

16 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/.

17 MISO Comments at 9.

18 *Id.* at 6.

19 NoCapX Comments at 16.

20 MISO Comments at 6.

The first factor to be considered by the Commission in evaluating a certificate of need application is "the accuracy of the long-range energy demand forecasts on which the necessity for the facility is based."[21] As explained in the MISO Comments, the "LRTP Tranche 1 portfolio justification was based upon an initial 'least regrets' Future 1 Scenario. . . ."[22] "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."[23] The Application explains that Future 1 is the most conservative Future developed by MISO and is therefore the "least transformational."[24] As stated in the Application, "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."[25]

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."[26] 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

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[21] Minn. Stat. § 216B.243, subd. 3(1).

[22] MISO Comments at 15.

[23] *Id.*

[24] *Application for a Certificate of Need and Route Permit for the Mankato-Mississippi River Transmission Project*, Docket Nos. E002/CN-22-532 and E002/TL-23-157, at 55 (April 2, 2024) ("Application").

[25] *Id.* Future 2 and 3 are discussed in more detail in section 4.2.4 of the Application and the MISO Futures Report (Appendix G-3 to the Application).

[26] 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 Mankato to Mississippi River 345 kV Transmission Line Project*, Docket No. CN-22-532, Order Granting Applicants' Exemption Request (Dec. 12, 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-22-532 at 5 (Oct. 17, 2023).

Project.[27] The DOC explained that "a certain amount of EE is built into the forecast" used by MISO to develop LRTP Tranche 1.[28] The DOC further expounded: [29]

> 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 application at issue in this case was not filed with the Commission at the time the 2023 Biennial Transmission Projects Reports was submitted.[30] However, the report noted the application would be filed in 2024 stating the "planned 345 kV line will extend from the Wilmarth Substation to North Rochester to the Mississippi River."[31]

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, the Project "establishes an additional west to east connection between renewable generation resources and the Twin Cities load center, which helps to relieve reliability constraints on the 345 kV and 115 kV transmission facilities in the southeastern portion of Minnesota. During periods of high renewable generation output in Minnesota and Iowa, the increase flows cause congestion on existing 345 kV and 115 kV transmission facilities along the parallel path."[32] The Mankato − Mississippi River Transmission Project "also reinforces the connection to load centers in Wisconsin, relieving thermal overloads to reduce congestion and helping to improve voltage stability for transfers to the east."[33] In

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27 DOC Comments at 10.

28 *Id.*

29 *Id.*

30 Available at: https://www.minnelectrans.com/report-2023.html.

31 *Id.*

32 MISO Comments at 12.

33 *Id.*

addition to satisfying the statutory criteria, this also refutes NoCapX's contention that the Project "is not to serve Minnesotans. . . ."[34] The Project is necessary to ensure that load in the Twin Cities is reliably served.

Construction of the Mankato − Mississippi River Transmission 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 ("GW") of new generation resources in Minnesota, could be negatively impacted if construction of the Mankato − Mississippi River Transmission Project is delayed or denied.[35]

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.[36] The LRTP Tranche 1 portfolio, including the Mankato − Mississippi River Transmission Project, will "enable the reliable delivery of increased levels of renewable generation. . . ."[37] 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 and 677 million metric tons over the first 40 years of LRTP Tranche 1 project life."[38] Xcel Energy performed a carbon reduction analysis and estimated that the Mankato − Mississippi River Transmission Project "will reduce carbon emissions by 197.9 million metric tons over the first 20 years that the Project is in service and by 295.5 million metric tons over the first 40 years that the Project is in service."[39] 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.[40] The construction of the Mankato − Mississippi River Transmission Project will aid the Applicants in achieving the standard's requirement of generating or procuring 100 percent of the electric delivered to retail customers

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[34] NoCapX Comments at 2.

[35] MISO Comments at 14-15.

[36] The state policy mandates and goals used in the development of Future 1 are included on page 12 of the MISO Futures Report (Appendix G-3 to the Application).

[37] MISO Comments at 8.

[38] Application at 49.

[39] *Id.*

[40] Minn Stat. § 216B.1691, subd. 2g.

from carbon-free energy technology by 2040.[41] If the Project is not developed, Minnesota will not receive the environmental benefits created by these carbon emission reductions.

MISO considered alternatives to the Mankato − Mississippi River Transmission Project as required by Minn. Stat. § 216B.243, subd. 3(6). MISO evaluated four alternative projects to the Mankato – Mississippi River Transmission Project, but MISO determined that the Project provides the best solution to resolving the reliability issues in the area.[42] MISO commented upon alternatives to the Mankato − Mississippi River Transmission Project: [43]

- Adams – North Rochester 345 kV double circuit which was effective in relieving overloading on parallel facilities but not effective in resolving Twin Cities loading,

- Colby – Adams 345 kV provided little reliability value on its own, with mostly localized relief, and was not effective in reducing Twin Cities loading,

- Huntley – Pleasant Valley 345 kV combined with a double circuit rebuild between Pleasant Valley and North Rochester 345 kV line resolved many of the same 345 kV overloads as Mankato – Mississippi River Transmission Project with higher Adjusted Production Cost savings, but those saving were insufficient to justify the higher cost of the alternative, and

- Adams to Genoa to Hill Valley 345 kV was effective in relieving constraints in northeast Iowa and Southern Wisconsin but did not address the Minnesota-Wisconsin voltage stability interface or ties into load centers.

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 impact a transmission project has on the reliability of the regional transmission system. As stated in MISO's Comments, the Project relieves reliability constraints, reduces congestion, and improves voltage stability.[44] "The Mankato − Mississippi River Transmission Project relieves 21 thermal overloads and 2 steady state voltage issues for N-1 contingency events as well as 41 thermal overloads and 55 voltage issues at nearby facilities in southwest portions of Minnesota resulting from N-1-1 contingency events."[45] In terms of regional benefits, the LRTP Tranche 1

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41 *Id.*

42 MISO Comments at 13.

43 *Id.* at 13-14.

44 MISO Comments at 12.

45 *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

portfolio "mitigated overloading on 436 facilities, including many severe overloads over 125 percent that could cause cascading or system instability. . . ."[46] The LRTP Tranche 1 portfolio, 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 Mankato − Mississippi River Transmission Project.

Needed Expansion of the Transmission System

NoCapX derisively states that "[c]laims of transmission need is misinformation as best."[47] It argues that need cannot be established because peak demand is not increasing.[48] However, the main factor driving the need for this Project is the need to "meet challenges presented by the ongoing and projected transition of generation resources. . . ."[49] NoCapX acknowledges that conventional generation resources are being replaced by renewable generation,[50] but it argues that "Xcel and renewable developers are siting new generation in the wrong places."[51] On the contrary, renewable generation is being built in areas of the State and region that are best suited for carbon free production, such as southwest Minnesota, South Dakota, and North Dakota.[52] "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. . . ."[53] As discussed above, "the increasing transition from conventional dispatchable coal and natural gas generation in the Midwest to weather-dependent generation sources"[54] also presents numerous reliability issues in Minnesota that will not be addressed unless the Project is constructed.

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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.

46 *Id.* at 13.

47 *See, e.g.*, NoCapX Comments at 2 and references Attachment C.

48 *See id.* at 9-10.

49 MISO Comments at 1.

50 NoCapX Comments at 12.

51 *Id.*

52 Application at 40-43.

53 MISO Comments at 15.

54 *Id.* at 8.

Contrary to NoCapX's contention,[55] the Tranche 1 portfolio will provide benefits to customers in Minnesota. 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.[56] 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.[57] 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.[58] Ultimately, these avoided costs represent costs that would be passed onto consumers, but for the construction of LRTP Tranche 1 portfolio. Construction of the Mankato − Mississippi River Transmission Project is necessary to facilitate the transition to renewable generation, to address reliability issues that will not be resolved otherwise, and to reduce long-term costs to consumers.

Attachments to the NoCapX Comments are immaterial to evaluation of the Project. NoCapX included as its Attachment A the testimony of George C. Loehr, on behalf of the Sierra Club, from a proceeding that is unidentified in the NoCapX Comments. A supplemental filing by NoCapX claimed the proceeding was docket PUE-2009-00043 before the Virginia State Corporation Commission that was active during 2009 and concerned the Potomac-Appalachian Transmission Highline ("PATH") transmission project. PATH was a 765 kV proposal that would have run between a mine-mouth power plant located in West Virginia to a new substation that was planned for a location in Maryland (*i.e*. "coal on the wires"). The case is irrelevant to the Mankato − Mississippi River Transmission Project: wrong project, wrong region, wrong voltage, wrong era, and most especially, the wrong supporting reason for the project.

Attachment B to the NoCapX is a "bullet point" presentation issued by the MISO Independent Market Monitor ("IMM"), dated May 29, 2024. The immateriality of the attachment to the instant proceeding is contained in its title: "LRTP Tranche 2 Benefit Metrics." The Mankato − Mississippi River Transmission Project is an LRTP Tranche 1 project, not a Tranche 2 project. The IMM's opinions have been discussed in MISO stakeholder meetings, and responded to by MISO in support of its industry-leading evaluation of benefit metrics.[59] But even the IMM's evaluation of Tranche 1 benefits − those relevant to the instant proceeding − was that "it is highly likely that the Tranche 1 investments evaluated by MISO and approved by the Board of Directors

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55 NoCapX Comments at 13.

56 MISO Comments at 15-16.

57 *Id.* at 16.

58 *Id.* at 16.

59 MISO's Response to IMM's Concerns and Recommendations for the Tranche 2.1 Benefit Methodologies (Sept. 13, 2024), available at: https://cdn.misoenergy.org/MISO%20Response%20to%20IMM%20Memo646682.pdf.

will produce benefits that are substantially higher than their costs. . . ."[60] Focusing on the evaluations relevant to this proceeding, the IMM recognized that "[t]he LRTP Tranche 1 evaluation focused on the most clearly beneficial projects as well as projects that could use existing rights-of-way."[61] Those comments are relevant to the review of the Mankato − Mississippi River Transmission Project, which is an LRTP Tranche 1 project.

Additional Projects NoCapX Proposes to Include in the Commission's Evaluation

NoCapX states that the Mankato − Mississippi River Transmission Project "is not proposed in a vacuum" and that there are other projects in the area that must be considered.[62] MISO, as the regional planner, is aware of other projects in the area and they are not substitutes for the Mankato − Mississippi River Transmission Project. When studying the transmission system, MISO performs an engineering evaluation of the system as a whole and evaluates critical individual system components (transformers, lines, switchgear).[63] 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."[64] MISO considered other transmission projects in the area and determined that the Project is needed. The Mankato − Mississippi River Transmission 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 Big Stone South, Brookings-Hampton, and Minnesota Energy Connection projects.[65] 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 Big Stone South project is a LRTP Tranche 1 project that "was determined to be a necessary component of the portfolio that would together

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60 Potomac Economics, *2022 State of the Market Report for the MISO Electricity Markets* at 30 (June 15, 2023), available at: https://cdn.misoenergy.org/2022%20State%20of%20the%20Market%20Report625295.pdf.

61 *Id*. at xviii.

62 NoCapX Comments at 17.

63 MISO Comments at 10.

64 *Id.* at 11.

65 NoCapX Comments at 17

provide benefits that broadly span the MISO Midwest Subregion. . . ."[66] 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.[67] 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 Mankato − Mississippi River Transmission Project. NoCapX has not stated otherwise. The Brookings-Hampton project was approved by the MISO Board for inclusion as a reliability project in MTEP22. The Mankato − Mississippi River Transmission Project and Brookings − Hampton project are not substitutes for one another, and need not be evaluated in tandem as suggested by NoCapX.

NoCapX also questions whether the Mankato − Mississippi River Transmission Project is needed in light of the Minnesota Energy Connection project, which is the subject of a certificate of need application in Docket No. CN-22-131.[68] That docket contains an application by Xcel Energy regarding new tie lines and associated facilities to connect additional renewable generation to the Sherburne County Generation Station Substation ("Sherco Substation").[69] 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.[70] 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.[71] The Mankato − Mississippi River Transmission Project does not impact Xcel Energy's interconnection rights at the Sherco Substation. Rather, as outlined in the MISO Comments, the Mankato − Mississippi River Transmission Project is necessary to address specific reliability issues in Minnesota and,

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66 MISO Comments at 8-9. The Commission granted a Certificate of Need for the Big Stone South project on October 30, 2024. *In the Matter of the Application for a Certificate of Need for the Big Stone South – Alexandria – Big Oaks Transmission Project*, Docket No. CN-22-538, Order Granting Certificate of Need and Issuing Route Permit (Oct. 30, 2024).

67 The Commission granted a Certificate of Need for the Brookings-Hampton project on May 31, 2024. *In the Matter of Xcel Energy's Application for a Certificate of Need and a Minor Alteration for the Proposed 345 kV Brookings County to Lyon County and Helena to Hampton Second-Circuit Project in Lincoln, Lyon, Scott, and Dakota Counties*, Docket No. CN-23-200, Order Granting Certificate of Need and Authorizing Minor Alteration (May 31, 2024).

68 NoCapX Comments at 17; *Application to the Minnesota Public Utilities Commission for a Certificate of Need for the Minnesota Energy Connection Project*, Northern States Power Company, Docket No. E002/CN-22-131 (Mar. 9, 2023) ("Minnesota Energy Connection Application").

69 Minnesota Energy Connection Application at 7.

70 *Id.* at 4.

71 *Id.* at 3.

with the entirety of the LRTP Tranche 1 portfolio, will provide reliability and economic benefits throughout the MISO Midwest Subregion. The Mankato − Mississippi River Transmission 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 Mankato − Mississippi River Transmission Project is necessary to meet future system needs. The continuing transition to renewable generation within the MISO Midwest Subregion necessitates the construction of the Mankato − Mississippi River Transmission Project.

Sincerely,

/s/ Jeffrey Small
Jeffrey L. Small
Senior Corporate Counsel
MISO
720 City Center Drive
Carmel, Indiana 46032
Telephone: (317) 752-7149
Facsimile: (317) 249-2111
jsmall@misoenergy.org

/s/ Max Meyer
Max W. Meyer
Associate Corporate Counsel
MISO
2985 Ames Crossing Road
Eagan, MN 55121
Telephone: (952) 232-9130
Facsimile: (317) 249-2111
mmeyer@misoenergy.org

CERTIFICATE OF SERVICE

A true and correct copy of the Comments by the Midcontinent Independent System Operator, Inc., on this 25th day of April, 2025 has been efiled by posting the same on eDockets in the above-referenced docket. The Comments have also been served on the Service List on file with the Minnesota Public Utilities Commission.

/s/Adriana Rodriguez
Adriana Rodriguez
MISO
720 City Center Drive
Carmel, Indiana 46032
arodriguez@misoenergy.org