

**Minnesota Public Utilities Commission**  
*Staff Briefing Papers*

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Meeting Date: June 2, 2016 .....Agenda Item \*\*2

Company: Minnesota Power

Docket No. E015/TL-14-21  
In the Matter of the Application of Minnesota Power for a Route Permit for the 500 kV Great Northern Transmission Line Project in Roseau, Lake of the Woods, Beltrami, Koochiching and Itasca Counties

Issues: Should the Commission reconsider its April 11, 2016 *Order Issuing Route Permit with Modifications?*

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**Relevant Documents**

*Order Issuing Route Permit with Modifications* (4 parts) ..... April 11, 2016  
Petition for Reconsideration (Peterson) ..... April 28, 2016  
Petition for Reconsideration (McBee - 2 parts) ..... May 2, 2016  
Minnesota Power Response to Petitions ..... May 9, 2016  
Minnesota Power MISO Letter ..... May 16, 2016

*The Commission has the authority to accept or decline a petition for reconsideration with or without a hearing or oral argument (Minnesota Rule 7829.3000, Subpart 6). In other words, a decision on a petition for reconsideration can be made without taking oral comments at the Commission meeting.*

The attached materials are work papers of the Minnesota Public Utilities Commission staff. They are intended for use by the Commission and are based upon information already in the record unless noted otherwise.

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## Statement of the Issues

Should the Commission reconsider its April 11, 2016 *Order Issuing Route Permit with Modifications*?

## Statutes and Rules

Under Minn. Stat. § 216B.27 and Minn. R. 7829.3000, a party or a person aggrieved and directly affected by a Commission decision or order may file a petition for reconsideration within 20 days of the date the decision or order is issued. A petition for reconsideration must set forth the specific grounds relied upon or the errors claimed. Other parties to the proceeding may file answers to the petition within 10 days of the filing of the initial request. The Commission has the authority to decide a petition for reconsideration with or without a hearing or oral argument. The Commission may reverse, change, modify, or suspend its original decision if it finds its decision unlawful or unreasonable.

Minn. Rule 7850.4900 provides that the Commission may amend any of the conditions in a route permit for a high voltage transmission line upon request of any person.

## Procedural History

On April 11, 2016, the Commission issued an *Order Issuing Route Permit with Modifications* (Order) for the Great Northern Transmission Line project. In its Order, the Commission found that the environmental impact statement prepared by the Department of Commerce adequately addressed the requirements of Minn. R. 7850.2500, subpart 10. The Commission also selected the Blue Route as modified by the Effie Variation as the location for the project. The route selection also incorporated the modified anticipated centerline alignment requested by Minnesota Power.<sup>1</sup>

## Petitions for Reconsideration

On April 28, 2016, Lynn. C. Peterson filed a petition requesting that the Commission reconsider its *Order Issuing Route Permit with Modifications*. The Petitioner indicated that he disagreed with the Commission's route selection as it passes through his property in Carpenter Township in Itasca County. The Petitioner noted that the existing line on his 35-acre property impacts approximately 10 acres and that the proposed line would result in impacts to an additional 10 acres.

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<sup>1</sup> See Route Permit, Exhibit B, *Order Issuing Route Permit with Modifications* Part 4 of 4, e-Dockets No. 20164-119931-04, April 11, 2016.

On May 2, 2016, Robert McBee filed a petition requesting rehearing or reconsideration of the Commission's April 11, 2016 Order on behalf of his mother (Linda Willins), a property owner along the Effie Variation in Koochiching County. Mr. McBee stated that the Effie Variation and the modification to the anticipated alignment bifurcates the property significantly affecting its usefulness and value. The petitioner stated that they continue to consult with Minnesota Power to seek a solution. The petitioner also requested that the Minnesota Power's compliance filing with the Regional Transmission Operator be completed as part of the Plan and Profile process.<sup>2</sup>

### **Response to Petitions**

On May 9, 2016, Minnesota Power filed a response to the petitions for reconsideration. In its response, Minnesota Power argued that the Commission's issuance of a Route Permit to construct the 500 kV transmission line and associated facilities utilizing the Blue Route, as modified by the Effie Variation and the changes to the anticipated centerline alignment, was appropriate; and that the petitions seeking designation of a new route should be denied.

Specifically, Minnesota Power stated that the petitions raise no new issues, offer no new evidence and merely restate or incorporate arguments already considered by the Commission and therefore fail to satisfy the reconsideration criteria. Minnesota Power requested that the Commission deny the petitions.

Minnesota Power raised concerns related to the Commission's April 11, 2016 Order which stated: "Commission's Order expressed skepticism as to Minnesota Power's arguments that significant additional distance was required, and ultimately rejected Minnesota Power's proposed revised findings".<sup>3</sup> Minnesota Power noted that, as a result of the Commission's selection the Effie Variation during the February 26, 2016 meeting on the project, Minnesota Power's proposed finding was no longer applicable to the project.

On May 16, 2016, Minnesota Power filed a letter from the Midcontinent Independent System Operator (MISO) which stated "MISO is satisfied that the triple-line corridor as permitted by the Commission conforms with the applicable NERC Reliability Standard identified above, and no additional transmission system planning requirements and business practices have been identified relating to the triple line feature permitted by the Commission in the April Order."<sup>4</sup>

### **Staff Discussion**

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<sup>2</sup> See *Order Issuing Route Permit with Conditions*, Page 19, e-Dockets Filing 20164-119931-01, April 11, 2016.

<sup>3</sup> *Ibid*, Pages 10-11.

<sup>4</sup> It should be noted that MISO's analysis assumes that the right-of-way for the transmission line would be a minimum of 500 feet from the right-of-way for the existing Riel-Forbes 500 kV Line everywhere except in the area where the two lines cross.

The Commission must decide whether the arguments and information presented in the petitions provide sufficient cause for the Commission to reconsider its original decision. If the Commission does not believe the petitions provide sufficient justification, it should deny reconsideration.

Alternatively, if the Commission decides there is sufficient cause to reconsider, it can hear additional argument from the Petitioner and other stakeholders at the meeting, order that additional information be provided through written submissions, or refer the matter back to the Administrative Law Judge with direction on how to proceed. Ultimately, the Commission may reverse, change, modify, or suspend its original decision if it finds its decision unlawful or unreasonable.

Based on its review and the record as a whole, staff concludes that the Commission's selection of the Blue Route, as modified by the Effie Variation as the route alternative is the most consistent with the facts, the law, and public interest.

In its review of the modified anticipated alignment within the Effie Variation, staff identified a discrepancy in the maps used to identify the modified anticipated alignment in that they do not identify all residences within the approved route, including the area of the McBee property. Specifically, map pages 1 and 11 of Minnesota Power's Exhibit B omit residences within the approved route width near the revised centerline location.<sup>5</sup> These residences are included on maps found in the Final Environmental Impact Statement and in the Proposed Route Permit.<sup>6</sup>

Staff recommends that the Commission take up the April 11, 2016 Order on its own motion and modify its post-permit review provisions for the purpose of determining the most appropriate location of the alignment, particularly within the area of the modified anticipated alignment identified in map pages 1 and 11 of Exhibit B. Staff recommends that the Commission hold the plan and profile approval for these segments in abeyance and direct Minnesota Power to conduct outreach and provide further analysis on the matter. In doing so, Minnesota Power should continue to confer with EERA staff and other agencies to demonstrate the appropriate final placement.

If the Commission takes up the April 11, 2016 Order on its own motion, staff recommends that the Commission modify Finding 4.8.1 to further clarify that, as part of the Plan and Profile, the permittee shall provide the Commission a detailed report on the consultations with MNDNR, what the positions of the participants was and what resolution was arrived at and how.

Staff acknowledges that the modified anticipated alignment, as approved by the Commission, is the appropriate starting point for the final design of the transmission line. Given the omission of the residences within the route as identified above, and in order to address the concerns of petitioner McBee, staff believes it is important to ensure a complete review of the modified

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<sup>5</sup> These maps are attached to the *Route Permit* as Exhibit B.

<sup>6</sup> See Maps #53 and #119 of *Final Environmental Impact Statement*, Volume 2: Part 3, Appendix S, Minnesota Department of Commerce, October 2015.

alignment in comparison to the original proposed alignment of the Effie Variation. A complete review is particularly important in the areas identified on map pages 1 and 11 of Exhibit B. Therefore, staff recommends permittees be directed to conduct a full engineering design and environmental analysis to demonstrate the most appropriate location of the alignment to be provided as part of its plan and profile submissions.

## **COMMISSION DECISION ALTERNATIVES**

### **A. Reconsideration**

1. Grant reconsideration or rehearing of the April 11, 2016 Order Issuing Route Permit, as petitioned.
2. Deny reconsideration or rehearing of the April 11, 2016 Order Issuing Route Permit, as petitioned.
3. Take some other action deemed appropriate.

### **B. Plan and Profile Review**

On its own motion the Commission should modify the April 11, 2016 Order and:

1. Direct Minnesota Power to confer with the McBee Petitioner and other agencies, conduct a full engineering design and environmental analysis to demonstrate the most appropriate location of the alignment within the areas of Map Pages 1 & 11 of Exhibit B identified in the Route Permit and provide the analysis as part of its plan and profile submissions.
2. Direct Minnesota Power to confer with the McBee Petitioner and other agencies, conduct a full engineering design and environmental analysis to demonstrate the most appropriate location of the alignment of the Effie Variation as identified in the Route Permit and provide the analysis as part of its plan and profile submissions.
3. Direct Minnesota Power to provide a detailed report on the consultations with MNDNR, what the positions of the participants was and what resolution was arrived at and how.
4. Take no action on the Plan and Profile
5. Take some other action deemed appropriate.

**Staff Recommendation:** A.2, B.2 and B.3.