STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Application of Minnesota Power for a Route Permit for a High Voltage Transmission Line for the HVDC Modernization Project in Hermantown, Saint Louis County	MPUC Docket No. E015/CN-22-607
In the Matter of the Application of Minnesota Power for a Certificate of Need for a High Voltage Transmission Line for the HVDC Modernization Project in Hermantown, Saint Louis County	MPUC Docket No. E015/TL-22-611
	MINNESOTA POWER'S ANSWER TO LARGE POWER INTERVENORS' PETITION FOR RECONSIDERATION

INTRODUCTION

Minnesota Power ("Minnesota Power" or the "Company") hereby submits this Answer to Large Power Intervenors' ("LPI") Petition for Reconsideration ("Petition") of the Minnesota Public Utilities Commission's ("Commission") October 25, 2024 Order Granting a Certificate of Need and Issuing Route Permit ("Order") for the high-voltage, direct current ("HVDC") Modernization Project ("Project").

The HVDC Modernization Project involves upgrading the two HVDC terminals connected to Minnesota Power's 465-mile long Square Butte ±250 kilovolt ("kV") HVDC transmission line and interconnecting the upgraded HVDC terminals to the existing alternating-current ("AC") transmission system.[1] The primary need for the Project is to update aging electric infrastructure that has reached the end of its life. The existing HVDC terminals were placed in service in 1977 and have operated for over 47 years – 17 years

[1] Order at 2 (Oct. 25, 2024) (eDocket No. 20248-211524-01).

beyond their 30-year design life. These terminals need to be replaced as, in recent years, the Company has experienced increasing HVDC terminal outages due to components of these terminals failing due to their age and condition. The design for the new HVDC terminals includes options to allow for future expansion and additional renewable energy transfer capability. It is this expansion capability of the new HVDC terminals and its associated incremental cost, approximately $100 million, that is the subject of LPI's Petition.

Specifically, the new HVDC converter stations will be designed to have expansion capability for up to 1,500 megawatts ("MW") of transfer capability. As noted in the Commission's Order, there are cost savings associated with incorporating future expansion design features into the converter stations now, as doing so at a later date would require "more extensive and therefore costlier overhaul in the future."[2] Not only that, but it is the expandability options in these converter stations that has allowed the HVDC Modernization Project to be awarded federal and state grant funding of $75 million.[3] Without these expansion features, the Project costs would decrease by $100 million but the Company would also lose $75 million in current grant funding that nearly offsets the cost of these future expansion design features.[4]

While the HVDC converter stations will be designed to be capable of 1,500 MW of capacity, certain upgrades will be required for the HVDC transmission line to accommodate more than 550 MW of capacity. The first round of upgrades of the HVDC

[2] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01).
[3] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01); Gunderson Rebuttal at 6 (eDocket No. 20243-204225-06).
[4] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01); Gunderson Rebuttal at 6 (eDocket No. 20243-204225-06).

transmission line will be completed as part of a separate project, which is not part of this proceeding.[5] Once Minnesota Power has completed the HVDC Modernization Project and this additional transmission line upgrade project, the HVDC System will be capable of delivering 900 MW of renewable energy. This 900 MW of transmission capacity can either be used by Minnesota Power's customers (because Minnesota Power owns all the transmission service requests ("TSRs") for this capacity) or can be assigned by Minnesota Power to others. Assigning capacity to other entities would provide revenues to Minnesota Power to offset the cost of the Project to the benefit of Minnesota Power's customers. For the HVDC line to accommodate more than 900 MW, i.e., up to the 1,500 MW that can be accommodated by the converter stations, the transmission line would need to be rebuilt to a larger capacity.[6]

In its Petition, LPI alleges that the record and Commission's Order do not support the need for the expansion capability incorporated into the design for the HVDC converter stations and that the costs for this capability should be regionally cost-shared. These are the same arguments that LPI put forth during the proceeding that were refuted by Minnesota Power and then considered and dismissed by the Administrative Law Judge and the Commission. Further, the arguments raised by LPI regarding cost recovery for Minnesota Power's transmission projects is not germane to this proceeding and could be addressed in future rate adjustment proceedings if the request is feasible.[7] As LPI's

[5] This work on the HVDC transmission line to achieve an increase from 500 MW to 900 MW transfer capability does not require a Certificate of Need from the Commission because it involves upgrading an existing transmission line within its existing right-of-way and no change in the voltage of the line. See Minn. R. 7850.1500, subp. 1(B)(2).

[6] Winter Rebuttal at 6 (eDocket No. 20243-204225-12).

[7] Further, what LPI is requesting – that a portion of a transmission project be regionally cost shared while the rest is not – is simply not possible under the existing Midcontinent Independent System Operator, Inc. ("MISO") Tariff.

Petition simply reiterates its prior arguments or requests action on cost recovery when such action is not before the Commission in this docket, and LPI does not bring forth any new evidence or arguments that warrant reconsideration, the Commission should deny LPI's petition.

Minnesota Power also respectfully requests that the Commission expedite its decision on LPI's Petition as Minnesota Power is currently working on finalizing a vendor agreement to accelerate the in-service date for the Project, followed shortly thereafter by a large vendor contract for the full delivery of the Project to meet the accelerated in-service date.[8] A timely decision on reconsideration would provide needed regulatory certainty to finalize this contract, enabling Minnesota Power to bring the benefits of the HVDC Project to its customers even sooner and mitigate costs of inflation and continued outages of the aging HVDC converter stations.

RESPONSE TO LPI

A. Legal Standard for Reconsideration

Petitions for reconsideration of Commission orders are governed by Minn. Stat. § 216B.27 and Minn. R. 7829.3000. Pursuant to Minn. Stat. § 216B.27, subd. 3, the Commission may grant a petition for reconsideration if it finds that the original decision "is in any respect unlawful or unreasonable." The Commission denies petitions for reconsideration if they "do not raise new issues, do not point to new and relevant evidence, do not expose material errors or ambiguities in the . . . order, and do not otherwise

[8] Once this vendor contract is executed, Minnesota Power plans to provide the Commission with the new anticipated in-service date for the Project as part of an informational filing in these dockets.

persuade the Commission that it should rethink the decisions set forth in its order."[9] Here, LPI's Petition, which largely restates its prior arguments that the Commission previously considered and rejected in its Order, does not meet any of the Commission's stated grounds for reconsideration and should be denied.

B. LPI's Petition for Reconsideration Should be Denied

1. The Need for Expansion Capability of the Project is Well Supported by the Record

Throughout this proceeding, LPI urged the Commission to only grant a Certificate of Need for the modernization of the existing HVDC System with a capacity limit of 550 MW and to deny Minnesota Power's request to incorporate design features into the HVDC converter stations that will provide the opportunity to increase the future capacity of the HVDC line up to 900 MW and then eventually up to 1,500 MW. In its Petition, LPI once again urges the Commission to place limits on the Project's expansion capability claiming that the Company "has not proven the need to expand the capacity" of the transmission system.[10] This claim is contrary to both the evidence on the record and sound transmission planning principles.

While LPI alleges that the Commission's Order only addressed LPI's concerns regarding the cost of the future expansion capability,[11] the Commission's Order also addressed the need for incorporating expansion capability into the initial design and the prudency of doing so. In fact, the Commission Order includes nearly an entire page of discussion on "expandability" and articulated at least four reasons why this expansion

[9] *In the Matter of the Application of Minnesota Power for Authority to Increase Rates for Electric Service in Minnesota,* Docket No. E-015/GR-16-664, ORDER GRANTING RECONSIDERATION IN PART, REVISING MARCH 12, 2018 ORDER, AND OTHERWISE DENYING RECONSIDERATION PETITIONS (May 29, 2018).
[10] LPI Petition at 5 (Nov. 14, 2024) (eDocket No. 202411-211959-03).
[11] LPI Petition at 2 (Nov. 14, 2024) (eDocket No. 202411-211959-03).

capability is needed.[12] First, the Commission found that the 350 MW of capacity to 900 MW provided by the future expansion capability of the converters can either be used by Minnesota Power's customers or can be assigned to other entities "thereby offsetting costs to the Company's customers."[13] Second, the Commission found that incorporating design features into the converters at the present time, up to 1,500 MW, would also provide cost savings for customers as it would avoid more extensive and more costly upgrades in the future.[14] Third, the Commission noted that it is these expandability features that allowed the HVDC Modernization Project to qualify for $75 million in federal and state grant funding.[15] Finally, the Commission noted that the expansion capabilities of the converter stations will enable "additional energy transfers that further Minnesota's 2040 clean energy requirement of 100 percent carbon-free electricity by 2040."[16]

With regard to the first reason articulated by the Commission, LPI alleges that Minnesota Power did not provide any support for how assignment of the additional transmission capacity above 550 MW would benefit customers.[17] This allegation ignores the substantial evidence in the record that outlines in detail how this additional transmission capacity will benefit Minnesota Power customers.[18] In rebuttal testimony, Minnesota Power explained that Minnesota Power could either use this additional transmission capacity to serve its own customers or could sell this capacity to other

[12] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01).
[13] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01).
[14] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01) ("a subsequent expansion of the system would increase costs because the basic components would need to be removed and replaced….").
[15] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01).
[16] Order at 3 (Oct. 25, 2024) (eDocket No. 20248-211524-01).
[17] LPI Petition at 4 (Nov. 14, 2024) (eDocket No. 202411-211959-03).
[18] Gunderson Rebuttal at 18-19 (eDocket No. 20243-204225-06);Winter Rebuttal at 5-6 (eDocket No. 20243-204225-12).

entities whereby Minnesota Power would receive additional transmission revenue that would ultimately flow back to customers.[19]

In addition to the reasons articulated by the Commission, incorporating future expansion capabilities into transmission facilities is also consistent with good utility practice and long-term transmission planning.[20] Transmission assets have decades long service lives and it is important that these assets are able to meet not only existing system needs but also future needs. Incorporating future expansion capabilities into the design of the converter stations at the outset allows Minnesota Power to ensure that these converter stations do not become obsolete and need to be replaced prior to the end of their service life.

The need for the future expansion capability of the HVDC converter stations is well-supported by the record in this proceeding and is consistent with good utility practice and long-term transmission planning. LPI's Petition fails to point out any new issues, new evidence, or errors in the Commission's Order that would warrant disturbing the Commission's decision on this point.

*2. **MISO's Cost Allocation for the Project is Not an Issue for a Certificate of Need or Route Permit Proceeding***

LPI next claims that the Commission should reconsider its Order "so that Minnesota Power customers are not paying for benefits realized in other states or service

[19] Gunderson Rebuttal at 21 and Schedule 9 (eDocket No. 20243-204225-06).
[20] Winter Rebuttal at 9-10 (eDocket No. 20243-204225-12); *In the Matter of the Application of Great River Energy, Northern States Power Company (d/b/a Xcel Energy) and Others for Certificates of Need for the CapX 345-kV Transmission Projects;* Docket No. ET2/E002, *et al.*/CN-06-1115, ORDER GRANTING CERTIFICATES OF NEED WITH CONDITIONS at Order Point 3 (May 22, 2009) (Commission ordered construction of the Upsized Alternative, which leveraged the needed 345 kV transmission structures by ordering that they be constructed to 345 kV/345 kV double circuit compatible, with the second circuit positions available for future needs. Fifteen years later, projects are currently being planned or evaluated to install the second circuit on the majority of these lines, including some which are part of the MISO LRTP).

areas in Minnesota."[21] The criteria and process for allocating of transmission costs amongst transmission owners, including Minnesota Power, is outlined in the MISO's FERC-approved tariff.[22] As such, this is not a matter that is before the Commission in the present Certificate of Need proceeding.

In addition, MISO regional cost allocation is only possible for a project when it meets the specific criteria outlined in the MISO Tariff. As a Transmission Delivery Service Project required to facilitate the delivery of TSRs across the HVDC Line and as an age and condition-based asset renewal project, the Project does not meet any criteria for regional cost allocation under the MISO Tariff. As a result, costs for the Project were assigned to the TSR customer (Minnesota Power) for the incremental capacity requested over the HVDC Line, and to the Transmission Owner (also Minnesota Power), for the asset renewal aspect of the Project. MISO's determination on assigning costs to Minnesota Power customers for the Project is, therefore, appropriate given the designation of the Project under the MISO Tariff and the fact that nearly all of the benefits of the Project will flow to Minnesota Power's customers, as has been the case for the decades of operation of the HVDC System. These benefits include 900 MW of transmission capacity, congestion relief, and reliability support for Minnesota Power's 230 kV system.[23] As in the near-term, the entirety of the available capacity of the HVDC Modernization Project will be used for the benefit of Minnesota Power's customers rather than to customers of other utilities, it is appropriate that Minnesota Power's customers will

[21] LPI Petition at 5 (Nov. 14, 2024) (eDocket No. 202411-211959-03).
[22] Gunderson Rebuttal at 17 (eDocket No. 20243-204225-06); MISO Tariff Attachment FF, Section II.C.3.
[23] Gunderson Direct at 16 (eDocket No. 20242-203446-14).

also pay the entire cost of the Project.[24] Further, while the HVDC Modernization Project is not eligible for regional cost allocation under the MISO Tariff, Minnesota Power has committed to exploring opportunities for regional cost allocation for future expansion projects that build off of the Project, including potential future expansion at the St. Louis County Substation.[25] As MISO's cost allocation method is outside the scope of a Certificate of Need and Route Permit proceeding, this is not a reason for the Commission to reconsider its Order.

3. *The Commission Should Decline to Adopt LPI's Recommended Conditions*

LPI further asks the Commission to reconsider its Order to include "ratepayer protections" such as conditioning approval on a cost-benefit analysis, requiring Minnesota Power to bear the risk if grant funding fails to materialize, and imposing a cost cap based on the cost estimate provided in the proceeding.[26] These conditions are similar to those that LPI put forth during the proceeding that were not adopted by the Commission.[27] LPI fails to articulate any new evidence in its Petition that merit the Commission reconsidering its Order.

LPI requests that Minnesota Power provide a cost-benefit analysis to prove that any additional capacity beyond the 550 MW will benefit ratepayers through the revenues received from assigning this capacity to others.[28] Again, the need for the additional 350

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[24] Gunderson Rebuttal at 28 (eDocket No. 20243-204225-06); MISO Tariff Attachment FF, Section II.C.3. The MISO Tariff explicitly provides that cost allocation of the type LPI has advocated for throughout this proceeding is not available to any facilities that are "in service . . . prior to July 10, 2010." The HVDC System is already in service and the project is merely modernizing the HVDC terminals.

[25] Gunderson Rebuttal at 20 (eDocket No. 20243-204225-06); Winter Rebuttal at 8-11 (eDocket No. 20243-204225-12); Zajicek Rebuttal at 7 (eDocket No. 2023-204358-02).

[26] LPI Petition at 7-10 (Nov. 14, 2024) (eDocket No. 202411-211959-03).

[27] LPI Initial Brief at 17 (June 20, 2023) (eDocket No. 20236-196686-01).

[28] LPI Petition at 7 (Nov. 14, 2024) (eDocket No. 202411-211959-03).

MW of transmission capacity was thoroughly vetted on the record. The Company put forth substantial evidence demonstrating the prudency of this investment and the Commission agreed as discussed above. Further, Minnesota statute and the Commission rules do not require a "cost-benefit analysis" of the type LPI advocated for in this proceeding and has requested in its Petition.[29] Instead, the statute and rules are explicit in what must be evaluated prior to the Commission issuing a Certificate of Need.[30] In this proceeding, the Department of Commerce – Division of Energy Resources carefully and thoroughly evaluated each of these factors based on the substantial evidence provided by the Company and evidence propounded by other parties.[31] Further, the ALJ Report, which was adopted by the Commission, analyzed each of these factors prior to reaching the recommendation to grant a Certificate of Need.[32] There is no need to require a cost benefit analysis to further prove the need for this additional capacity.

LPI also asks the Commission to add a condition that the Company bears the risk if the grant funding for the Project does not materialize.[33] Such a condition is inappropriate. Minnesota Power has worked diligently to secure grant funding for the

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[29] *See* Minn. Stat. § 216B.243 subd. 3; Minn. R. 7849.0120

[30] *See* Minn. Stat. § 216B.243 (outlining the criteria the Commission must evaluate when determining the need for a large energy facility. These include: (1) the accuracy of long-range energy demand forecasts; (2) the impact of energy conservation programs under Minn. Stat. §§ 216C.05 to 216C.30 and 216B.243 or other legislation on long-term energy demand; (3) the relationship of proposed high-voltage transmission lines to regional energy needs per Minn. Stat. § 216B.2425; (4) the influence of promotional activities on demand; (5) benefits of the facility, such as environmental quality and reliability improvements; (6) alternatives like efficiency upgrades, load management, or distributed generation; (7) the policies of other agencies or governments; (8) feasible energy conservation improvements under Minn. Stat. § 216B.241 that can replace or compete with the proposed facility; (9) benefits of enhanced regional transmission reliability; (10) compliance with Minn. Stat. §§ 216B.1691 and 216B.2425, subd. 7, and related application requirements; (11) demonstrations required under Minn. Stat. § 216B.243, subd. 3a; and (12) for nonrenewable plants, the applicant's assessment of environmental cost and regulatory risks over the plant's life, including cost allocation methods).

[31] Zajicek Direct at 5-27 (eDocket No. 20242-203451-01); Zajicek Rebuttal at 7 (eDocket No. 2023-204358-02).

[32] ALJ Report at 47-73 (June 21, 2024) (eDocket No. 20246-207868-02); Commission Order at 4 (Oct. 25, 2024) (eDocket No. 202410-211332-01) (adopting the ALJ Report).

[33] LPI Petition at 7-8 (Nov. 14, 2024) (eDocket No. 202411-211959-03).

Project and has met all milestones required to earn its awarded grant funding. The primary risk to receiving the awarded grant funding remains regulatory uncertainty, which the pendency of LPI's Petition exacerbates. As Minnesota Power stated in the record in this proceeding, the Company must meet specific project development milestones in order to receive the federal grant funding. The Company is currently on track to meet the milestones established with the Department of Energy ("DOE"), but delay in this proceeding may jeopardize the Company's ability to do so in the near future. Placing the risk of this grant funding not materializing solely on the Company is not proper.

Finally, LPI seeks to have the Commission impose a cost cap on the Project, claiming that the Commission previously imposed a cost cap on Xcel Energy's Huntley – Wilmarth 345 kV Transmission Line Project ("Huntley Project") that was "well below the high range of estimated costs."[34] This is simply not true. LPI's Petition contains a lengthy quote from the ALJ Report in the Huntley Project proceeding claiming that this quote is evidence that a cost cap, far below the Huntley Project's estimated costs, was recommended by the ALJ. A closer review of this quotation reveals that it is explaining how the costs for a Market Efficiency Project ("MEP") are regionally allocated under MISO's tariff and then subsequently recovered from ratepayers through Xcel Energy's Transmission Cost Recovery ("TCR") Rider. The fact that Xcel Energy's customers were only required to pay 16.96 percent of the project's cost was because the Huntley Project was a regionally cost-shared MEP based on a determination by MISO – not because the ALJ recommended, or the Commission ordered, a cost cap. The Huntley Project qualified as an MEP because it met certain criteria under the MISO Tariff, namely that it was proven

[34] LPI Petition at 8 (Nov. 14, 2024) (eDocket No. 202411-211959-03).

to reduce energy costs throughout the MISO footprint and, as a result, it was appropriate under the MISO Tariff to allocate the costs of the Huntley Project across the area that received the benefit of lower energy prices.[35]

While LPI is incorrect that the Commission imposed a cost cap on the Huntley Project that was below the project's estimated costs, the Commission did impose certain cost controls on the Huntley Project. In fact, the costs for both the Huntley Project and the HVDC Modernization Project were and will be recovered initially through a transmission rider.[36] The future transmission rider process, as currently applied by the Commission, sets forth that the utility can only recover costs up to the level of the cost estimate provided in the Certificate of Need through a transmission rider without further Commission action or decisions modifying a project, such as alternative route selections or additional conditions that were not previously included in the Certificate of Need cost estimates.[37] Any amount above the Certificate of Need cost estimate must be recovered in a base rate proceeding where the utility bears the burden of proving that the higher costs are reasonable and prudent.[38] This limitation on transmission rider cost recovery is a meaningful cost control mechanism that the Commission has had in place for many years for multiple transmission projects and it has proven to be a sufficient customer

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[35] *In the Matter of the Application of Xcel Energy and ITC Midwest LLC for a Certificate of Need and a Route Permit Application for the Huntley-Wilmarth 345-kV Transmission Line Project*, Docket No. CN-17-184; TL-17-185, FINDINGS OF FACT, CONCLUSIONS OF LAW AND RECOMMENDATION at 44 ("Huntley ALJ Report") ("A MEP project reduces energy costs throughout the region. Accordingly, MISO allocates the costs of a MEP project such that the more an area benefits from the project, the larger is its share of the project's costs.").
[36] Huntley ALJ Report at 74 ("Xcel Energy will identify the final Project costs clearly and ensure that the costs are easily trackable for future recovery in riders and rate cases. Any costs exceeding the final Project cost estimate can be recovered in Xcel Energy's first rate case after the Project is in-service, so long as Xcel Energy is able to justify that these excess costs are reasonable.")
[37] Minn. Stat. § 216B.16,subd. 7b.
[38] Huntley ALJ Report at 74.

protection.[39] LPI has failed to articulate why the Commission should reconsider its Order in this instance to deviate from this long-standing Commission practice.

4. The Commission should decline LPI's invitation to Reconsider the Rate Impact and "Policy Implications" of its Decision

LPI asks the Commission to reconsider its Order so that the Commission can assess the ratepayer impact of this Project in conjunction with the Company's other planned investments. Such an analysis is outside the scope of this proceeding and, to Minnesota Power's knowledge, has never been applied in any specific project Certificate of Need or Route Permit docket before the Commission. The purpose of this Certificate of Need proceeding is to determine whether or not Minnesota Power has justified the need for its proposed HVDC Modernization Project and whether there is another more reasonable and prudent alternative to the Project.[40] The rate impact of the Project, combined with all other investments by Minnesota Power, is an issue better reserved for a transmission rider proceeding or a rate case where there is a sufficient record to examine the prudency of all of the Company's investments and the Commission can consider whether the Company's overall rates are just and reasonable.[41]

The Commission should also decline LPI's invitation to reconsider the "policy ramifications" of its decision. LPI contends that because the HVDC Modernization Project

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[39] *In the Matter of Minnesota Power's Petition for the 2023 Approval of a Transmission Cost Recovery Rider under Minn. Stat. 216B.16, subd. 7b*, Docket No. E015/M-22-573, ORDER at DOC-DER Recommendation at 6 (May 2, 2023) (*citing In the Matter of the Northern States Power Company, a Minnesota Corporation, d/b/z Xcel Energy, for Approval of a Modification to its TCR Tariff, 2020 Project Eligibility, TCR Rate Factors, Continuation of Deferred Accounting and 2009 True-up Report*, Docket No. E002/M-09-1048, ORDER APPROVING 2010 TCR PROJECT ELIGIBILITY AND RIDER, 2009 TCR TRACKER REPORT, AND TCR RATE FACTORS at 6 (Apr. 27, 2010)) ("project cost recovery through the rider should be limited to the amount of the initial cost estimates at the time the projects are approved as eligible projects . . . A request to allow cost recovery for project costs above the amount of the initial estimate may be brought for Commission review only if unforeseen or extraordinary circumstances arise on a project").

[40] *See* Minn. Stat. § 216B.243.

[41] Minn. Stat. § 216B.16, subd. 6.

was developed by Minnesota Power apart from MISO's regional transmission planning process that the Commission's approval will encourage similar projects to be developed outside this process.[42] LPI's concern is baseless. Minnesota Power is an active participant in the MISO regional transmission planning process. In fact, Minnesota Power is currently working with other Minnesota utilities on the development and construction of several transmission projects that arose out of MISO's Long Range Transmission Planning initiative. The reason that the HVDC Modernization Project was developed "outside" the MISO regional process was because the primary need for the Project is to replace aging, existing, transmission facilities that are wholly-owned by Minnesota Power and to facilitate requests for additional transmission service across the HVDC Line to benefit Minnesota Power's customers. Rather than being developed "outside" of any MISO process, it would be more appropriate to say that the HVDC Modernization Project was developed under the appropriate MISO planning process for the needs that it addresses.[43] Just because the HVDC Modernization Project is a type of project that follows a different process under the MISO Tariff than the regional transmission planning process LPI favors, this does not mean that the process followed by the Project, or any future projects that are similar, is an inappropriate process. Determination of the appropriate process under the MISO Tariff that the project should follow is strictly dependent on the definitive need drivers for a Project.[44]

[42] LPI Petition at 11 (Nov. 14, 2024) (eDocket No. 202411-211959-03).

[43] Further, the analysis LPI is requesting be performed goes well beyond the showing required for construction for a large energy facility, which is identified in Minn. Stat. § 216B.243.

[44] *See* Hrg. Tr. at 158:13-160:6 (Winter) (March, 19, 2024) (eDocket No. 20244-204998-02); ALJ Report at 5 (June 21, 2024) (eDocket No. 20246-207868-02); Gunderson Rebuttal at 20 (eDocket No. 20243-204225-06); Winter Rebuttal at 8-11 (eDocket No. 20243-204225-12); Zajicek Rebuttal at 7 (eDocket No. 2023-204358-02); Minnesota Power's Initial Brief at 33-34 (June 1, 2024) (eDocket No. 2236-196333-03).

CONCLUSION

As LPI's Petition fails to raise any new issues, bring forth new and relevant evidence, or expose errors or ambiguities in the Commission's Order, it should be denied.

November 25, 2024

Respectfully Submitted,

MINNESOTA POWER

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