

December 13, 2016

VIA ELECTRONIC FILING

Mr. Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101

Re: In the Matter of the Great River Energy Route Permit for the Elko New Market and Cleary Lake Areas Project in Scott and Rice Counties, Minnesota ("Route Permit") MPUC Docket No. ET2/TL-12-1245 Joint Request to Transfer a Portion of the Route Permit

Dear Mr. Wolf:

Enclosed please find the request by Great River Energy and Xcel Energy to transfer a portion of the subject Route Permit from Great River Energy to Xcel Energy. Construction of the Project by Great River Energy is now complete except for the three transmission line spans from Structure 34 into Xcel Energy's Credit River Substation (in the Credit River Junction to Credit River Substation segment of the project).

The original plan was that Great River Energy would take ownership of the switch at Structure 34, and rebuild and own the three spans of transmission line into the Credit River Substation. However, due to Xcel Energy outage constraints and a change in plans on Xcel Energy's part, Great River Energy's project now ends at the switch (Structure 34) and Xcel Energy will build those three spans in to the Credit River Substation. Great River Energy and Xcel Energy therefore respectfully request that the portion of the route permit from Structure 34 to the Credit River Substation be transferred to Xcel Energy.

The desired effective date of the transfer is no later than January 31, 2017. The enclosed request details the proposed transition of the compliance and other responsibilities under the Route Permit from Great River Energy to Xcel Energy.

If you have any questions regarding this request, please contact me at 763-445-5214.

Respectfully Submitted,

GREAT RIVER ENERGY

Carole L. Schmidt

Carole L. Schmidt Supervisor, Transmission Permitting and Compliance

Enclosure

cc: Service List

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger Nancy Lange Dan Lipschultz Matt Schuerger John Tuma Chair Commissioner Commissioner Commissioner Commissioner

In the Matter of the Route Permit for the Elko New Market and Cleary Lake Areas Project in Scott and Rice Counties, Minnesota

A. Executive Summary

Docket No. ET2/TL-12-1245

JOINT REQUEST TO TRANSFER A PORTION OF THE ROUTE PERMIT

In accordance with Minnesota Rule 7850.5000 and the Route Permit for Construction of a High-Voltage Transmission Line Project in Scott and Rice Counties, Minnesota (Route Permit) issued by the Minnesota Public Utilities Commission (Commission) on August 5, 2014, Great River Energy and Xcel Energy jointly request that the Commission transfer a portion of this Route Permit from Great River Energy to Xcel Energy effective as of January 31, 2017.

| Permittee: | Great River Energy |
|--|---|
| Proposed New Permittee: | Northern States Power Company, a Minnesota corporation (Xcel Energy) is headquartered in Minneapolis, Minnesota. Xcel Energy is a wholly-owned subsidiary of Xcel Energy Inc., a utility holding company with its headquarters in Minneapolis. Xcel Energy provides electric services to approximately 1.4 million customers and natural gas services to 0.5 million residential, commercial and industrial customers in the State. |
| Description of facilities to be transferred: | Approximately 0.18 mile (approximately 930 feet) of 115-kV transmission line from Structure 34 to the existing Xcel Energy Credit River Substation in Prior Lake, Minnesota. This segment of line is owned by Xcel Energy. |

Reason for transfer: The original plan was that Great River Energy would take ownership of the switch at Structure 34, and rebuild and own the three spans of transmission line into the Credit River Substation. However, due to Xcel Energy outage constraints and a change in plans on Xcel Energy's part, Great River Energy's project now ends at the switch (Structure 34) and Xcel Energy will build those three spans in to the Credit River Substation. The portion of the route permit from Structure 34 to the Credit River Substation should therefore be transferred to Xcel Energy.

Proposed effective date of transfer: On or before January 31, 2017.

B. Description of Great River Energy

Great River Energy is a not-for-profit electric generation and transmission cooperative serving the wholesale power needs of 28 member distribution cooperatives, who in turn supply electricity to nearly 665,000 customers in Minnesota and a portion of western Wisconsin. Great River Energy is a transmission-owning member of the Midcontinent Independent System Operator, Inc. (MISO) and owns approximately 4700 miles of transmission lines in Minnesota, North Dakota, South Dakota and Wisconsin.

C. Description of Xcel Energy

Xcel Energy is a Minnesota corporation headquartered in Minneapolis, Minnesota. Xcel Energy is a whollyowned subsidiary of Xcel Energy Inc., a utility holding company with its headquarters in Minneapolis. Xcel Energy provides electricity services to approximately 1.4 million customers and natural gas services to 0.5 million residential, commercial and industrial customers in the State. Like Great River Energy, Xcel Energy is a transmission-owning member of MISO and owns transmission lines in Minnesota, North Dakota, and South Dakota.

D. Background

On June 20, 2013, Great River Energy submitted an application for a certificate of need and route permit for the proposed Elko New Market and Cleary Lake Areas Project in Scott and Rice Counties, Minnesota (Project). The Project included rebuilding approximately 11.3 miles of existing 69 kV transmission line to 115 kV standards and approximately 5.4 miles of new 115 kV double circuit transmission line. On August 5, 2014, the Commission issued the Route Permit authorizing Great River Energy to construct the Project. Construction of the Project is now complete except for the three spans into Xcel Energy's Credit River Substation.

The original plan was that Great River Energy would take ownership of the switch at Structure 34, and rebuild and own the three spans of line (approximately 930 feet, 0.18 mile) into the Credit River Substation. However, due to Xcel Energy outage constraints and a change in plans on Xcel Energy's part, Great River Energy's project now ends at the switch (Structure 34) and Xcel Energy will build those three spans in to the Credit River Substation (**see attached Exhibit B, Map 1 of 7 from compliance filing**). The portion of the route permit from Structure 34 to the Credit River Substation should therefore be transferred to Xcel Energy. Xcel Energy will obtain any necessary Commission approvals prior to start of construction, and will comply with the Route Permit as outlined below.

E. Xcel Energy's Compliance with the Route Permit

Xcel Energy will comply with the General Conditions outlined in Section 4.0 of the Route Permit.

The Special Conditions outlined in Section 5.0 of the Route Permit are generally not applicable to this portion of the Project.

Xcel Energy will comply with Sections 6.0 and 7.0 of the Route Permit.

Xcel Energy will submit a separate Plan and Profile Compliance Filing for this portion of the Project (Section 8.1) and comply with the other requirements outlined in Section 8.0 of the Route Permit.

F. Requested Commission Action

For the reasons stated herein, Joint Applicants respectfully request the Commission authorize the transfer a portion of the Route Permit issued in the above-captioned proceeding from Great River Energy to Xcel Energy effective no later than January 31, 2017.

Dated: December 13, 2016

Respectfully submitted,

GREAT RIVER ENERGY

Carole L. Schmidt

Carole L. Schmidt Supervisor, Transmission Permitting and Compliance

Attachment: Exhibit B, Map 1 of 7

XCEL ENERGY

Jame ghasmuss

Pam Rasmussen Senior Manager, Siting and Land Rights



The Great River Energy Project now terminates at Structure 34. Xcel Energy owns the line from that point into the Xcel Energy Credit River Substation. Due to outage constraints Xcel Energy will rebuild this portion of the line at a later time. Great River Energy will transfer that small portion of the permit to Xcel Energy.

Xcel Energy-(XE) Gredit River

1 Substation

37

T 1141 R 2910

Credii River Township



Great River Energy

- New Transmission Centerline
- New Structure Locations
- Existing 69 kV Transmission Line --- Permitted Alignment

Foreign Transmission Line

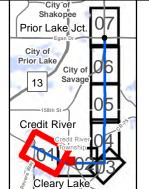
- Existing 69 kV Transmission Line
- Existing Distribution Substation



- Permitted Route (300' width)
- Right of Way Area (100' width)



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Credit River to Prior Lake Junction Exhibit B Map 1 of 7

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Updated Date: 8/11/2015

GREAT RIVER ENERGY

GIS Data sources include: MNGEO, MNDNR, MNDOT, and Great River Energy. Aerial Imagery from ESRI web service.

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