



414 Nicollet Mall
Minneapolis, Minnesota 55401

December 3, 2013

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101

Re: *In the Matter of the Application of Xcel Energy for a Route Permit for the Kohlman Lake to Goose Lake 115 kV Transmission Line Upgrade Project in Ramsey County*

Xcel Energy's Exceptions to Administrative Law Judge's Report

PUC Docket No. E002/TL-12-1151

OAH Docket No. 11-2500-30809

Dear Dr. Haar:

Enclosed please find Exceptions to Administrative Law Judge's Report of Northern States Power Company, doing business as Xcel Energy, filed today through www.edockets.state.mn.us in the above-referenced docket. A copy of this filing is also being served via e-mail or mail upon the parties on the Official Service List on file with the Commission.

Please contact me if you have any questions or concerns.

Sincerely,

/s/ James R. Denniston

James R. Denniston

Enclosure

cc: Official Service List

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
David Boyd	Commissioner
Nancy Lange	Commissioner
J. Dennis O'Brien	Commissioner
Betsy Wergin	Commissioner

IN THE MATTER OF THE APPLICATION
OF XCEL ENERGY FOR A ROUTE PERMIT
FOR THE KOHLMAN LAKE TO GOOSE
LAKE 115 kV TRANSMISSION LINE
UPGRADE PROJECT IN RAMSEY COUNTY,
MINNESOTA

PUC Docket Nos. E002/TL-12-1151

OAH Docket No. 11-2500-30809

**XCEL ENERGY'S EXCEPTIONS
TO ADMINISTRATIVE LAW
JUDGE'S REPORT**

I. INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, respectfully submits the following exceptions to the Findings of Fact, Conclusions of Law, and Recommendation ("Report") issued by the Administrative Law Judge ("ALJ") for the proposed Kohlman Lake to Goose Lake 115 kV Transmission Line Upgrade Project in Ramsey County ("Project"). The Company appreciates the ALJ Report's precise and thorough analysis of the record evidence and the applicable statutory and rule routing criteria. These exceptions are primarily focused on two minor issues: (1) clarifying the Company's preference regarding soliciting landowner input on restoration activities and (2) local government input on the proposed finish for the new structures. These proposed changes to the ALJ Report, including some minor or typographical errors, are included in redline format at the end of this filing in part II(C). Xcel Energy respectfully requests that the Minnesota Public Utilities Commission adopt these proposed changes in its final Route Permit Order.

II. DISCUSSION

A. Soliciting Landowner Input

In comments filed on September 20, 2013, the Minnesota Department of Natural Resources (“MnDNR”) requested changes to the generic route permit template submitted by the Commission staff. Several of these changes related to requiring Xcel Energy to solicit landowner input regarding restoration activities such as the replanting of vegetation and the restoration of areas disturbed during construction of the Project. In response to MnDNR’s request, the Company stated its agreement to soliciting landowner input on these issues but wished to limit this obligation to times when the landowner provided such input on their own initiative rather than requiring Xcel Energy to seek out landowner comments and consensus.

The Company notes that section 4.5 of the generic route permit template requires the Company to provide all landowners with a copy of the Route Permit and complaint procedures which include the Company’s contact information during its first communication with landowners following issuance of the permit. Xcel Energy believes that these procedures will allow interested landowners the opportunity to provide input on the restoration activities if they so choose. Finding No. 64 from the ALJ’s Report addresses this issue and the Company’s proposed modifications are shown below.

B. Structure Finish

The ALJ Report includes several recommendations for special conditions to the Route Permit. One of these recommended conditions requires Xcel Energy to consult and coordinate with local governments concerning their preferred finish, either galvanized or weathering steel, for the new transmission structures. As stated in Finding No. 88 from the ALJ Report “[n]o comments were received from local units of government indicating a preference for a particular type of structure finish.”

Accordingly, Xcel Energy does not believe that this condition is necessary in this instance and requests that it be removed from the final Route Permit.

C. Proposed Modifications to ALJ Report

In addition to the proposed changes described above, there are a few minor or typographical errors that Xcel Energy proposes to correct in Finding Nos. 35, 84, 161, and 164. The Company's proposed changes are noted in redline format below. Where the ALJ Report shows underlining in paragraphs 64.a., b., and c., the redlines below show double-underlining to indicate the proposed new language in these specific paragraphs.

FINDINGS OF FACT

35. The Project is needed to reliably serve electrical loads in the ~~northwest~~ northeast region of the Twin Cities metropolitan area by providing a redundant electrical transmission source to the area.⁴⁶ Electrical loads in that region are currently served from three sources: the Chisago County, Kohlman Lake, and Riverside/Terminal substations.⁴⁷ Planning studies completed during 2010 for voltage stability and compliance with standards. of the North American Electric Reliability Corporation (NERC) identified this area as vulnerable to severe low voltages and thermal overloads.⁴⁸ The Project is necessary to meet NERC planning standards without decreasing load or utilizing operating procedures¹ during transmission outages.⁴⁹

64. On September 20, 2013, Ms. Schrenzel submitted post-hearing written comments in this proceeding on behalf of the MnDNR. The MnDNR's comments emphasized the presence of the Blanding's Turtle and Western Foxsnakes in the Project area, and requested that wildlife-friendly erosion control materials be used during construction of the Project. The MnDNR noted that it supported the vegetation removal approach set forth in Appendix F of the Application that leaves lower-growing vegetation within the right-of-way, and urged that this practice be used for initial clearing as well as for maintenance activity throughout the life of the Project. The MnDNR further recommended that native seed mixes be used in restoration activities to improve habitat and reduce the possibility of invasive

¹ Xcel Energy proposes this change to be consistent with the following statement from page 12 of the Route Permit application: "Xcel Energy also considered utilizing operating procedures to mitigate the thermal overloads and severe low voltages in the area."

species.⁸³ With respect to the generic route permit template, the MnDNR made the following language suggestions (new language is underlined):

- a. 4.2.5, 2nd paragraph- The following language is suggested:
“Certain low growing species can remain in the right-of-way, or native species can be planted, with landowner input that is provided to Xcel Energy...”
- b. 4.2.7, 1st paragraph, last sentence- The following language is suggested: “All areas disturbed during construction of the facilities shall be returned to equal or better than preconstruction conditions with landowner input that is provided to Xcel Energy.”
- c. 4.2.7, 2nd paragraph- The following language is suggested to be added: “Native seed mixes shall be selected to the extent practical, with landowner input that is provided to Xcel Energy.”
- d. A paragraph should be added about cleaning equipment prior to entering the work site as a best management practice to avoid the spread of invasive species. This practice is now often included in utility plans and would be required for work in state lands.
- e. 4.2.9 Should include language about avoiding impacts to state listed species in any temporary work space outside of the permitted route.
- f. Bird diverters are required on many transmission projects in the Special Conditions section. Including reference to bird diverters in a generic permit condition, while allowing for some flexibility in siting in the special conditions section may provide placeholder for this topic.⁸⁴

84. The Proposed Route follows the alignment of the existing single circuit 115 kV transmission line between the Kohlman Lake and Goose Lake substations. The existing transmission line structures are approximately 75 feet above ground. The majority of the structures proposed for the Project will range in height from 80 to 90 feet, with some structures up to 100 feet above ground. In addition, there will be six ~~wires~~ conductors on the new structures instead of the three ~~wires~~ conductors on the existing structures.¹⁰⁵

161. The Proposed Route maximizes the use of existing transmission line right-of- way. ~~One hundred percent~~ Nearly all of the Proposed Route is within the right-of-way of the existing transmission line.¹⁹³ Xcel Energy anticipates that new right-of-way for the Project will be needed along the west side of Otter Tail Road near

the Goose Lake substation and along the Bruce Vento trail near the Kohlman Lake substation.^{193.1}

164. The Proposed Route maximizes the use of existing transportation and electrical transmission system rights-of-way. The Proposed Route uses an existing transmission line right-of-way for ~~one hundred percent~~ nearly all of its length, and uses an existing railroad right-of-way for approximately ninety percent of its length. Xcel Energy anticipates that new right-of-way for the Project will be needed along the west side of Otter Tail Road near the Goose Lake substation and along the Bruce Vento trail near the Kohlman Lake substation.^{195.1} The Project endpoints are existing substations, and modifications to the substations shall occur within their existing footprint.¹⁹⁶

CONCLUSIONS OF LAW

14. It is appropriate for the Route Permit to require the Company to:

- ~~• consult and coordinate with local governments concerning the preferred finish galvanized or self weathering of transmission line structures;~~
- consult and coordinate with Ramsey County and the Regional Railroad Authority to ensure that it has the proper land rights to construct the Project;
- consult and coordinate with the Metropolitan Council to avoid and mitigate potential impacts to the Council's sewer lines in the Project area;
- apply the erosion control measures identified in the MPCA's Stormwater Best Management Practices Manual;
- construct the Project consistent with MnDNR recommendations for minimizing impacts to the Blanding's Turtle and for utilizing wildlife-friendly erosion control materials;
- comply with the conditions set forth in Finding 63 above, as modified in Finding 64;

^{193.1} Ex. 23 at 10.

^{195.1} Ex. 23 at 10.

- obtain all required local state and federal permits and licenses and comply with the terms of those permits or licenses; and
- comply with all applicable rules and regulations.

III. CONCLUSION

Xcel Energy respectfully requests that the Commission adopt the ALJ Report with the requested modifications herein.

Dated: December 3, 2013

BRIGGS AND MORGAN, P.A.

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**Attorneys for Northern States Power
Company, a Minnesota corporation**

CERTIFICATE OF SERVICE

IN THE MATTER OF THE APPLICATION OF XCEL
ENERGY FOR A ROUTE PERMIT FOR THE
KOHLMAN LAKE TO GOOSE LAKE 115 KV
TRANSMISSION LINE UPGRADE PROJECT IN
RAMSEY COUNTY, MINNESOTA

MPUC DOCKET NUMBER: E002/TL-12-1151
OAH DOCKET NUMBER: 11-2500-30809

Theresa Senart certifies that on the 3rd day of December 2013, she filed a true and correct copy of **Applicant's Exceptions to Administrative Law Judge's Report** by posting the same on www.edockets.state.mn.us. Said Exceptions to Administrative Law Judge's Report is also served via U.S. Mail or e-mail as designated on the attached Service List on file with the Minnesota Public Utilities Commission in the above-referenced docket.

/s/ Theresa Senart
Theresa Senart

Service List Member Information

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