## O'Reilly, Ann (OAH)

From:

James Johnson < jimjohnson 767@gmail.com>

Sent:

Wednesday, September 24, 2014 6:28 PM

To:

\*OAH\_Routecomments.oah

Subject: Attachments:

Great Northern Transmission Line Letter to Honorable Ann O'Reilly 9-24-14 Great Northern Transmission Line Letter to Honorable Ann O'Reilly 9-24-14.doc

Attn: The Honorable Ann O'Reilly per "attachment."

James L. Johnson 29054 680th Ave. Roosevelt, MN 56673

Phone: (218) 242-2462



29054 680<sup>th</sup> Ave. Roosevelt, MN 56673 9/24/14

The Honorable Ann O'Reilly Office of Administrative Hearings P.O. Box 64620 600 North Robert Street St. Paul, MN 55164-0620

PUC Docket Number/s: E-015/CN-12-1163 OAH Docket Number: 65-2500-31196

Dear Honorable Ann O'Reilly:

This letter is regarding the proposed route of the Great Northern Transmission Line running east/west and south of Roosevelt, MN of which I strongly oppose. I live in the rural Roosevelt area, and there are already two other manmade/synthetic structures (transmission/power lines) running east/west and south of Roosevelt within three miles of each other through beautiful wilderness including the Beltrami Island State Forest. In addition, I own 160 acres of land in the Beltrami Island State Forest in addition to my residence (homestead) in close proximity of this area. However, I have a couple suggestions/requests and "reasons why" regarding the proposed power line, and they are as follows:

- One suggestion/request is to run the proposed power line north of our 160 acres paralleling the existing power line running east/west, and it would not run through our private property, which is surrounded by state land. Therefore, the proposed power line would run through state land 100%, and the state of MN would get the money for the easement of our property's width of ½ mile. My brother, Jeff Johnson, and I have planted 100s of jack pine, white pine, and white cedar trees on the north side of our property that would be destroyed by the power line going to the south of the existing power line. In addition, permanent deer stands would be affected by the power line going to the south of the existing power line.
- Another suggestion/request if the power line goes to the south of the existing power line running east/west is to do a "land trade" with the state of MN. My request would be to acquire the width of the easement of the new power line on the south side of our 160 acres of perhaps 200-300 feet by ½ mile or whatever land would be affected by the new power line being installed. This option would give the state of MN the easement money and keep our 160 acres of private property intact as it is historical regarding the fact that it is an "original homestead" of 160 acres in Beltrami Island State Forest, which there are few today that are still intact and without a manmade/synthetic structure running through it.

The legal description of the 160 acres and my residence in this area are as follows, respectively:

- 160 Acres Roosevelt, MN (Jeffrey N. Johnson and James L. Johnson)
  The Northwest Quarter (NW½) of Section Fifteen (15) in Township One Hundred Sixtyone (161) North, Range Thirty-five (35) West of the Fifth Principal Meridian in Minnesota, according to the United States Government Survey thereof.
- 29054 680<sup>th</sup> Ave., Roosevelt, MN (James L. Johnson)
  All that part of the Southwest Quarter of the Southwest Quarter (SW½ SW½) of Section Twenty-six (26), Township One Hundred Sixty-two (162) North, Range Thirty-five (35) West of the Fifth Principal Meridian in Minnesota, according to the United States Government Survey thereof, LYING AND BEING South of the South right-of-way line of Minnesota Trunk Highway NO. 11, as now located and established.

Thank you for taking the time to read my letter and my suggestions/requests to the proposed route of the Great Northern Transmission Line running east/west and south of Roosevelt, MN. Please call me at (218) 242-2462 or e-mail at jimjohnson767@gmail.com if you have any questions.

Sincerely,

James L. Johnson

## O'Reilly, Ann (OAH)

From:

John Licke <john\_licke@yahoo.com>

Sent:

Sunday, November 02, 2014 12:00 PM

To:

\*OAH\_Routecomments.oah

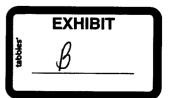
Subject:

Great Northern Transmission line Attn: Honorable Ann O'Reilly

**Attachments:** 

STATEMENT ON MINNESOTA POWER PROPOSED TRANSMISSION ROUTING.docx

To the Honorable Ann O'Reilly: Please accept the attached Statement into the record on the proposed routing of the Minnesota Power Transmission Line. Thank You. W. J. Licke



STATEMENT TO PUBLIC HEARING ON MINNESOTA POWER PROPOSED TRANSMISSION LINE ROUTING AT THE GRAND RAPIDS, MINNESOTA TIMBERLAKE LODGE, WEDNESDAY, OCTOBER 15, 2014, AT 6:00 P.M.

We respectfully wish to comment to this hearing regarding the routing of the proposed new Minnesota Power transmission line. We are not able to attend but would like to submit the following Statement for your consideration.

The Bigfork area is very dependent on the forest products industry and the forestlands which surround the City. Over the years, there have been many projects which have reduced the number of acres available for timber growth to the point there is now a very real concern to the forest products industry and the area's residents. Whenever someone takes forestland out of reproduction, such as the building of an electrical highline, it may provide some local short term jobs but directly and adversely affects the economy of the area in the long term.

Therefore, we are concerned that the Company has not proposed an optimal routing that better follows the existing highline corridors to reduce the adverse long term effect on the environment and the forestland in particular. Instead, Minnesota Power seems to be proposing two alternate routes which may be shorter and cheaper to build but have a more drastic long term effect on the environment and the communities through which the proposed highline is built. We note that the routing of the existing line is being used in some areas north of the Bigfork area, but as it approaches the community the existing lines have not been as fully utilized. We do not detect any difference in the related risk from weather patterns, such as tornadoes, or any other factors which would warrant a change in approach for the Bigfork area as compared to the other northern Minnesota areas.

Therefore, we respectfully request that you reconsider the proposed routing of the new transmission line and, instead, include the full utilization of the existing highline corridors as it would be built through our community in your routing proposal and in the drafting of the required environmental impact statement. Thank you.

John and Marty Licke Bigfork Area Residents

## O'Reilly, Ann (OAH)

From:

Rhiannon Shelley < RShelley@misoenergy.org >

Sent:

Friday, November 21, 2014 2:58 PM

To:

\*OAH\_Routecomments.oah

Cc:

Jeffrey Small; Jacob Krouse; Amy Jones

Subject:

PUC - E-015/CN-12-1163 and OAH - 65-2500-31196

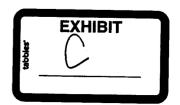
**Attachments:** 

2014-11-20 Docket No. CN-12-1163.pdf

MISO's comments filed in the above-referenced dockets on Thursday, November 20, 2014. Thank you.

Rhiannon R. Shelley
Project Coordinator - Paralegal
Legal Department
MISO | P.O. Box 4202 | Carmel, IN 46082
317.249.5894 (d) 317.249.5912 (f)
www.misoenergy.org

for UPS or FedEx please send to: 720 City Center Drive, Carmel, IN 46032





Jeffrey L. Small

Attorney

Direct Dial: 317-249-5248 E-mail: jsmall@misoenergy.org

### **VIA ELECTRONIC DELIVERY**

November 20, 2014

Dr. Burl Haar Executive Secretary Minnesota Public Utilities Commission 121 Seventh Place East, Suite 350 St. Paul, Minnesota 55101-2147

Re: Midcontinent Independent System Operator, Inc.

Comments on the Application Contained in Docket No. E015/CN-12-1163

Dear Executive Secretary Haar:

MISO is a regional transmission organization, under the supervision of the Federal Energy Regulatory Commission and other federal authorities, that (among other matters) is responsible for ensuring that the regional transmission system stretching from Michigan to Eastern Montana (the MISO "footprint") is reliably planned to provide for existing and expected use of that system. MISO performs collaborative planning functions for the transmission system with its member transmission owners and other stakeholders while independently assessing regional transmission needs.

As the result of MISO's work with the Applicant in the above-captioned case and its independent review of the proposed transmission project, MISO considers the Great Northern Transmission Line Project a result of sound execution of MISO's collaborative Transmission Planning process. This Project was reviewed under both the transmission service request process found in Module B of MISO's Tariff, and as a targeted study under a technical study task force exploring the value added by this transmission Project to the MISO footprint as described in Attachment FF, Transmission Expansion Planning Protocol, of MISO's Tariff. Both studies confirmed the appropriateness of the Project to address system needs and opportunities.

The Great Northern Transmission Line Project will enable a series of long-term, firm transmission service requests to be accepted. The Project plan was developed during an extensive study period involving the transmission service request customers and nearly all the transmission owners in the North Region of MISO (stretching from Minnesota to Eastern Montana). The study period was longer than a typical case to respond to a transmission service

request, which MISO first addressed in a FERC filing on study performance in late 2009, 1 as the result of the great scope of the required study and the size of the upgrades that are much larger than is typical for a service request.

In 2011 MISO launched the Manitoba Hydro Wind Synergy Study to explore the economic benefit to the MISO footprint of adding this line with respect to optimizing the use of hydroelectric and wind energy. The study demonstrated a variety of benefits to the footprint, far in excess of costs,<sup>2</sup> but the Project did not meet the strict benefit calculations required for regional cost sharing under the MISO Tariff. Therefore, since this Project responds to a transmission service request, the costs will be directly assigned to the transmission customers and not allocated across the MISO footprint. The exact cost allocation is outlined in the Multi-Party Facilities Construction Agreement currently pending before the Federal Energy Regulatory Commission,<sup>3</sup> which has been noted in the above-captioned docket before the Minnesota Public Utilities Commission.

MISO is not a party to the above-captioned case. However, with the Commission's indulgence, MISO provides these comments as the Great Northern Transmission Line Project is considered by the Commission.

Sincerely,

/s/ Jeffrey L. Small
Jeffrey L. Small
Attorney
MISO
720 City Center Drive
Carmel, Indiana 46032
Telephone: (317) 249-5400
Fax: (317) 249-5912

ismall@misoenergy.org

#### CERTIFICATE OF SERVICE

The below certifies that on the 20<sup>th</sup> day of November, 2014, a true and correct copy of Comments by the Midcontinent Independent System Operator was filed by means of eDockets (www.edockets.state.mn.us) in the above-referenced dockets. The Comments were also served via U.S. Mail and email through the eDockets system as designated on the Official Service Lists on file with the Minnesota Public Utilities Commission in these dockets.

/s/ Rhiannon Shelley
Rhiannon Shelley

<sup>&</sup>lt;sup>1</sup> Notification Filing of the Midwest Independent Transmission System Operator, Inc., Docket No. OA10-2-000 (October 30, 2009).

<sup>&</sup>lt;sup>2</sup> Study results are publicly available at: <a href="https://www.misoenergy.org/layouts/miso/ecm/redirect.aspx?id=160821">https://www.misoenergy.org/layouts/miso/ecm/redirect.aspx?id=160821</a>
<sup>3</sup> The Multi-Party Facilities Construction Agreement was filed in Docket No. ER14-2950-000. A copy of the filing is available at: <a href="https://www.misoenergy.org/layouts/MISO/ECM/Redirect.aspx?ID=185074">https://www.misoenergy.org/layouts/MISO/ECM/Redirect.aspx?ID=185074</a>

# O'Reilly, Ann (OAH)

From:

John & Ann < lucky.finder@frontier.com>

Sent:

Monday, December 01, 2014 5:50 AM

To:

\*OAH\_Routecomments.oah

Cc:

grnews@mx3.com; wpioneer@centurytel.net; msfair@northwinds.net;

norlight@wiktel.com

Subject:

public comments - E-015/CN-12-1163 and OAH 65-2500-31196 - John Dunn

**Attachments:** 

2014 11 30 public comment GNTL John Dunn.pdf

Dear Honorable Ann O'Reilly,

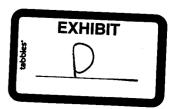
With this I am submitting my comments regarding the certificate of need application for the "Great Northern Transmission Line." - docket numbers E-015/CN-12-1163 and OAH 65-2500-31196

Please excuse the red characters in my letter. It wasn't intentional.

Thank you very kindly for reviewing my submission and giving it careful consideration.

Best regards,

John Dunn Mauston, WI



John Dunn N3473 County Road K Mauston, WI 53948

November 30, 2014

The Honorable Ann O'Reilly
Attention Docket E-015/CN-12-1163 and OAH 65-2500-31196
Office of Administrative Hearings
P.O. Box 64620
600 North Robert Street
St. Paul MN 55164-0620

This comment is made by a private individual in the matter of Minnesota Power's application for a Certificate of Need with regard to the proposed "Great Northern Transmission Line."

I believe there more cost effective ways to meet the public's needs and public policy objectives than this transmission line proposal called the Great Northern Transmission Line. For example putting the same or even less money toward energy conservation and load-management measures.

I believe better energy costs can be achieved for Minnesota electricity consumers by employing reasonable alternatives. The costs of employing the alternatives would be less and with greater benefit than the proposed project called the Great Northern Transmission Line.

I believe Minnesota Power is being deceptive in its portrayal of this proposal and of the purpose of the proposal. Minnesota Power is not being forthright in its publicized claims or in expressing its intentions publically or in the application with Minnesota PUC. Further, Minnesota Power is being deceptive in putting Phase II on hold. American Transmission Company, the would be partner with Minnesota Power, in a letter dated October 31, 2014 and posted on the docket has endorsed Phase I. The Environmental Report prepared by Minnesota Department of Commerce gets the greater scope of this proposal and discusses the potential for bulk power transfers.

I would like to say, an approved Power Purchase Agreement does not constitute a public need. Neither does a renewable optimization agreement of hydropower and wind storage energy products to serve Minnesota Power, or send additional hydropower to other utilities in the United States; such an agreement does not constitute public need. An approved Integrated Resource Plan does not constitute public need either.

The question of public need and of suitability of Manitoba's hydropower is open and unanswered in terms of this proposal which is before the Administrative Law Judge and the Minnesota PUC.

Minnesota Power claims imported power would be clean and emissions free. This is a half truth because there is an overall negative effect on emissions and the hydro projects are very damaging. I would like to reference <a href="Hydropower Greenhouse Gas Emissions">Hydropower Greenhouse Gas Emissions</a>, February 14, 2012 by Synapse Energy Economics, Inc. —

http://www.clf.org/wp-content/uploads/2012/02/Hydropower-GHG-Emissions-Feb.-14-2012.pdf Hydropower in Quebec and New Foundland may be no better than burning natural gas with respect to carbon dioxide. While no two hydroelectric developments are the same; Manitoba Hydro is likely worse than some others because of continued and ongoing environmental degradation over a greater surface area of flooded lands. This report should cause Minnesota's public policy makers and the decision makers to do a double-take regarding Manitoba Hydro.

A similar independent study of Manitoba Hydro is lacking. In fact the Pimicikamak and others have been calling for comprehensive review of how the northern hydropower system is operated with the goal of minimizing environmental impacts. I would like to offer two editorials – Hydro's damage adds up, September 16, 2013, Editorial, Winnipeg Free Press <a href="http://www.winnipegfreepress.com/opinion/editorials/hydros-damage-adds-up-223869381.html">http://www.winnipegfreepress.com/opinion/editorials/hydros-damage-adds-up-223869381.html</a> Fighting For a Fishery, December 10, 2013, by Steve Ducharme <a href="http://www.winnipegfreepress.com/opinion/columnists/fighting-for-a-fishery-235187641.html">http://www.winnipegfreepress.com/opinion/columnists/fighting-for-a-fishery-235187641.html</a>

One of the objectives expressed in October of this year when the Pimicikamak evicted Manitoba Hydro from the Jenpeg Generation Station taking over the dam was: "A commitment from Manitoba and Manitoba Hydro to undertake a comprehensive review of how the northern hydropower system is operated with a view to minimizing environmental impacts."

Manitoba Hydro, the Province of Manitoba and the Pimicikamac just signed a Process Agreement (found at the end of this comment document) for, among other things, implementation of the 1977 Northern Flood Agreement. If Manitoba Hydro had acted honorably these past decades such a process agreement would not have been necessary. One may have doubts about Manitoba Hydro's future behavior.

Manitoba Hydro knows that their past actions and the way hydro has been operated has been socially and environmentally damaging. Hydro has operated for decades under interim license, without a final license. Although it is now requesting final licensees for Churchill River Diversion and Lake Winnipeg Regulation, it is requesting no changes to its interim licenses as though nothing has been learned in the past decades that could improve the ways these systems are operated with respect to environmental damage. And their application for a final license, as I understand it, includes augmented flow which exceeds the provisions of the original interim license and Northern Flood Agreement.

Minnesota Power can not back up its claim of hydro power from Manitoba being clean. Minnesota Power can not present impartial scientific studies; Minnesota Power is talking noise, blowing hot air about hydro being clean. Minnesota Power's claim is to bring needed power into Minnesota. The capacity of the line is much greater than the 750MW presented and even 750MW far exceeds any claimed need for increased power in Minnesota. 750MW exceeds the 250MW PPA + 133MW ROA. The actual capacity of the line would be much greater the 750MW; this is revealed by the planned conductoring for the line.

Minnesota Power's claim is to increase system reliability. It is hard to imagine a new addition or upgrade that wouldn't increase reliability if done properly, but most would not bring any practical, appreciable increase in reliability.

In considering the Great Northern Transmission Line from the (end user) consumers' point of view, most consumers already enjoy an uninterrupted, adequate, quality supply of electric power. The most likely cause of an outage for them is because of something interfering at the distribution level. So, the most cost effective reliability gains for them are with distribution line maintenance, squirrel proofing and continued safety education for two legged squirrels.

Other practical reliability objectives would be most cost effectively realized through energy conservation (efficiency and habits) and load-management measures. Also, more distributed generation like home solar has benefits for managing grid operations, addressing peak demand, lowing operations costs and increasing reliability.

When it comes to reliability for bulk power transfers, increasing market reach and things of that nature; this is not a public need. The costs of enabling this when there are reasonable, sensible, more cost effective alternatives are not in the public interest. Besides, the actual outcome regarding consumer prices with increased capacity for bulk power transfers is in doubt; economists and analysts would reach different conclusions whether consumer prices would be lower or higher by increasing capabilities for bulk power transfers.

In an impartial cost-benefit-analysis, for the money spent – conservation, energy efficiency, load management and locally produced solar would have the greatest benefits for the costs. All of these work everywhere, throughout the United States, Canada, Mexico and beyond.

Wherever electricity is consumed, gains in energy efficiency can be made. Even negative growth in electricity demand can be realized. It is not Minnesota's responsibility to prop up the irresponsible; all could benefit from aggressive energy efficiency. Energy efficiency: a key tool for boosting economic and social development <a href="http://www.iea.org/newsroomandevents/pressreleases/2014/september/name-125300-en.html">http://www.iea.org/newsroomandevents/pressreleases/2014/september/name-125300-en.html</a>

The Power Purchase Agreement between Minnesota Power and Manitoba Hydro is likely an introductory offer to get their foot in the door, to help get the Great Northern Transmission Line approved and to enable them engage in the risky business of competing in a shrinking market.

Manitoba Hydro's most recently <u>completed hydro project</u>, <u>Wuskwatim</u>, has been losing money. <u>http://www.pub.gov.mb.ca/pdf/13hydro/43-13.pdf</u> report. Wuskwatim was completed in 2012 and is not expected to make any money by Hydro's estimates until 2023.

I would also like to introduce this article – Unprecedented Risk – 06/19/2014 – by Byron Williams and Gloria Desorcy. It discusses how distributed solar, among other things, may influence hydropower exports. –

http://www.winnipegfreepress.com/opinion/analysis/unprecedented-risk-263765151.html

Great Northern Transmission Lines has a connection with the planned new Keeyask dam and with its associated debt burden.

According to a former dean of engineering at the University of Manitoba "...all it would take for [Manitoba Hydro] the Crown corporation to be in a situation where its solvency was put into question is a major drought (even one of no greater proportion than the 2002-04 event), an unexpected sharp rise in interest rates, a continuing deterioration of the export markets, or any combination of these which causes a credit downgrade." <a href="http://www.winnipegsun.com/2013/12/12/ndp-risking-hydros-future">http://www.winnipegsun.com/2013/12/12/ndp-risking-hydros-future</a>

This all advises extra caution with regard to speculating on the future costs of electricity from Manitoba Hydro, the dependability of this supply and any demand for it.

Approving eminent domain taking for this proposal would be sickening. This is a speculative private business endeavor, not a public project and not in the public interest.

Sincerely,

John Dunn

### PROCESS AGREEMENT

#### Between

Pimicikamak on its own behalf and on behalf of Cross Lake First Nation (also known as Cross Lake Band of Indians) ("Pimicikamak")

and

Her Majesty the Queen in Right of the Province of Manitoba ("Manitoba")

and

### The Manitoba Hydro-Electric Board ("Hydro")

#### WHEREAS

- A. The "project", as defined in the Northern Flood Agreement, consisting of the Churchill River Diversion ("CRD") and Lake Winnipeg Regulation ("LWR") projects, (the "Hydro Project") includes aspects that have been operating and continue to operate in Manitoba, including in what Pimicikamak considers to be Pimicikamak's traditional territory.
- B. The Hydro Project has modified the water regime and resulted in, and continues to result in, adverse effects on the lands, pursuits, activities and lifestyles of citizens of Pimicikamak.
- C. Manitoba, Manitoba Hydro, the Northern Flood Committee, Inc and Her Majesty the Queen in Right of Canada ("Canada"), entered into the Northern Flood Agreement ("NFA"), dated December 16, 1977 with the purpose of addressing such adverse effects, through various means, on the parties represented by the Northern Flood Committee Inc. and their members.
- D. The Cross Lake Band of Indians, also known as Cross Lake First Nation ("Band") is one of the parties that had been represented by the Northern Flood Committee Inc. under the NFA, and for the purpose of this Agreement Pimicikamak, Manitoba and Hydro (collectively the "Parties"), and the Band through Band Council Resolution, acknowledge that "Pimicikamak" as described as a Party to this Agreement acts on behalf of the Band under the NFA.
- E. Manitoba and Manitoba Hydro want to improve their relationships with aboriginal peoples and communities impacted by CRD and LWR and in that spirit are proposing to work as set out in this Agreement.

F. The Parties desire to work together in an Engagement Process as provided for in this Agreement.

## NOW THEREFORE the Parties hereby agree as follows:

### 1. PURPOSE OF THIS AGREEMENT

- 1.1 The purpose of this Agreement is to:
  - 1.1.1 set out the matters to be addressed in the Engagement Process between the Parties to which this Agreement applies;
  - 1.1.2 set out the principles governing the Engagement Process;
  - 1.1.3 set out the process and timetable for the Engagement Process; and
  - 1.1.4 set out the funding requirements and process for budgets and payments, for the Engagement Process.

# 2. ISSUES FOR THE ENGAGEMENT PROCESS

- 2.1 The issues to be considered and addressed in the Engagement Process shall include the following:
  - 2.1.1 New NFA Relationship as set out in Article 6;
  - 2.1.2 Policy-level Issues as set out in Article 7;
  - 2.1.3 Financial Issues as set out in Article 8;
  - 2.1.4 Energy Efficiency Opportunities as set out in Article 9; and
  - 2.1.5 Such other matters as the Parties agree.

## 3. PRINCIPLES OF THE ENGAGEMENT PROCESS

- 3.1 The Parties agree that the principles that shall govern the Engagement Process are as follows:
  - 3.1.1 Government-to-Government: The Engagement Process will foster reconciliation amongst all Parties and a positive, long-term government-to-government relationship between Pimicikamak and Manitoba.
  - 3.1.2 Mutual Respect: The Parties shall act with willingness and commitment to hear each other, to understand each other's perspectives and cultures, and

to treat each other as one would expect to be treated oneself in an honourable society.

- 3.1.3 Good Faith: The Parties shall engage in the Engagement Process in good faith, including that each Party and its negotiators and representatives will act honestly and with the intention of achieving the objectives of the Agreement in a timely, effective, rational and fact-based way. Nothing in this Agreement assumes the Parties will reach agreement on any issues referenced in Articles 6, 7, 8 and 9 and the Parties acknowledge they may not be able to obtain Canada's or third parties' consent to certain matters and that such consent might be necessary. The Parties agree that good faith engagement does not include deliberate actions by any Party (authorized or condoned by its decision-makers) to knowingly unlawfully obstruct the legal rights of any other Party.
- 3.1.4 Fully Informed: The Parties agree that in order for each Party to participate in an informed way in the Engagement, each Party will require relevant and necessary information from the other Parties for this purpose, subject to legislative restrictions and confidentiality obligations outlined in Article 10.
- 3.1.5 Mutual Accountability: Each Party shall be accountable to the others for reporting on progress of, next steps in and obstacles to progress. Pimicikamak will be further responsible to account with respect to the expenditure and use of advances and other funding provided by Manitoba or Hydro.
- 3.1.6 Without Prejudice: Main Table activities shall be conducted on a without prejudice basis subject to the proviso that any approved NFA action plans, and any expert reports or similar work product developed as part of the Engagement Process where relevant may be used in arbitration proceedings in an NFA Claim or other proceeding.
- 3.1.7 Canada's Role: The Parties acknowledge that Canada's involvement in some of the issues to be considered is desirable and with respect to particular issues may be required and the Parties agree to approach Canada to seek its involvement if desired or required.
- 3.1.8 Other Aboriginal Peoples/Communities and Interested Third Parties: The Parties acknowledge that some of the issues to be addressed through this Engagement Process are broad policy level issues that will require input from and consideration by other interested third parties in order to find common ground and mutual understandings on how to address such respective interests.

## 4. TIMETABLE FOR THE ENGAGEMENT PROCESS

- 4.1 The Parties shall immediately establish the NFA Working Group to work on an action plan for NFA implementation pursuant to section 6.2, and the Parties acknowledge that there has been funding provided to start this work.
- 4.2 The Parties shall work cooperatively, on a priority basis, to develop a work plan and budget for the anticipated work to be undertaken between the signing of this Agreement and March 31, 2015, particularly the proposed NFA implementation Action Plan.
- 4.3 In respect of the issues referenced in Article 7, which are of a policy level and will therefore necessarily include input and consideration by the public and other interested third parties, the Parties shall, between the signing of this Agreement and March 31, 2015, cooperatively develop a work plan and budget for the anticipated work to be undertaken with respect to such issues.
- 4.4 The Parties shall undertake a review of the progress being made under this Agreement to March 31, 2015, and shall cooperatively develop a work plan and budget for activities to be conducted after March 31, 2015, such that such work plan and budget is approved by March 31, 2015. The Parties shall thereafter work cooperatively to develop work plans and budgets for such additional periods of time and for such work as remains to be undertaken pursuant to this Agreement.

### 5. THE ENGAGEMENT PROCESS

- 5.1 The Engagement Process shall be conducted as set out in this Article 5:
- 5.2 Main Table: A Main Table shall be established in Accordance with this Section 5.2.
  - 5.2.1 The Main Table shall consist of the lead negotiators for and legal counsel to each of the Parties. Each Party may identify up to three lead negotiators and each may choose whomever it wishes as its lead negotiators. It is expected that the lead negotiators will inform themselves about the issues and will be available and committed to participate in the Main Table.
  - 5.2.2 The Main Table shall establish and develop terms of reference for any Working Groups as may be required and that are not already established under this Agreement. Terms of reference shall include anticipated time lines for the activities of the Working Groups. Terms of reference for Working Groups established by the Main Table shall include a description of the work and of the expertise required to carry out the work assigned to it by the Main Table.
  - 5.2.3 The Main Table shall direct the Working Groups and supervise the work of and receive reports and other work product from the Working Groups.

- 5.2.4 The Main Table shall decide on the work plans and budgets for the Engagement Process, including the work of each Working Group established or sought by any Party to be established and shall consider any recommendations regarding work plans and budgets from any applicable established Working Group.
- 5.2.5 The Main Table shall negotiate all matters in section 6.1 as provided for in that section.
- 5.2.6 The Main Table shall seek to meaningfully address all issues identified in Articles 7, 8 and 9 as provided for in those Articles.
- 5.2.7 Each Party's negotiators shall consult with its respective Party as required throughout the Engagement to make reports and receive instructions in respect of issues being addressed at the Main Table.
- 5.2.8 Chairing of the meetings shall rotate among the Parties, unless there is a facilitator in which case the facilitator may, with agreement between the Parties, chair the meetings.
- 5.2.9 If any Party considers that due to difficulty in resolving any issue(s) beyond those of a minor nature, a facilitator may be of assistance in respect of resolving such issue(s), such Party may request a facilitator for this purpose at the Main Table, and a facilitator shall be selected and retained. The Parties recognize that it would be desirable that the facilitator would have experience in cases involving aboriginal people or communities. Where the Parties do not agree on a facilitator, each Party shall nominate one proposed qualified facilitator and the nominated facilitators shall among them select a person to act as the facilitator for the Main Table.
- 5.2.10 The chair of any meeting shall develop and submit to all Main Table negotiators at least three days in advance, notice of the meeting and agenda for the meeting, minutes from the last meeting, and any documents from Working Groups that the Main Table is to consider at the meeting. The chair shall ensure that minutes are taken of the meeting that set out the issues considered at the meeting and the outcomes of the meeting.
- 5.2.11 Consultants, advisors or experts retained by any Party for the Engagement Process (who would likely be conducting most or all of their work through one or more Working Groups) may attend the Main Table meetings if their presence is required or would assist in the work of the Main Table. Representatives of any Party may attend the Main Table meetings if their presence is required or would assist in the work of the Main Table.
- 5.2.12 The Main Table shall meet every other week or as otherwise agreed with the intention of meeting the timetable agreed for the Engagement Process in accordance with this Agreement.

5.2.13 Main Table meetings shall normally rotate between Cross Lake and Winnipeg unless the lead negotiators to the Main Table agree otherwise.

### 5.3 Working Groups - General

- 5.3.1 The Main Table shall establish Working Groups, if and when required, that are not already established under this Agreement, and this section 5.3 applies to any Working Groups established by the Main Table.
- 5.3.2 Each Working Group shall consist of representatives from each Party, plus consultants/advisors/experts retained by Pimicikamak and those retained by Manitoba and/or Hydro qualified to assess and advise on the matters such Working Group is responsible for working on.
- 5.3.3 Working Groups shall be technical working groups with assigned tasks and deliverables.
- 5.3.4 The work product of each Working Group will be given good faith and due consideration by the Main Table and the Parties. Such work product shall be treated as recommendations to the Main Table and the Parties. Such recommendations may or may not be joint; each Party (through its representatives and consultants/advisors/experts in any Working Group) may deliver its own recommendations.
- 5.3.5 Each Working Group shall deliver reports on its progress and next steps, as the Main Table requires, to the Main Table.
- 5.3.6 Each Working Group shall undertake its work with best efforts to meet the timetable and the intent of this Agreement. Each Working Group will determine for itself the number, location and type of meetings, and other efforts, in order to achieve this, subject to any approved work plans and budgets applicable to such Working Group. It is anticipated that the bulk of the work will be done by the consultants/advisors/experts in between meetings.
- 5.3.7 Main Table negotiators and legal counsel, and representatives (decision-makers) of any Party may attend Working Group meetings if their presence is required or would assist in the work of the Working Group.

## 6. NEW NFA RELATIONSHIP

- 6.1 The following issues related to the New NFA Relationship are to be negotiated in good faith by the Main Table:
  - 6.1.1 Pimicikamak's status in respect of the NFA, considering the consent of other NFA parties may be required;
  - 6.1.2 The status of the Band's reserve land parcel 19D at all applicable times in respect of NFA Claim 1 and the construction by Hydro of a

- distribution/transmission line across 19D, and whether, and the extent to which, any rent or fees, past or future, are required to be paid by Hydro to the Band in respect of same;
- 6.1.3 A new model for NFA implementation and associated funding, including decision-making, participation and input requirements;
- 6.1.4 Recommendations of the NFA Working Group in respect of the matters referenced in section 6.2; and
- 6.1.5 Such other issues pertaining or relating to the NFA and the Hydro Project as the Parties agree.

### 6.2 NFA Working Group

- 6.2.1 The NFA Working Group shall be established as a priority. This Working Group is responsible for considering and endeavouring to find common ground and understanding on NFA implementation and providing recommendations on such issues to the Main Table. The issues for the NFA Working Group shall include:
  - Updating programs, as the Parties may agree, under the NFA implementation action plan developed by Pimicikamak for 2004-2006 which Pimicikamak presented to Manitoba and Hydro in or about 2004 ("Pimicikamak Proposed Action Plan"). Such updating shall be in respect of the costs to, and steps required to, implement such programs, and shall take account of what has occurred since 2004 and allow for re-prioritizing of such Action Plan programs as the Parties agree (or where only Pimicikamak and Manitoba are required to agree, or where only Pimicikamak and Hydro are required to agree, as they agree);
  - 6.2.1.2 Developing work plans and budgets to implement such programs referred to in subsection 6.2.1.1 as the Parties shall agree and direct (or where only Pimicikamak and Manitoba are required to agree, or where only Pimicikamak and Hydro are required to agree, as they agree and direct);
  - Developing further action plans to implement the NFA on an ongoing basis which will be subject to agreement between the Parties (or where only Pimicikamak and Manitoba are required to agree, or where only Pimicikamak and Hydro are required to agree, as they agree);
  - 6.2.1.4 Considering more measurable and certain requirements for environmental remediation and mitigation measures and programs of the NFA, such as debris clearing, erosion prevention, cemeteries protection, water quality improvement, riparian and other ecosystem rejuvenation;

- 6.2.1.5 Considering more measurable and certain requirements for measures and programs of the NFA other than those in subsection 6.2.1.4, such as those to rejuvenate and restore trapping, fishing, other traditional pursuits and Pimicikamak culture, and those pertaining to training, employment and business opportunities for Pimicikamak and its people in the Hydro Project or Hydro operations;
- 6.2.1.6 Considering parameters for and requirements of a community development and land use plan, including the application of this to Pimicikamak and what it considers to be its traditional territory, recognizing that Canada's involvement is desirable and may be required in respect of aspects of this issue; and
- 6.2.1.7 Such other matters as the Main Table or the Parties jointly direct in the terms of reference for the NFA Working Group.
- 6.3 The Parties shall consider whether and to what extent any existing NFA arbitration claims brought by or on behalf of Pimicikamak or the Band, or any NFA claims in which Pimicikamak or the Band is the representative of Pimicikamak people or Band members, may be settled or resolved. The Parties shall approach Canada to acquire its consent in terms of any agreement they reach in respect of any such NFA claim, where Canada's consent is required.

## 7. POLICY-LEVEL ISSUES AND THIRD PARTY INVOLVEMENT

- 7.1 Recognizing that input and consultation with the public and interested third parties will be fundamental to these policy level issues and that Manitoba and Hydro may engage in separate and/or concurrent discussions with other parties on these matters, the following issues are to be considered by the Main Table and possibly at Working Group(s) and where agreed by the Parties negotiated by the Main Table:
  - 7.1.1 Revenue sharing with, and the allocation of water power rentals, to Pimicikamak, and/or equity ownership by Pimicikamak, all in respect of the Hydro Project and/or certain of its elements, including consideration of: other aboriginal peoples and communities affected by the Hydro Project; relevant legislation and regulatory requirements; and examples of revenue sharing and equity ownership involving aboriginal peoples and communities in Manitoba and Canada;
  - 7.1.2 The establishment of an independent and comprehensive Hydro Project assessment of how CRD and LWR are operated in order to identify ways for better balancing of electricity generation with other uses of and needs for the water system including environmental protection;
  - 7.1.3 The establishment of a multi-party approach within which Hydro Project operating decisions would be made (such as watershed management boards or the like); and

7.1.4 Such other subjects related to the Hydro Project and the NFA as the Parties agree, where input will be required from other interested third parties.

#### 8. FINANCIAL ISSUES

- 8.1 Either at the Main Table or through a Working Group, the Parties shall consider undertaking the following:
  - 8.1.1 An investigation, analysis and report (such work to be conducted by qualified experts and others) in respect of:
    - 8.1.1.1 the financial management and operational systems, including human resources, of Pimicikamak and the Band, to manage the funding made available by Manitoba and/or Hydro under the NFA or other related arrangements, and recommendations on how to maximize the efficiency, transparency and accountability of these systems; and
    - 8.1.1.2 with the appropriate involvement or support of Canada, the financial state of affairs of, needs of (to be operating in a non-deficit position) and expenditure and cash flow obligations of Pimicikamak and the Band, and how to maximize the financial viability and health of Pimicikamak and the Band considering its current revenue and expenditure streams and future potential sources of revenue, and
  - 8.1.2 Assisting Pimicikamak in carrying out the recommendations from the above investigation, analysis and report as the Parties agree.

# 9. ENERGY EFFICIENCY OPPORTUNITIES

- 9.1 Either at the Main Table or through a Working Group the Parties shall use best efforts to achieve the Energy Efficiency Opportunities of:
  - 9.1.1 Researching and advising on options as to how Pimicikamak and its people may further improve energy efficiency including through application of Power Smart programs, and how Pimicikamak and its people may reduce energy consumption including consumption of electricity from the Hydro Project; and
  - 9.1.2 Assisting Pimicikamak in carrying out options above as the Parties agree.

### 10. INFORMATION SHARING

10.1 Subject to *The Freedom of Information and Protection of Privacy Act* (Manitoba) and other relevant legislation, and subject to lawyer-client privilege and any other confidentiality and privacy restrictions provided for by law, the Parties agree to promptly provide information that is relevant and necessary in order that all Parties may participate in the Engagement Process in a fully informed way.

- 10.2 If any information that a Party would otherwise disclose under this Article 10 is deemed by that Party as not discloseable due to the above restrictions, it shall so advise the other Parties of the nature of such information and the reason for non-disclosure, and shall consider in good faith whether, how and under what restrictions such information might be disclosed in this Engagement Process.
- 10.3 If any Party identifies information that it is to disclose as confidential ("Confidential Information"), the receiving Parties shall treat such Information as confidential and not disclose it to any person except those of its officers, directors, elected officials, representatives, employees, agents, and consultants/advisors/experts that have a need to know this Information for the purposes set out in this Agreement and who agree to be bound by the confidentiality requirements set out in this Article 10.
- 10.4 Confidential Information does not include information that:
  - 10.4.1 is or comes into the public domain through no breach of this Agreement; or
  - 10.4.2 was in or comes into the possession of the receiving Party through no breach of this Agreement.
- 10.5 Confidential Information may be disclosed by a receiving Party as required by law, or in a dispute resolution proceeding between any of the Parties pursuant to Article 15 provided that it shall be identified as Confidential Information and the Parties shall direct the mediator and/or arbitrator to ensure it is treated as such in such proceedings.
- 10.6 Sections 10.3 and 10.4 survive termination of this Agreement.

## 11. TERM AND TERMINATION

- 11.1 This Agreement shall come into effect upon execution and shall terminate, except for those provisions which expressly survive termination, on the earliest of:
  - 11.1.1 the delivery by any Party to the other Parties of 120 days written notice of termination;
  - 11.1.2 the fundamental breach of this Agreement by Manitoba or Hydro and the decision of Pimicikamak in respect of same to terminate, which termination shall take effect on the delivery of notice by Pimicikamak about its decision to terminate;
  - 11.1.3 the fundamental breach of this Agreement by Pimicikamak and the decision of Manitoba or Hydro in respect of same to terminate, which termination shall take effect on the delivery of notice by Manitoba or Hydro about its decision to terminate.

- 11.2 Where any Party terminates this Agreement in accordance with section 11.1.1, the Parties shall, during the first 90 days after delivery of the notice of termination, work together in good faith to seek to address or resolve any issues that any Party considers a factor leading to the notice, and to seek to determine any actions that may result in the notice being withdrawn, or to determine how the Parties may work together following the termination of this Agreement. Sections 15.3 and 15.4 apply to the work under this section 11.2.
- Any funding due and owing to the date of termination shall be promptly paid and any reports or other deliverables due to the date of termination shall be promptly delivered to the extent possible.

#### 12. FUNDING

- 12.1 Funding of the participation of Pimicikamak, including its costs for legal counsel, negotiators and consultants/advisors/experts, in the processes contemplated in this Agreement shall be provided by Manitoba and Hydro under prior approved work plans and budgets and consistent with Manitoba's financial and Treasury Board requirements and Hydro's Reimbursement Policy including all financial reporting requirements and the right of Manitoba and Hydro, at their own costs, to undertake an audit of the accounts of Pimicikamak and the Band relating to funds provided under this Agreement.
- 12.2 Subject to the provisions of this Article 12, Pimicikamak's reasonable and necessary costs to participate in the Engagement Process include the reasonable and necessary costs of Pimicikamak's representatives, negotiators, legal counsel and consultants/advisors/experts, and costs of internal Pimicikamak consultation with its leadership and its people, in accordance with prior approved work plans and budgets developed in accordance with this Article 12.
- 12.3 In the event that the Parties cannot agree on a proposed work plan and budget, the Parties shall follow the provisions of Article 15.
- 12.4 As provided in Article 4, the Parties shall develop work plans and budgets for the Engagement Process and Pimicikamak's costs in the Engagement Process, on a priority basis, initially for the period from the signing of this Agreement until March 31, 2015, and for annual periods thereafter, or such other periods of time as the Parties agree.
- Work plans and budgets shall itemize the specific needs for and proposed work of any Pimicikamak consultants/advisors/experts (other than legal counsel), their qualifications to carry out the proposed work, their rates and how they compare to other consultants/advisors/experts in the relevant field, the process engaged by Pimicikamak to select any such consultant/advisor/expert above others in the relevant field, the deliverables from such proposed work by such consultants/advisors/experts, and the cost of such consultants/advisors/experts carrying out such work. The Main Table shall consider all such factors above in determining work plans and budgets involving consultants/advisors/experts.

- 12.6 Funding from Manitoba and Hydro shall be in accordance with the developed and approved work plans and budgets and any approved alterations to the work plans and budgets.
- If Pimicikamak believes that the costs set out in the approved work plans and budgets will be exceeded, Pimicikamak shall give notice of same to the other Parties on a forthwith basis, and the Parties shall consider any amendment to the applicable workplans and budgets.
- 12.8 Subject to receipt of proper accounting for money already provided and compliance with the provisions of this section, funding shall be provided for Pimicikamak's costs, through accountable advances, and shall be deposited into Pimicikamak's bank account.
- 12.9 Pimicikamak shall account for the expenditure of all costs attributed to it in any budget, in accordance with the requirements of the Hydro Reimbursement Policy or otherwise as agreed between the Parties acting reasonably.

### 13. NON-DEROGATION

Nothing contained in this Agreement shall be construed as derogating from any aboriginal, treaty (including the NFA) or constitutional rights and/or obligations of the Parties.

### 14. NON-WAIVER

14.1 A consent or waiver, expressed or implied, by any Party, in respect of any breach or default by any other Party in the performance of its obligations under this Agreement, shall not be deemed or construed to be a consent or waiver to any other breach or default in the performance of obligations under this Agreement by such other Party.

### 15. DISPUTE RESOLUTION

- 15.1 In the event there is any disagreement about the interpretation or application of this Agreement in respect of meeting the process requirements herein (ie: not in respect of any substance or outcome from any negotiations about issues in Article 6 or issues to be addressed in Articles 7, 8 or 9), or disagreements about workplans and budgets pursuant to sections 4.2, 4.4, 5.2.4 and Article 12 (all being a "Dispute"), the Parties agree to follow the Dispute resolution provisions in this Article 15.
- 15.2 If any Party considers there to be a Dispute, that Party shall within ten days of discovering the Dispute, serve notice on the other Parties of the nature of the Dispute and the facts relevant to it and the desired resolution of it ("Notice of Dispute").
- 15.3 The Parties shall first attempt to resolve the Dispute among themselves, including by referring the matter to the Minister in the case of Manitoba, to the Executive

Council Member Responsible for the NFA in the case of Pimicikamak, and to the President and CEO in the case of Hydro, provided that such referral shall be done within five days of receipt of the Notice of Dispute and for a period of up to ten days. For greater certainty, if the Minister, Executive Council Member and CEO are not able to resolve such dispute in ten days, then the Dispute shall thereafter follow the rest of the provisions of this Article 15.

- 15.4 If the Dispute cannot be resolved among the Parties pursuant to section 15.3, the Parties shall engage in mediation as follows:
  - 15.4.1 The Parties shall agree on a qualified mediator, and failing that, each Party shall select one qualified mediator and all such mediators shall select another who shall be the mediator for the Dispute;
  - 15.4.2 The mediation shall occur within thirty days of the receipt of the Notice of Dispute;
  - 15.4.3 Manitoba and Hydro shall pay their respective costs attributed to the mediation and shall equally pay for the mediator and the costs to have the mediator attend, and shall together pay for Pimicikamak's reasonable and necessary costs attributed to the mediation.
- 15.5 If the mediation did not result in a resolution of the Dispute, then the Dispute shall be referred to arbitration as follows:
  - 15.5.1 The Parties shall identify and use best efforts to narrow the issues of Dispute that were before the mediator, and only those issues still a matter of the Dispute shall be brought before the arbitrator;
  - 15.5.2 The Parties shall agree on a qualified arbitrator, and failing that, each Party shall select one qualified arbitrator and all such arbitrators shall select another who shall be the arbitrator for the Dispute;
  - 15.5.3 The arbitration shall commence within sixty days of the receipt of the Notice of Dispute;
  - 15.5.4 Manitoba and Hydro shall pay their respective costs attributed to the arbitration and shall equally pay for the arbitrator and the costs to have the arbitrator attend, and shall together pay for Pimicikamak's reasonable and necessary costs attributed to the arbitration unless the arbitrator orders otherwise and the arbitrator shall have authority to award costs as the arbitrator sees fit as against any Party;
  - 15.5.5 The decision of the arbitrator shall be final and binding, and not subject to appeal or judicial review;
  - 15.5.6 Any arbitration decision that results in Manitoba having to allocate funds to the Engagement Process that it had not previously approved, is subject to the allocation of such funds by the Manitoba Treasury Board;

- 15.5.7 No arbitration decision may conflict with any applicable statutory, regulatory, licence or permit requirement as it applies to any Party;
- 15.5.8 Subject to the above, the arbitration shall be governed by *The Arbitration Act* (Manitoba).

## 16. AMENDMENT AND EXTENSION

16.1 This Agreement shall only be amended or extended by written agreement of the Parties.

### 17. GOVERNING LAW AND FORUM

17.1 This Agreement is legally binding on the Parties hereto and is subject to the laws of Canada and Manitoba in force and effect in the Province of Manitoba, as amended from time to time.

#### 18. NOTICE

Any notice required to be given under this Agreement shall be given to the persons responsible for implementing this Agreement. All notices, demands, requests, consents, approvals, and other instruments required or permitted to be given pursuant to the terms of this Agreement shall be in writing unless otherwise specified, and shall be served upon or provided to the Parties by registered mail, facsimile or electronic mail to the following addresses:

For Pimicikamak:

The Secretary to the Councils Pimicikamak Okimawin Box 399 Cross Lake, Manitoba, R0B 0J0

Fax: 204-676-3155

Email: dpaupanakis@hotmail.com

For Manitoba:

Deputy Minister of Aboriginal and Northern Affairs 350 Legislative Building Winnipeg, Manitoba R3C 0V8

Fax: 204-945-1256

E-mail: dmna@leg.gov.mb.ca

For Hydro:

VP General Counsel and Corporate Secretary Manitoba Hydro 360 Portage Avenue, Winnipeg, Manitoba

Mailing Address: PO Box 815 Stn Main Winnipeg MB R3C 2P4

Fax: 204-360-6147

Email: ktennenhouse@hydro.mb.ca

#### 19. ASSIGNMENT

19.1 This Agreement shall be binding against and enure to the benefit of the Parties' successors and permitted assigns. No Party shall assign this Agreement and its rights and obligations hereunder without the written consent of the other Parties.

## 20. TIME IS OF THE ESSENCE

20.1 Time is of the essence in respect of this Agreement.

#### 21. CLAIM 138 MONIES

21.1 Hydro shall deliver to Pimicikamak or the Cross Lake First Nation, a payment that reflects the net present value ("NPV") of the commitments in the settlement documents pertaining to NFA Claim 138, such NPV payment to be \$5,993,191.43 or such other amount as Hydro and Pimicikamak agree, as soon as such amount, arrangement and payee is agreed to by Canada.

IN WITNESS WHEREOF each of the Parties has caused this Agreement to be executed by its duly authorized signing officers.

NOV 2 7 2014	Her Majesty the Queen in Right of the Province of Manitoba
Date	Name:

26 Nov 2014 Date	_}	Manitoba Hydro-electric Board  Name:
November 15, 2014 Date		Pimicikamak  Name:

# O'Reilly, Ann (OAH)

From:

Buddy John Savich <buddyjohnsavich@gmail.com>

Sent:

Wednesday, December 03, 2014 10:18 AM

To:

\*OAH\_Routecomments.oah

Subject:

Docket Numbers (PUC - E-015/CN-12-1163 and OAH - 65-2500-31196)

Attachments:

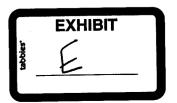
Comments on the Great Northern Transmission Line.docx

Honorable Ann O'Reilly:

Please find my comments in the attached Word document.

Sincerely,

**Buddy John Savich** 

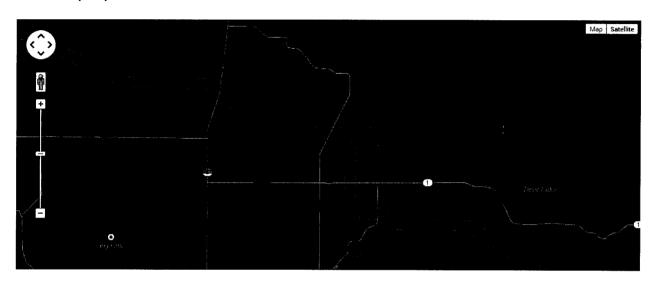


Docket Numbers (PUC - E-015/CN-12-1163 and OAH - 65-2500-31196)

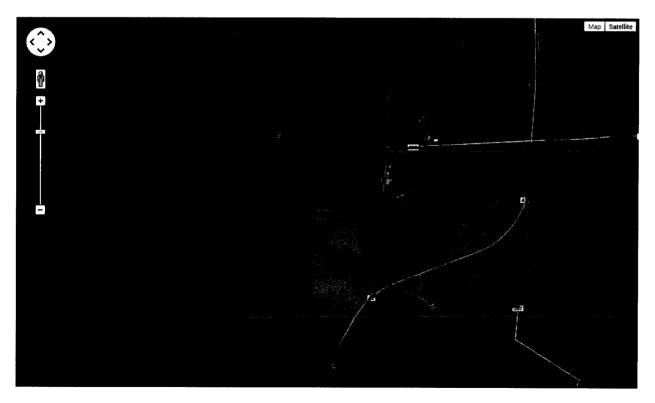
December 3, 2014

Honorable Ann O'Reilly:

I object to the current proposed section of the Orange Route which travels through property owned by Savich Herefords, LLC, a family farm (hereinafter The Savich Farm). The current proposed section is shown below:



**Orange Route Segment** 



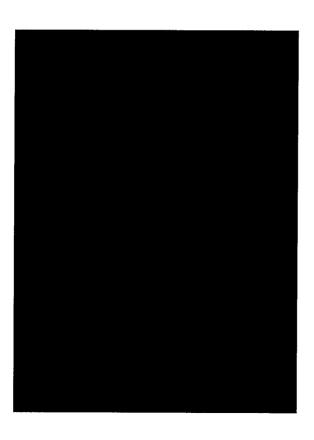
Detail of Orange Route Segment showing The Savich Farm outlined in Red

#### **OBJECTION GROUNDS:**

## 1.) Stewards of the Land for over 50 years

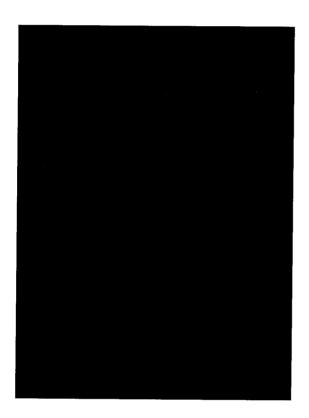
The Savich Farm was founded in 1958 by Buddy and Jan Savich (both deceased). The farm produces naturally grass-fed beef cattle and hay crops. For over 50 years, we have consistently made efforts to protect and conserve the land in its natural pristine state. From 1958 on, Buddy Savich walked the walk. In the 1970's he became a member of the Itasca County Soil and Water Conservation Board, and regularly attended meetings in Grand Rapids. The Savich Farm was *actively* engaged in conservation efforts. For many years, The University of Minnesota-Extension used The Savich Farm for test plots for various crops, organic farming methods, and farming conservation methods. Below is a plaque Buddy received for 12 years of service. The Plaque reads:

"Distinguished Service Award Presented to Buddy Savich, Supervisor, In Recognition of Distinguished Service for 12 Years Itasca County Soil and Water Conservation District."



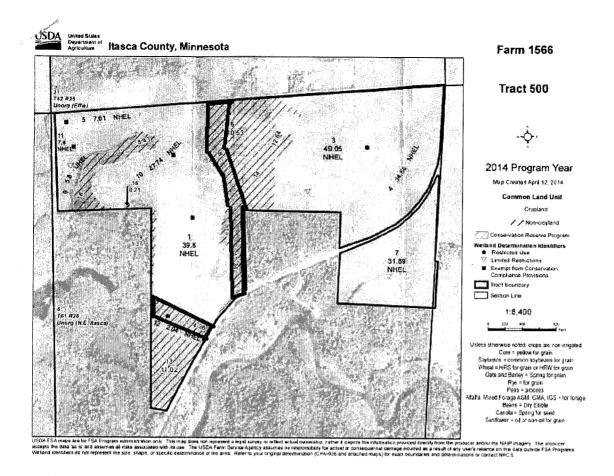
In 1988, Buddy and Jan received further recognition for their efforts as Stewards of the Land as shown on the plaque below, which reads:

"Outstanding Conservation Farmer, Buddy and Jan Savich, For Outstanding Accomplishments in the Conservation of Soil, Water, and Related Resources, Presented by Itasca County SWCD 1988"



Currently, The Savich Farm is participating in the CRP (Conservation Reserve Program), with segments of the Savich Farm in CRP as shown in the 2014 Program Year map below. The Savich Farm is outlined in Red in the USDA map, and the portion of the farm in CRP is outlined in Green.

NOTICE THE PROPOSED ORANGE ROUTE SEGMENT CROSSES DIRECTLY OVER AND THRU CRP LANDS



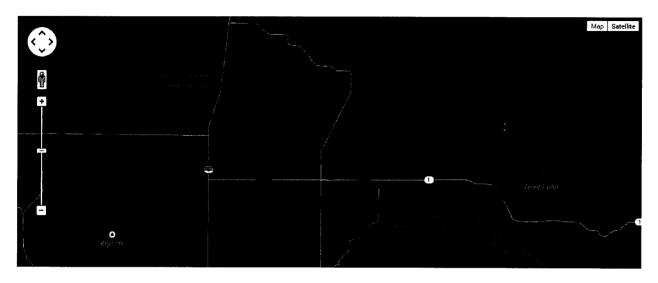
Savich Farm showing land in CRP in Green

Constructing a High-Voltage 500kV Transmission Line through the Savich Farm is in *DIRECT* opposition to *over 50 years* of continuous efforts as Stewards of the Land to protect and conserve the environment. A high voltage transmission line does not naturally occur in nature—by its mere presence and purpose *IT IS SELF-EVIDENT THAT SUCH A STRUCTURE IS UNNACCEBTABLE AT THE SAVICH FARM AND IS INCONSISTENT WITH THE FARM'S MISSION and 50 year record.* 

# 2.) Stated preference for straight-line segments

The <u>Routing the Line</u> video presentation of the Great Northern Transmission Line states that "long straight lines" are preferred. Yet the segment of the Orange Route running through the Savich Farm takes no less than eight turns, a seemingly tortured route angling this-way and that-way to avoid who-knows-what in order to purposely go over the Savich Farm.

Below is the proposed route with 8 bends/corners, and a simplified alternate "long straight line" route which eliminates all eight bends:



My Proposed Segment in Red eliminates Eight Bends in the current Orange Route

# 3.) "Buy the Farm" Law

I have many concerns over the wide-ranging negative health, safety, and economic impacts a high-voltage transmission line will have on The Savich Farm. It is my intent to invoke Minnesota's "Buy the Farm" Law to protect my interests if any portion of the transmission line crosses over The Savich Farm. I have already spent 6 years in district court and at the Minnesota Court of Appeals to protect the interests of The Savich Farm. The costs were not small. After winning that long battle, I will not lose hundreds of thousands of dollars by allowing a transmission line across The Savich Farm. Such a line will render the property virtually *sale-proof*.

Sincerely,

Buddy John Savich, owner, Savich Herefords, LLC

## O'Reilly, Ann (OAH)

From:

BUDDY SAVICH < buddyjohnsavich@msn.com>

Sent:

Wednesday, December 03, 2014 10:22 AM

To:

\*OAH\_Routecomments.oah

Subject:

Docket Numbers (PUC - E-015/CN-12-1163 and OAH - 65-2500-31196)

**Attachments:** 

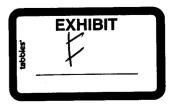
Comments on the Great Northern Transmission Line.docx

Honorable Ann O'Reilly:

Please find my comments in the attached Word document. They are also being faxed.

Sincerely,

**Buddy John Savich** 

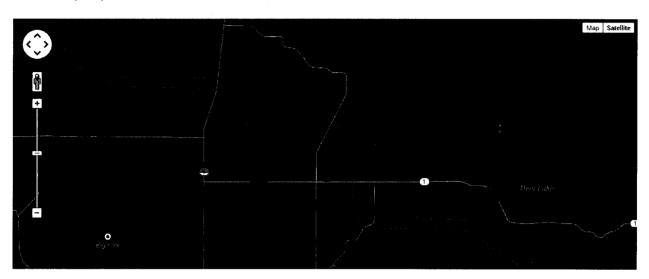


Docket Numbers (PUC - E-015/CN-12-1163 and OAH - 65-2500-31196)

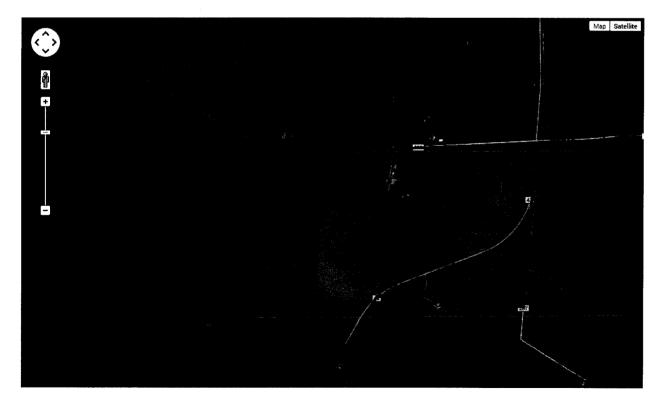
December 3, 2014

Honorable Ann O'Reilly:

I object to the current proposed section of the Orange Route which travels through property owned by Savich Herefords, LLC, a family farm (hereinafter The Savich Farm). The current proposed section is shown below:



**Orange Route Segment** 



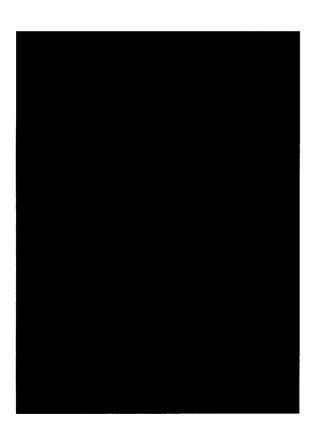
Detail of Orange Route Segment showing The Savich Farm outlined in Red

#### **OBJECTION GROUNDS:**

## 1.) Stewards of the Land for over 50 years

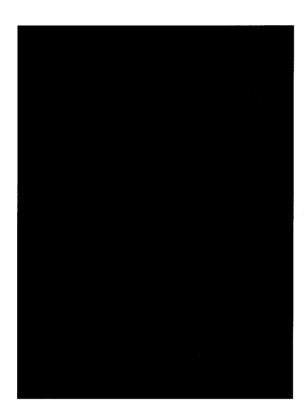
The Savich Farm was founded in 1958 by Buddy and Jan Savich (both deceased). The farm produces naturally grass-fed beef cattle and hay crops. For over 50 years, we have consistently made efforts to protect and conserve the land in its natural pristine state. From 1958 on, Buddy Savich walked the walk. In the 1970's he became a member of the Itasca County Soil and Water Conservation Board, and regularly attended meetings in Grand Rapids. The Savich Farm was *actively* engaged in conservation efforts. For many years, The University of Minnesota-Extension used The Savich Farm for test plots for various crops, organic farming methods, and farming conservation methods. Below is a plaque Buddy received for 12 years of service. The Plaque reads:

"Distinguished Service Award Presented to Buddy Savich, Supervisor, In Recognition of Distinguished Service for 12 Years Itasca County Soil and Water Conservation District."



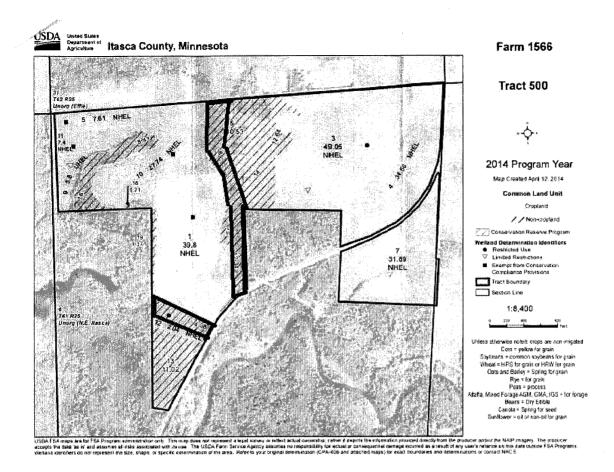
In 1988, Buddy and Jan received further recognition for their efforts as Stewards of the Land as shown on the plaque below, which reads:

"Outstanding Conservation Farmer, Buddy and Jan Savich, For Outstanding Accomplishments in the Conservation of Soil, Water, and Related Resources, Presented by Itasca County SWCD 1988"



Currently, The Savich Farm is participating in the CRP (Conservation Reserve Program), with segments of the Savich Farm in CRP as shown in the 2014 Program Year map below. The Savich Farm is outlined in Red in the USDA map, and the portion of the farm in CRP is outlined in Green.

NOTICE THE PROPOSED ORANGE ROUTE SEGMENT CROSSES DIRECTLY OVER AND THRU CRP LANDS



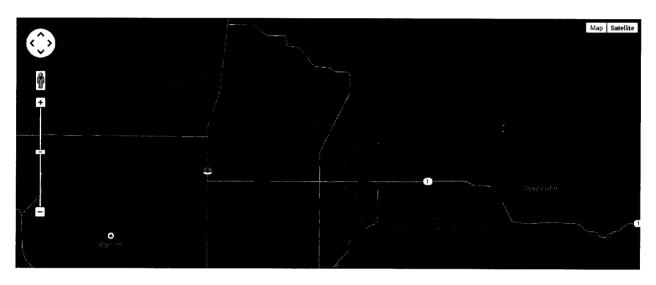
Savich Farm showing land in CRP in Green

Constructing a High-Voltage 500kV Transmission Line through the Savich Farm is in *DIRECT* opposition to *over 50 years* of continuous efforts as Stewards of the Land to protect and conserve the environment. A high voltage transmission line does not naturally occur in nature—by its mere presence and purpose *IT IS SELF-EVIDENT THAT SUCH A STRUCTURE IS UNNACCEBTABLE AT THE SAVICH FARM AND IS INCONSISTENT WITH THE FARM'S MISSION and 50 year record.* 

# 2.) Stated preference for straight-line segments

The <u>Routing the Line</u> video presentation of the Great Northern Transmission Line states that "long straight lines" are preferred. Yet the segment of the Orange Route running through the Savich Farm takes no less than eight turns, a seemingly tortured route angling this-way and that-way to avoid who-knows-what in order to purposely go over the Savich Farm.

Below is the proposed route with 8 bends/corners, and a simplified alternate "long straight line" route which eliminates all eight bends:



My Proposed Segment in Red eliminates Eight Bends in the current Orange Route

# 3.) "Buy the Farm" Law

I have many concerns over the wide-ranging negative health, safety, and economic impacts a high-voltage transmission line will have on The Savich Farm. It is my intent to invoke Minnesota's "Buy the Farm" Law to protect my interests if any portion of the transmission line crosses over The Savich Farm. I have already spent 6 years in district court and at the Minnesota Court of Appeals to protect the interests of The Savich Farm. The costs were not small. After winning that long battle, I will not lose hundreds of thousands of dollars by allowing a transmission line across The Savich Farm. Such a line will render the property virtually *sale-proof*.

Sincerely,

Buddy John Savich, owner, Savich Herefords, LLC

# O'Reilly, Ann (OAH)

From:

Jeffrey Johnson < Jeff.Johnson@polaris.com>

Sent:

Thursday, December 04, 2014 7:41 AM

To:

\*OAH\_Routecomments.oah

**Subject:** 

Strongly Oppose Transmission Line

This is regarding the proposed route of the Great Northern Transmission Line running east/west and south of Roosevelt, MN of which I strongly oppose.

I own a 160 Acres of recreational property south of Roosevelt, MN. (Jeffrey N. Johnson and James L. Johnson)
The legal description is; The Northwest Quarter (NW½) of Section Fifteen (15) in Township One Hundred Sixty-one (161)
North, Range Thirty-five (35) West of the Fifth Principal Meridian in Minnesota, according to the United States
Government Survey thereof.

I am opposed to the Great Northern Transmission Line going through my property. We have White Pine, White Cedar, and Jack Pine trees that we planted and would lose because of the power line easement. We also have deer stands that would be affected.

I would like to see the Great Northern Transmission line go to the north side of the current power line that borders the north side of my property. The land on the north side of the existing power line is state owned land. This would prevent the new power line from going on private land and keep it on state land. This would be beneficial to the state as they would receive the easement money and also have the use of the new power line for recreational trails, such as snowmobile, atv, and walking trails.

The other scenario I would do is a land trade with the state. Because my 160 acres is surrounded by state land I would entertain the idea of trading 200 or 300 feet of land (whatever the easement would be) on the north side of my property for 200 or 300 feet of land to the south side of my property. This would keep the Great Northern Transmission line on state land and would keep my 160 acres of private land intact, surrounded by state land.

Thanks for taking the time to read this,

Jeff Johnson Snowmobile Sr. Test Driver/Mechanic Polaris Industries, Inc. 218-463-7852 (work) 218-689-1499 (cell)

CONFIDENTIAL: The information contained in this email communication is confidential information intended only for the use of the addressee. Unauthorized use, disclosure or copying of this communication is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return email and destroy all copies of this communication, including all attachments.



# Laura Imax 1418 Como Avenue N St. Paul, MN 55104

The Honorable Ann O'Reilly
Office of Administrative Hearings
Great Northern Transmission Line NEED
PUC Docket Number E-015/CN-12-1163
OAH Docket Number 65-2500-31196
and ROUTING E-015/TL-14-21

P.O. Box 64620 600 North Robert Street St. Paul MN 55164-0620

Please consider this a comment on both the certificate of need and routing proceedings.

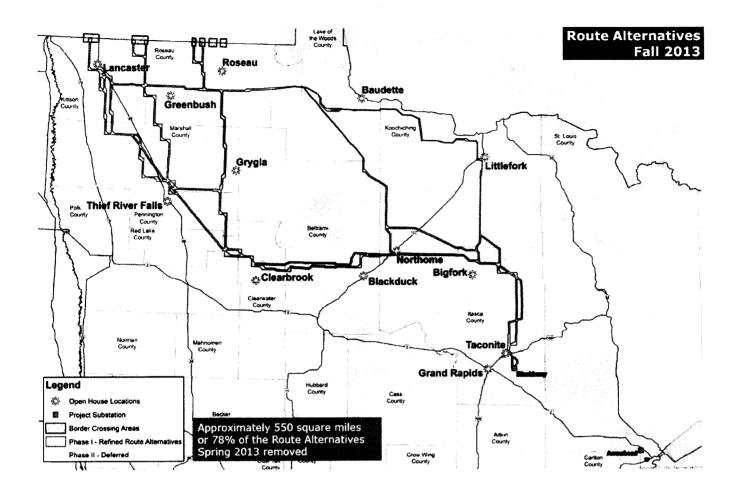
I grew up near Roseau so have been following this project. I am not against the project or hydropower. But I noticed that in the routing process, Minnesota Power in their application and in responses to potential routes to be added to the routing EIS is trying (I think) to claim that "a positive impact on communities" or "public acceptance" or something is part of the purpose and need for the project. As a result, they seem to be claiming that since routes to the west of their proposed route (see attached map) made farmers upset it wouldn't met this need test of having a positive impact on communities. Therefore those routes were rejected.

This is ridiculous on several levels. First anyone who knows the Minnesota environmental policy act knows that the need has to match the alternatives. So that means if the need is a "positive impact on communities," Minnesota Power could meet the need with all kinds of things instead of a transmission line—how about new indoor hockey rinks across the iron-range? Also, they can't claim that need is only to be dealt with in the CN process and then maintain the purpose and need as they define it eliminates certain routes in the routing process!

But the major point is that the foundational Minnesota Supreme Court PEER case says clearly that you cannot permit a line that removes 1000 acres of trees like on their proposed routes (obviously impairment and destruction) if there is a prudent and feasible alternative where there is only compensable damage to say, farmers fields. Therefore the route shown on my attached map or a route like it must be looked at in detail in either the Environmental Report or the EIS or one or both of these documents would be clearly inadequate and you must find it so. They can't just propose routes that take a lot of natural resources and you can't permit without assessing more clearly why going the other way is not feasible and prudent, ect.

EXHIBIT H

L.



# Rice, Robin (PUC)

From:

James Johnson < jimjohnson 767@gmail.com >

Sent:

Wednesday, September 24, 2014 6:45 PM

To: Subject: staff, cao (PUC); jbatkinson@mnpower.com

Attachments:

Great Northern Transmission Line Letter to State-MN Power 9-24-14 Great Northern Transmission Line Letter to State-MN Power 9-24-14.doc

Attn: Mr. Tracy Smetana and Mr. Jim Atkinson per "attachment."

James L. Johnson 29054 680th Ave. Roosevelt, MN 56673

Phone: (218) 242-2462



29054 680<sup>th</sup> Ave. Roosevelt, MN 56673 9/24/14

Jim Atkinson, Minnesota Power Project Contact Tracy Smetana, Public Utilities Commission Public Advisor

PUC Docket Number/s: E-015/CN-12-1163 OAH Docket Number: 65-2500-31196

Minnesota Power's Route Permit Application PUC Docket Number/s: E-015/TL-14-21 OAH Docket Number: 65-2500-31637

Dear Mr. Atkinson and Mr. Smetana:

This letter is regarding the proposed route of the Great Northern Transmission Line running east/west and south of Roosevelt, MN of which I strongly oppose. I live in the rural Roosevelt area, and there are already two other manmade/synthetic structures (transmission/power lines) running east/west and south of Roosevelt within three miles of each other through beautiful wilderness including the Beltrami Island State Forest. In addition, I own 160 acres of land in the Beltrami Island State Forest in addition to my residence (homestead) in close proximity of this area. However, I have a couple suggestions/requests and "reasons why" regarding the proposed power line, and they are as follows:

- One suggestion/request is to run the proposed power line north of our 160 acres paralleling the existing power line running east/west, and it would not run through our private property, which is surrounded by state land. Therefore, the proposed power line would run through state land 100%, and the state of MN would get the money for the easement of our property's width of ½ mile. My brother, Jeff Johnson, and I have planted 100s of jack pine, white pine, and white cedar trees on the north side of our property that would be destroyed by the power line going to the south of the existing power line. In addition, permanent deer stands would be affected by the power line going to the south of the existing power line.
- Another suggestion/request if the power line goes to the south of the existing power line running east/west is to do a "land trade" with the state of MN. My request would be to acquire the width of the easement of the new power line on the south side of our 160 acres of perhaps 200-300 feet by ½ mile or whatever land would be affected by the new power line being installed. This option would give the state of MN the easement money and keep our 160 acres of private property intact as it is historical regarding the fact that it is an "original homestead" of 160 acres in Beltrami Island State Forest, which there are few today that are still intact and without a manmade/synthetic structure running through it.

The legal description of the 160 acres and my residence in this area are as follows, respectively:

- 160 Acres Roosevelt, MN (Jeffrey N. Johnson and James L. Johnson)
  The Northwest Quarter (NW¼) of Section Fifteen (15) in Township One Hundred Sixtyone (161) North, Range Thirty-five (35) West of the Fifth Principal Meridian in Minnesota, according to the United States Government Survey thereof.
- 29054 680<sup>th</sup> Ave., Roosevelt, MN (James L. Johnson)
  All that part of the Southwest Quarter of the Southwest Quarter (SW½ SW½) of Section Twenty-six (26), Township One Hundred Sixty-two (162) North, Range Thirty-five (35) West of the Fifth Principal Meridian in Minnesota, according to the United States Government Survey thereof, LYING AND BEING South of the South right-of-way line of Minnesota Trunk Highway NO. 11, as now located and established.

Thank you for taking the time to read my letter and my suggestions/requests to the proposed route of the Great Northern Transmission Line running east/west and south of Roosevelt, MN. Please call me at (218) 242-2462 or e-mail at <a href="mailto:jimjohnson767@gmail.com">jimjohnson767@gmail.com</a> if you have any questions.

Sincerely,

James L. Johnson



Jeffrey L. Small

Attorney

Direct Dial: 317-249-5248
E-mail: jsmall@misoenergy.org

#### VIA ELECTRONIC DELIVERY

November 20, 2014

Dr. Burl Haar Executive Secretary Minnesota Public Utilities Commission 121 Seventh Place East, Suite 350 St. Paul, Minnesota 55101-2147

Re: Midcontinent Independent System Operator, Inc.

Comments on the Application Contained in Docket No. E015/CN-12-1163

Dear Executive Secretary Haar:

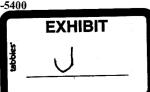
MISO is a regional transmission organization, under the supervision of the Federal Energy Regulatory Commission and other federal authorities, that (among other matters) is responsible for ensuring that the regional transmission system stretching from Michigan to Eastern Montana (the MISO "footprint") is reliably planned to provide for existing and expected use of that system. MISO performs collaborative planning functions for the transmission system with its member transmission owners and other stakeholders while independently assessing regional transmission needs.

As the result of MISO's work with the Applicant in the above-captioned case and its independent review of the proposed transmission project, MISO considers the Great Northern Transmission Line Project a result of sound execution of MISO's collaborative Transmission Planning process. This Project was reviewed under both the transmission service request process found in Module B of MISO's Tariff, and as a targeted study under a technical study task force exploring the value added by this transmission Project to the MISO footprint as described in Attachment FF, Transmission Expansion Planning Protocol, of MISO's Tariff. Both studies confirmed the appropriateness of the Project to address system needs and opportunities.

The Great Northern Transmission Line Project will enable a series of long-term, firm transmission service requests to be accepted. The Project plan was developed during an extensive study period involving the transmission service request customers and nearly all the transmission owners in the North Region of MISO (stretching from Minnesota to Eastern Montana). The study period was longer than a typical case to respond to a transmission service

Midcontinent Independent System Operator, Inc. Carmel, IN 46082-4202 Mailing Address: P. O. Box 4202 Carmel, IN 46032 Overnight Deliveries: 720 City Center Drive

www.misoenergy.org 317-249-5400



request, which MISO first addressed in a FERC filing on study performance in late 2009, as the result of the great scope of the required study and the size of the upgrades that are much larger than is typical for a service request.

In 2011 MISO launched the Manitoba Hydro Wind Synergy Study to explore the economic benefit to the MISO footprint of adding this line with respect to optimizing the use of hydroelectric and wind energy. The study demonstrated a variety of benefits to the footprint, far in excess of costs, but the Project did not meet the strict benefit calculations required for regional cost sharing under the MISO Tariff. Therefore, since this Project responds to a transmission service request, the costs will be directly assigned to the transmission customers and not allocated across the MISO footprint. The exact cost allocation is outlined in the Multi-Party Facilities Construction Agreement currently pending before the Federal Energy Regulatory Commission, which has been noted in the above-captioned docket before the Minnesota Public Utilities Commission.

MISO is not a party to the above-captioned case. However, with the Commission's indulgence, MISO provides these comments as the Great Northern Transmission Line Project is considered by the Commission.

Sincerely,

/s/ Jeffrey L. Small
Jeffrey L. Small
Attorney
MISO
720 City Center Drive
Carmel, Indiana 46032
Telephone: (317) 249-5400

Fax: (317) 249-5912 jsmall@misoenergy.org

#### CERTIFICATE OF SERVICE

The below certifies that on the 20<sup>th</sup> day of November, 2014, a true and correct copy of Comments by the Midcontinent Independent System Operator was filed by means of eDockets (www.edockets.state.mn.us) in the above-referenced dockets. The Comments were also served via U.S. Mail and email through the eDockets system as designated on the Official Service Lists on file with the Minnesota Public Utilities Commission in these dockets.

/s/ Rhiannon Shelley
Rhiannon Shelley

<sup>&</sup>lt;sup>1</sup> Notification Filing of the Midwest Independent Transmission System Operator, Inc., Docket No. OA10-2-000 (October 30, 2009).

<sup>&</sup>lt;sup>2</sup> Study results are publicly available at: <a href="https://www.misoenergy.org/\_layouts/miso/ecm/redirect.aspx?id=160821">https://www.misoenergy.org/\_layouts/miso/ecm/redirect.aspx?id=160821</a>
<sup>3</sup> The Multi-Party Facilities Construction Agreement was filed in Docket No. ER14-2950-000. A copy of the filing is available at: <a href="https://www.misoenergy.org/\_layouts/MISO/ECM/Redirect.aspx?ID=185074">https://www.misoenergy.org/\_layouts/MISO/ECM/Redirect.aspx?ID=185074</a>



AN ALLETE COMPANY

David R. Moeller Senior Attorney 218-723-3963 dmoeller@allete.com

December 1, 2014

#### VIA ELECTRONIC FILING AND U.S. MAIL

The Honorable Ann O'Reilly Office of Administrative Hearings PO Box 64620 St. Paul, MN 55164-0620

Re:

In the Matter of the Request by Minnesota Power for a Certificate of Need for

the Great Northern Transmission Line Project

FERC Order Supplemental Filing MPUC Docket No. E015/CN-12-1163 OAH Docket No. 65-2500-31196

### Dear Judge O'Reilly:

As discussed during the recent evidentiary hearing and in the Rebuttal Testimony of Michael H. Donahue, the Federal Energy Regulatory Commission ("FERC") was expected to issue a decision by November 25, 2014 on the Facilities Construction Agreement ("FCA") filed by Midcontinent Independent System Operator, Inc. ("MISO") and Minnesota Power in FERC Docket No. ER14-2950-000. On November 25, 2014, FERC issue an order accepting the FCA to become effective November 25, 2015, as requested by MISO and Minnesota Power. The FERC order is attached for inclusion in the record as Exhibit 64.

Minnesota Power has been informed by MISO that with this FERC approval of the FCA, the Great Northern Transmission Line will be included in the Appendix A of the annual MISO Transmission Expansion Plan ("MTEP14) that is scheduled to be approved by the MISO Board of Directors on December 11, 2014. Minnesota Power will provide a supplemental filing if MISO takes this action. This FERC order has been filed with the E-Docket system and served on the attached service list. Also enclosed is our Affidavit of Service.

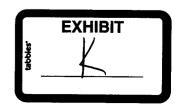
Yours truly,

David R. Moeller Senior Attorney

Dais R Malle

Minnesota Power

DRM:sr Encl.



# 149 FERC ¶ 61,161 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Chairman;

Philip D. Moeller, Tony Clark,

and Norman C. Bay.

Midcontinent Independent System Operator, Inc.

Docket No. ER14-2950-000

#### ORDER ON FACILITIES CONSTRUCTION AGREEMENT

(Issued November 25, 2014)

1. On September 26, 2014, Midcontinent Independent System Operator, Inc. (MISO) filed, pursuant to section 205 of the Federal Power Act (FPA), an executed Multi-Party Facilities Construction Agreement (Agreement) among MISO, Minnesota Power, and 6690271 Manitoba Ltd. (Manitoba) (together, Parties) (September 26 Filing). For the reasons discussed below, we will accept the Agreement to become effective November 25, 2014, as requested.

## I. Background

2. MISO states that the Great Northern Transmission Line Project (Project) is being constructed for the sole purpose of satisfying transmission service requests submitted by ALLETE, Manitoba, and Wisconsin Public Service Corporation (Wisconsin PSC).<sup>3</sup> The Agreement reflects the Parties' decision to "participant fund" the Project pursuant to Article III, Sections A.2.a and A.2.e of Attachment FF of the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff (Tariff).<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Minnesota Power is an operating division of ALLETE, Inc. (ALLETE).

<sup>&</sup>lt;sup>2</sup> 16 U.S.C. § 824d (2012).

<sup>&</sup>lt;sup>3</sup> September 26 Filing, Transmittal at 3.

<sup>4</sup> *Id*.

- 3. MISO states that the Agreement reflects the Parties' respective capital contributions and ownership interests based on the amount of transmission capacity on the Project necessary to satisfy the line's primary economic drivers, which are sales of hydroelectric power into the United States. The Agreement provides that ALLETE and Wisconsin PSC require 383 MW and 200 MW respectively of new transmission capacity for delivery of new power supply arrangements with Manitoba, and Manitoba requires 300 MW of transmission capacity on the Project in order to provide for potential future hydroelectric development and sales into the United States.<sup>5</sup>
- 4. The Agreement provides that the Parties have agreed that ALLETE will own 51 percent of the Project, and will be responsible for 46 percent of the Project's cost; Manitoba will own 49 percent of the Project and fund 54 percent of the Project's costs. MISO explains that Manitoba's financing will be through a 49 percent capital contribution as originally contemplated plus a five percent capital contribution to reflect the allocation of costs following an expansion of the Project's capacity as determined by MISO during the transmission service request studies. The Agreement further provides that Manitoba's five percent additional capital contribution will finance an unanticipated increase in the Project's transmission capacity from 750 MW to 883 MW.
- 5. MISO requests that the Agreement become effective November 25, 2014.<sup>6</sup>

## II. Notice of Filing and Responsive Pleading

- 6. Notice of the September 26 Filing was published in the *Federal Register*, 79 Fed. Reg. 59,765 (2014), with interventions and protests due on or before October 17, 2014. Otter Tail Power Company filed a timely motion to intervene. Wisconsin PSC, Missouri River Energy Services (Missouri River), Manitoba, and Minnkota Power Cooperative, Inc. (Minnkota Power) filed timely motions to intervene and comments. On October 30, 2014, ALLETE filed an answer to Missouri River's comments. On November 3, 2014, Great River Energy filed a motion to intervene out-of-time.
- 7. Wisconsin PSC, Manitoba, and Minnkota Power filed comments supporting the September 26 Filing. Missouri River states that it does not oppose the September 26 Filing, but is concerned about the description of the Agreement and certain language about ALLETE's future intentions to recover the revenue requirement relative its share of the completed Project. Missouri River states that it is concerned that if Minnesota Power includes its Project investment costs in the Minnesota Power transmission rate base, then the zonal transmission gross plant, as well as the corresponding MISO Annual Transmission Revenue Requirement, will increase by more than 105 percent.

<sup>&</sup>lt;sup>5</sup> *Id.* at 4.

<sup>&</sup>lt;sup>6</sup> *Id.* at 8.

Missouri River also states that the benefits of this transmission upgrade will be enjoyed primarily, if not completely, by the Parties to the Agreement rather than the customers of the transmission system as a whole.<sup>7</sup>

- 8. Therefore, Missouri River requests the Commission state that its acceptance of the Agreement provides no precedent supporting any future attempt by Minnesota Power to recover its revenue requirement through Attachment N of the Tariff or any other means from transmission customers. Moreover, Missouri River requests that the Commission require ALLETE, when it attempts to include any part of its Project investment in its transmission rate base, to provide information supporting the justness and reasonableness of inclusion of only its portions of the Project.<sup>8</sup>
- 9. In its answer, ALLETE states that the concerns that Missouri River raises in its comments do not relate to the justness and reasonableness of the Agreement and are outside the scope of this proceeding and therefore should be rejected. ALLETE states that the September 26 Filing does not attempt to establish groundwork for ALLETE to seek recovery of Project-related costs at some future date. Therefore, ALLETE requests that the Commission reject Missouri River's comments as outside the scope of this proceeding and accept the Agreement for the reasons explained in the September 26 Filing. Filing.

### III. Discussion

### A. Procedural Matters

- 10. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2014), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.
- 11. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2014), the Commission will grant Great River Energy's late-filed motion to intervene given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.
- 12. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2014), prohibits an answer to a protest unless otherwise ordered by the

<sup>&</sup>lt;sup>7</sup> Missouri River Comments at 4, 5.

<sup>&</sup>lt;sup>8</sup> Id. at 5, 6.

<sup>&</sup>lt;sup>9</sup> ALLETE Answer at 2.

<sup>&</sup>lt;sup>10</sup> *Id.* at 3.

decisional authority. We will accept the answer submitted by ALLETE because it has provided information that assisted us in our decision-making process.

### **B.** Commission Determination

- 13. We will accept the Agreement for filing, to become effective November 25, 2014, as requested.
- 14. We find Missouri River's comments to be outside of the scope of this proceeding. Missouri River's comments do not concern the justness and reasonableness of the Agreement as filed with the Commission, but relate to ALLETE's and Minnesota Power's future intentions for Project-related cost recovery. In any event, Missouri River's assertion that ALLETE or Minnesota Power intend to seek recovery of their Project-related costs in their rate base is speculative and unsupported. Moreover, any such cost recovery through rate base would be subject to the Commission's review. Accordingly, we reject Missouri River's comments.

### The Commission orders:

The September 26 Filing is hereby accepted, effective November 25, 2014, as discussed in the body of this order.

By the Commission.

(SEAL)

Kimberly D. Bose, Secretary.



30 west superior street / duluth, minnesota 55802-2093 / fax: 218-723-3955 /www.allete.com

AN ALLETE COMPANY

David R. Moeller Senior Attorney 218-723-3963 dmoeller@allete.com

December 1, 2014

A CAMPASTRATIVE HEARINGS

VIA ELECTRONIC FILING AND U.S. MAIL

The Honorable Ann O'Reilly Office of Administrative Hearings PO Box 64620 St. Paul, MN 55164-0620

Re:

In the Matter of the Request by Minnesota Power for a Certificate of Need for the Great Northern Transmission Line Project Public Comment – Government of Canada

MPUC Docket No. E015/CN-12-1163

OAH Docket No. 65-2500-31196

Dear Judge O'Reilly:

Please find enclosed to be included as a public comment in the above-referenced Docket, a letter from Canadian Ambassador Gary Doer to Environmental Protection Agency Administrator Gina McCarthy regarding the proposed rules for power plants in the United States. As part of the letter, Ambassador Doer specifically cites as an example of Canadian clean energy plans the recent long-term contract and proposed transmission line between Manitoba Hydro and Minnesota Power and the mutual benefits. This letter has been filed with the E-Docket system and served on the attached service list. Also enclosed is our Affidavit of Service.

Yours truly,

Davis R Malle

David R. Moeller Senior Attorney Minnesota Power

DRM:sr Enc.





# Canadian Embassu

# Ambassade du Canada

November 26, 2014

The Honorable Gina McCarthy Administrator of the Environmental Protection Agency William Jefferson Clinton Building, 1200 Pennsylvania Avenue, NW Washington, D.C. 20460

Dear Madam Administrator.

I am writing to you on behalf of the Government of Canada regarding the Existing Source Performance Standards (ESPS) for power plants proposed by the Environmental Protection Agency.

On October 28, EPA issued a supplemental proposed rulemaking which highlighted the binational implications of the proposed rule and solicited input on, "whether RE resources from Canada can be used to contribute to meeting a jurisdiction's goal." I firmly believe that imports of non-emitting electricity from Canada can be a tool for many states to reduce their dependency on high-GHG emitting electricity generation. Canada has an abundance of non-GHG emitting hydro-electric power making our electricity generation sector one of the cleanest in the world. As you may know, our government finalized stringent regulations in 2012 to reduce emissions from coal plants. Our regulations apply a performance standard that is based on the emissions level of an efficient natural gas power plant (926 lbs/MWh). Today, our coal fleet accounts for less than 10 percent of electricity generation and that proportion is expected to continue decreasing.

Furthermore, there is significant existing and proposed infrastructure that can bring additional clean Canadian power to the United States. There are currently seven transboundary transmission lines proposed that would provide additional clean energy for U.S. states to use in their implementation plans. One example of Canada-U.S. collaboration that will lead to reduced GHG emissions and exemplifies the integrated electricity grid is a recent long-term contract and proposed transmission line between Manitoba Hydro and Minnesota Power. This effort will shift the Minnesota power production profile away from coal and take advantage of the complementarity between Canadian renewable hydro and U.S. renewable wind power.

Various widely respected renewable energy credit tracking systems exist that ensure sound accounting of Canadian electricity imports. These systems can be built upon if the ESPS recognizes how states could make use of clean Canadian electricity as they develop their implementation plans. We have received feedback from U.S. states, utilities, and other stakeholders who would like to use Canadian renewable imports to comply with the Clean Power Plan. As you know, the North American Electric Reliability Corporation

ASMINISTRATIVE

works with utilities and regulators, including the Federal Energy Regulatory Commission, to assure the reliability of the bulk power system in North America. I ask that nothing in the final rule discourage cross-border collaboration that leads to cost-effective emissions reductions for the power sector, and that it fosters reliability and sustainability in our integrated grid.

I have also noted that the ESPS proposal acknowledges the continued role that fossil generation will play in the energy mix and the importance of carbon capture and sequestration (CCS) projects, like the Boundary Dam plant in Saskatchewan. Canada and the U.S. have collaborated extensively on CCS development and I hope that the final rule continues to encourage its use where appropriate.

I look forward to continuing the strong tradition we share of joint-stewardship of our environment, and I hope that these considerations will prove helpful to your regulatory efforts. Thank you for the opportunity to comment and the attention that you are giving to this important matter.

Sincerely,

Gary Doer, Ambassador