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October 2, 2015

Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 7<sup>th</sup> Place East, Suite 350 St. Paul, Minnesota, 55101-2147

RE: Supplemental Comments of the Minnesota Department of Commerce, Division of Energy Resources

Docket No. ET2,E015/CN-14-853

Dear Mr. Wolf:

On March 19, 2015 Great River Energy (GRE) and Minnesota Power (MP) (the Applicants) filed their Application for a Certificate of Need and Route Permit by Great River Energy and Minnesota Power for the Motley Area 115 kV Project (Petition) with the Minnesota Public Utilities Commission (Commission). The August 7, 2015 comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) recommended that, in reply comments, the Applicants add the Commission's externality costs and costs of future CO<sub>2</sub> regulation values to the economic analysis of alternatives presented in the Petition.

On September 23, 2015, the Applicants filed reply comments that contained the requested data. The Department reviewed the additional analysis provided by the Applicants and concludes that the Applicants' analysis addresses the requirement of Minnesota Rules 7849.0120 B (3). Therefore, the Department now recommends that the Commission approve the Applicants' Petition. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ MICHAEL N. ZAJICEK Rates Analyst

MNZ/ja

## **CERTIFICATE OF SERVICE**

I, Linda Chavez, hereby certify that I have this day served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

## MINNESOTA DEPARTMENT OF COMMERCE – SUPPLMENTAL COMMENTS

Docket Nos.	ET2,E105/CN-14-853					
Dated this 2nd day of October, 2015.						
/s/Linda Chav	vez					

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