

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

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Chair
Commissioner
Commissioner
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Docket No. IP-6997/CN-18-699

**In the Matter of the Application of Plum
Creek Wind Farm, LLC for a Certificate of
Need for an up to 414 MW Large Wind
Energy Conversion System and 345 kV
Transmission Line in Cottonwood, Murray
and Redwood Counties, Minnesota**

**REQUEST FOR EXEMPTION
FROM CERTAIN APPLICATION
CONTENT REQUIREMENTS**

I. INTRODUCTION

Plum Creek Wind Farm, LLC (“Plum Creek”) plans to file an Application for a Certificate of Need (“CN”) pursuant to Minn. Stat. § 216B.243, subd. 4 and Minn. R. 7849.0200 to construct and operate an up to 414 megawatt (“MW”) large wind energy conversion system (the “Wind Farm”) and related 345 kilovolt (“kV”) transmission line (“Transmission Line”) and associated facilities to be located in Cottonwood, Murray and Redwood Counties, Minnesota (collectively, the Wind Farm and Transmission Line are referred to as the “Project”).¹ The Wind Farm is a “large energy facility,” as defined in Minn. Stat. § 216B.2421, subd. 2(1), and a “large wind energy conversion system” (“LWECS”) as defined in Minn. Stat. § 216F.01. Because the Transmission Line also meets the definition of a large energy facility under Minn. Stat. § 216B.2421, subd. 2(2), Plum Creek filed a Request for Approval of a Notice Plan in Docket No. IP-6997/CN-18-699 on November 9, 2018.

¹ Plum Creek also plans to file an Application for a Site Permit for the Wind Farm (MPUC Docket No. IP-6997/WS-18-700) and an Application for a Route Permit for the Transmission Line (MPUC Docket No. IP-6997/TL-18-701).

Plum Creek respectfully requests that the Minnesota Public Utilities Commission (“Commission”) grant it exemptions from certain CN information requirements not applicable to independent power producers (“IPPs”) developing LWECS and a generation-tie line that is also a Large High Voltage Transmission Line (“LHVTL”).

II. PROJECT DESCRIPTION

Plum Creek is an independent power producer that proposes to construct and operate the Project within Cottonwood, Murray and Redwood Counties, Minnesota. The power generated by the Project will be offered for sale to wholesale customers, including Minnesota utilities and cooperatives that have identified a need for additional renewable energy.

The Wind Farm will be located in Cottonwood, Murray and Redwood Counties, and its footprint spans approximately 100,000 acres in Highwater, Ann, Westbrook, Lamberton, North Hero, Holly, Dovray, Murray, Des Moines River, and Shetek Townships. Plum Creek has not made a final selection on wind turbine generators, but is proposing to utilize between 92 and 165 turbines ranging from 2.5 to 4.5 MW in size. In addition to wind turbines, the Project will consist of an electrical collection system, access roads, permanent meteorological towers, substation and interconnection facilities, an operation and maintenance facility, and other infrastructure typical of a wind farm.

The Transmission Line is needed to interconnect the Wind Farm to the transmission grid. The Transmission Line will consist of approximately 25 miles of 345 kV transmission line located within Cottonwood and Redwood Counties, Minnesota. The Transmission Line will interconnect at the existing Brookings to Hampton 345 kV transmission line, one of the lines designated by the Mid-Continent Independent System Operator as a Multi Value Project (“MVP”). As proposed, the Transmission Line will extend north from the Wind Farm’s project

substation, located approximately 5 miles southwest of the town of Revere, and terminate approximately 3 miles northwest of the town of Lucan. A switching station will also be constructed to connect the proposed Transmission Line to the existing Brookings to Hampton 345 kV transmission line. Two alternative routes are currently being considered, each terminating at the existing Brookings to Hampton 345 kV transmission line. Typically, 345 kV transmission lines are built using steel single-pole structures, 100 to 140 feet in height, on an approximately 150 foot-wide right-of-way. Plum Creek has acquired or will acquire easements from landowners to allow siting of the Transmission Line.

Plum Creek plans to construct the Project on a schedule that facilitates an in-service date in 2021.

III. EXEMPTION REQUESTS

Minnesota Rules Chapter 7849 sets forth the data an applicant must provide in an application for a CN for a large energy facility. An applicant may be exempted from providing certain information if the applicant requests an exemption in a writing that shows that the data requirement is either unnecessary to determine the need for the proposed facility or may be satisfied by submitting another document. Minn. R. 7849.0200, subp. 6.

Plum Creek seeks exemptions from certain data requirements that are specific to the operation and regulation of facilities proposed by utilities. For example, Plum Creek seeks exemptions from data requirements that pertain to a utility's "system," *i.e.*, "the service area where the utility's ultimate consumers are located" and the facilities used to generate, transmit, and distribute electricity to that service area. *See* Minn. R. 7849.0010, subp. 29. Given that independent power producers, such as Plum Creek, do not have an assigned service area or a

“system,” the Commission has held that data requirements seeking system-related information are unnecessary to determine need in such cases.²

The Project will produce renewable energy that will be purchased by electric utilities or other entities to satisfy renewable energy standards, such as the Minnesota Renewable Energy Standard under Minn. Stat. § 216B.1691 (the “RES”) or other clean energy standards and sustainability goals. The Project is specifically designed to offer for purchase on the wholesale market electricity generated by a resource that will count toward satisfying the purchasing entities’ renewable or other clean energy and sustainability requirements. Given this purpose, Plum Creek requests partial exemptions for data requirements seeking information on alternatives to the Project that would not satisfy the RES or similar standard.

As detailed below, where applicable, Plum, Creek will provide alternative information relevant to the determination of need for the Project. The exemptions Plum Creek requests are consistent with the relief the Commission has previously granted to other independent power producers.³

² See *In the Matter of the Application of Rapids Power LLC for a Certificate of Need for its Grand Rapids Cogeneration Project*, Docket No. IP-4/CN-01-1306, Order Granting Exemptions from Filing Requirements, at 4 (Oct. 9, 2001) (“Rapids Power Exemption Order”).

³ See, e.g., *In the Matter of the Application of Blazing Star Wind Farm, LLC for a Certificate of Need for the 200 Megawatt Blazing Star Wind Project in Lincoln County, Minnesota* Docket No. IP-6961/CN-16-215 at 1 (April 28, 2016) (“Blazing Star Exemption Order”); *In the Matter of the Application of Red Pine Wind Project, LLC for a Certificate of Need for the 200 MW Red Pine Wind Project and Associated Facilities in Lincoln and Lyon Counties*, Docket No. IP-6959/CN-16-140 at 1 (March 25, 2016); *In the Matter of the Application of Freeborn Wind Energy LLC for a Certificate of Need for the 200 MW Freeborn Wind Project in Freeborn County, Minnesota*, Docket No. IP-6946/CN-15-343, Order Granting Freeborn Wind Energy LLC’s Exemption Request (June 1, 2015); *In the Matter of the Application of ITC Midwest LLC for a Certificate of Need for the Minnesota-Iowa 345 kV Transmission Line Project in Jackson, Martin, and Faribault Counties, Minnesota*, Docket No. ET-6675/CN-12-1053, Order Granting ITC Midwest LLC’s Requested Exemptions (February 8, 2013) (the “ITC Exemption Order”); *In the Matter of the Application of EDF Renewable Energy for a Certificate of Need for the 100 MW Stoneray Wind Project in Pipestone and Murray Counties, Minnesota*, Docket No. IP6646/CN-13-193, Order (Apr. 29, 2013) (the “Stoneray Wind Exemption Order”); *In the Matter of the Application of a Joint Request of Black Oak Wind, LLC and Getty Wind, LLC for a Determination Regarding Whether a Certificate of Need is Required for Two Large Wind Conversion Systems in Stearns County, Minnesota*, Docket No. IP6853, 6866/CN-11-471, Order (Aug. 22, 2011) (the “Black Oak Wind/Getty Wind Exemption Order”); *In the Matter of Ellerth Wind LLC’s Request for a Variance and Exemption from Certain Certificate of Need Application Content Requirements*, Docket No. IP6855/CN-11-112, Order (Apr. 4, 2011) (the “Ellerth Wind Exemption Order”); *In the Matter of a Petition for a Certificate of Need for*

Plum Creek requests exemptions from the following data requirements:

A. Minnesota Rule 7849.0240, subp. 2(B): Promotional Activities

This rule requires each large electric generating facility CN application to contain “an explanation of the relationship of the proposed facility to . . . promotional activities that may have given rise to the demand for the facility.” Plum Creek has not engaged in promotional activities that could have given rise to the need for the proposed Project. Thus, such information is non-existent, and, as the Commission has previously determined, an exemption is appropriate.⁴

B. Minnesota Rule 7849.0250(B): Description of Certain Alternatives

Minnesota Rule 7849.0250(B) requires an applicant to discuss the availability of alternatives to the facility, including: (1) purchased power; (2) increased efficiency of existing facilities, including transmission lines; (3) new transmission lines; (4) new generating facilities

a 101 MW Wind Farm and Related 115 kV Transmission Line in Rock County, MN, Docket No. ET6838/CN-10-80, Order (May 14, 2010) (the “Prairie Rose Exemption Order”); *In the Matter of Prairie Wind Energy, LLC’s Exemption and Waiver Request*, Docket No. IP6844/CN-10-429, Order (June 18, 2010) (the “Prairie Wind Energy Exemption Order”); *In the Matter of the Application of Pleasant Valley Wind, LLC for a Certificate of Need for the 299.5 MW Pleasant Valley Project in Dodge, Olmsted, and Mower Counties*, Docket No. IP6828/CN09-937, Order approving exemption requests as recommended by the Office of Energy Security in comments dated September 8, 2009 (Oct. 8, 2009) (the “Pleasant Valley Exemption Order”); *In the Matter of the Application of Goodhue Wind, LLC for a Certificate of Need for a 78 MW Wind Project and Associated Facilities in Goodhue County*, Docket No. IP6701/CN-09-1186, Order Finding Application Complete and Initiating Informal Review Process (Dec. 30, 2009) (the “Goodhue Exemption Order”); *In the Matter of the Application of Paynesville Wind, LLC for a Certificate of Need for a 95 MW Large Wind Energy Conversion System in Stearns County*, Docket No. IP6830/CN-09-1110, Order approving Paynesville’s request for exemption from the required data as identified in the Petition (Nov. 30, 2009) (the “Paynesville Exemption Order”); *In the Matter of the Request of Heartland Wind, LLC for a Certificate of Need for the 150 MW Elm Creek II Wind Project in Jackson and Martin Counties*, Docket No. IP6728/CN-09471, Order approving the Company’s request for exemption from the required data as identified in the Petition (June 26, 2009) (the “Heartland Exemption Order”); *In the Matter of the Application of EcoHarmony West Wind, LLC for a Certificate of Need for a 200 MW Wind Farm Project in Fillmore County in Southeastern Minnesota*, Docket No. IP6688/CN-08-961, Order Granting Exemption Requests (Oct. 10, 2008) (the “EcoHarmony Exemption Order”); *In the Matter of the Application of Wapsipinicon Wind for a Certificate of Need for a Large Energy Facility, a 105 MW Large Wind Energy Conversion System in Mower County, Minnesota*, Docket No. IP6670/CN-08-334, Order Granting Exemptions, Requiring Additional Filings and Establishing Procedures for Expedited Proceedings (May 12, 2008) (the “Wapsipinicon Exemption Order”); *In the Matter of the Application of Elm Creek Wind, LLC, for a Certificate of Need for a Large Energy Facility, the Elm Creek Wind Project in Jackson and Martin Counties*, Docket No. IP6631/CN-07-789, Order Granting Exemptions (Aug. 1, 2007) (the “Elm Creek Exemption Order”).

⁴ See, e.g., Blazing Star Exemption Order at 1; EcoHarmony Exemption Order at 4; Wapsipinicon Exemption Order at 6, and Elm Creek Exemption Order at 3.

of a different size or using a different energy source; and (5) any reasonably combination of alternatives listed in subparts (1) to (4).

Plum Creek requests an exemption from data requirements (1), (2), (3), and (5) because they are not applicable to Plum Creek or the Project. Regarding the alternative of purchased power (1), Plum Creek, as an independent power producer, does not purchase power; instead, Plum Creek intends to sell power to utilities or other potential off-takers. With respect to the alternative of increased efficiency (2), Plum Creek has no existing facilities in Minnesota for which it might seek improved operating efficiency. Regarding the alternative of new transmission lines (3), Plum Creek has no plans to become involved in owning or operating transmission lines beyond what could be needed for interconnection of the Project. The development, construction, and operation of transmission and distribution lines designed to deliver power to end use customers will be left to utilities with defined service area obligations to retail customers. Plum Creek has no plans to own or operate such transmission lines and, therefore, requests an exemption from this requirement.

With respect to data requirement (4), Plum Creek requests a partial exemption. The Project is specifically designed to offer for purchase on the wholesale market electricity generated by a resource that will count toward satisfying the purchasing utilities' or other entities' renewable, clean energy or sustainability standards. Given this purpose, only renewable energy sources are alternatives to the Project. For this reason, Plum Creek requests that it be exempted from discussing any alternative generating facilities of a different size or using an energy source other than renewable alternatives.

C. Minnesota Rule 7849.0250(C)(1)-(9): Details Regarding Alternatives

Plum Creek requests a partial exemption from this Rule, which requires a discussion of various details regarding both the Project and each of the alternatives discussed in response to Minn. R. 7849.0250(B). Because Plum Creek is requesting a partial exemption from the data requirements in Minn. R. 7849.0250(B), *i.e.*, limiting its discussion to only renewable alternatives, Plum Creek also proposes to limit its response to this data requirement to only those renewable alternatives discussed in response to Minn. R. 7849.0250(B)(4) that could provide electric power at the asserted level of need.

D. Minnesota Rule 7849.0250(C)(7): Effect of Project on Rates Systemwide

Minn. R. 7849.0250(C)(7) requires an applicant to estimate its proposed project's "effect on rates systemwide and in Minnesota, assuming a test year beginning with the proposed in-service date." Plum Creek requests an exemption from this requirement because it does not have a "system" as defined by the Rules and it is not a utility with retail rates for the power it plans to generate. As such, the data are neither available to Plum Creek nor necessary to determine need for the Project. Instead, Plum Creek proposes to submit data on the Project's impact on state or regional wholesale prices.

E. Minnesota Rule 7849.0250(D): Map of Applicant's System

Minn. R. 7849.0250(D) requires the applicant to include a map showing the applicant's system. This information does not exist and is not relevant to the determination of need for the Project. Instead, Plum Creek proposes to submit a map showing the proposed site of the Project and its location relative to the power grid.

F. Minnesota Rule 7849.0260(A)(3) and (C)(6): Details Regarding Alternatives

Minn. R. 7849.0260 (A) 3 requires the a LHVTL CN applicant provide information on “. . . the expected losses under projected maximum loading and under projected average loading in the length of the transmission line and at the terminals or substations.” Similarly, Minn. R. 7849.0260 (C) 6 requires that an applicant provide a discussion of the Project’s “. . . efficiency, expressed for a transmission facility as the estimated losses under projected maximum loading and under projected average loading in the length of the transmission line and at the terminals or substations, or expressed for a generating facility as the estimated heat rate. . . .” Unlike a traditional utility transmission line, the LHVTL associated with the Plum Creek is a generation-tie line that has the sole purpose of delivering the output of the wind facility to the transmission grid. As such, the generation-tie line is a radial line that will not impact losses on the transmission system as would a more typical utility-LHVTL that is part of the integrated transmission system. Therefore, filing information under Minn. R. 7849.0260 A (3) and (C) 6 is not applicable to a radial generation-tie line, and, thus, it is appropriate to exempt Plum Creek from these filing requirements.

G. Minnesota Rule 7849.0260(B)(1): Alternatives to LHVTL

Minn. R. 7849.0260 (B) (1) requires a discussion of new generation alternatives to the LHVTL. The Plum Creek generation-tie line is proposed to connect the Plum Creek Wind Farm to the transmission grid, and, thus, there is no new generation alternative that is a true substitute for the proposed generation-tie line. Unlike a traditional utility that is adding a LHVTL for purposes of addressing system reliability or congestion and a new generation resource may be an alternative, the Plum Creek generation-tie is not being added for purposes of addressing system reliability or congestion like a utility transmission line that is part of the integrated transmission

system. Therefore, Plum Creek requests an exemption from the filing requirements in Minn. R. 7849.0260 (B) 1.

H. Minnesota Rule 7849.0260(C)(5): Details Regarding Alternatives

Minn. R. 7849.0260 (C)(5) requires an applicant to estimate its proposed project's "effect on rates systemwide and in Minnesota, assuming a test year beginning with the proposed inservice date." Plum Creek requests an exemption from this requirement because it is not a Minnesota public utility whose rates are regulated by the Commission. Rather, as an IPP providing its electrical output to a single purchaser, Plum Creek cannot derive a systemwide rate effect, nor do so for the entirety of the State of Minnesota.

I. Minnesota Rule 7849.0260(D): Map of Applicant's System

Minn. R. 7849.0260 (D) requires a LHVTL CN applicant to include a map showing the applicant's system or load center to be served by the proposed transmission line. As previously discussed, Plum Creek is an IPP and does not have a "system" or Commission-approved customer service area. Therefore, such information does not exist and is unnecessary to determine the need for the generation-tie line. Alternatively, Plum Creek proposes to submit a map showing its LHVTL and how it connects to the grid.

J. Minnesota Rule 7849.0270: Peak Demand and Annual Consumption Forecast

Minn. R. 7849.0270 requires the applicant to provide "data concerning peak demand and annual electrical consumption within the applicant's service area and system." Plum Creek does not have a "service area" or "system" and, as such, the requested data are inapplicable. Moreover, Plum Creek will sell power generated by the Project at wholesale to one or more buyers affiliated with different systems and serving different areas. Given that Plum Creek does not yet know who the buyer or buyers will be, Plum Creek cannot reasonably forecast peak

demand for those buyers' service areas and systems. As an alternative to the requested data, Plum Creek proposes to submit regional demand, consumption, and capacity data from credible sources to demonstrate the need for the independently produced renewable energy that will be generated by the Project.

K. Minnesota Rule 7849.0280: System Capacity

Minn. R. 7849.0280 requires the applicant to “describe the ability of its existing system to meet the demand for electrical energy forecasted in response to part 7849.0270, and the extent to which the proposed facility will increase this capability.” Plum Creek does not have a “system” as defined by the Rules. Plum Creek proposes to submit regional demand, consumption, and capacity data from credible sources to demonstrate the need for the independently produced renewable energy that will be generated by the Project.

L. Minnesota Rule 7849.0290: Conservation Programs

Minn. R. 7849.0290 requires an applicant to describe its energy and conservation plans, including load management, and the effect of conservation in reducing the applicant's need for new generation and transmission facilities.

The Commission has previously determined that this Rule is “designed to ensure that regulated utilities, providing essential services to captive customers, give conservation the same careful consideration they give to new generation in planning to meet the future needs of their service areas.”⁵ Different considerations apply in the wholesale context and thus the requirements of Minn. R. 7849.0290 are “onerous and essentially unhelpful” to the Commission's determination.⁶ Since Plum Creek is not a regulated utility, has no retail

⁵ Rapids Power Exemption Order, at 6.

⁶ *Id.*

customers, and plans to sell the Project's output on the wholesale market, it requests an exemption from this requirement in its entirety.

M. Minnesota Rule 7849.0300: Consequences of Delay

Minn. R. 7849.0300 requires the applicant to discuss the “anticipated consequences to its system, neighboring systems, and the power pool should the proposed facility be delayed one, two, and three years, or postponed indefinitely.” Plum Creek is not a utility and has no “system” as defined by the Rules. Thus, this data requirement is inapplicable to Plum Creek and is unnecessary to determine the need for the proposed Project. Instead, Plum Creek proposes to submit data on the consequences of delay to its potential customers and the region.

N. Minnesota Rule 7849.0330: Transmission Facilities

Minn. R. 7849.0330 requires the applicant to provide certain data for each alternative that would involve construction of a large high voltage transmission line (“LHVTL”). Other transmission facilities are not true alternatives to the proposed Plum Creek generation-tie line, since the purpose of the generation-tie line is to deliver the output from the facility to increase the supply of renewable energy to the purchaser to meet its renewable, clean energy, or sustainability obligations. Access to transmission facilities beyond the point of interconnection will be arranged by the utility or utilities purchasing the Project's energy output and will depend on the buyer and the ultimate destination for the energy output. Thus, except for the 345 kV transmission line necessary for interconnection to the existing Brookings to Hampton 345 kV transmission line, it is anticipated that the electricity generated will be transmitted via facilities owned or operated by others. For these reasons, Minnesota Rule 7849.0330 is not applicable and Plum Creek respectfully requests an exemption.

O. Minnesota Rule 7849.0340: The Alternative of No Facility

Minn. R. 7849.0340 requires an applicant to submit data for the alternative of “no facility,” including a discussion of the impact of this alternative on the applicant’s generation and transmission facilities, system, and operations. The Rule also requires an analysis “of equipment and measures that may be used to reduce the environmental impact of the alternative of no facility.”

Plum Creek does not have a “system,” nor does it have other generation and transmission facilities in Minnesota. As such, the requirements of this rule are not applicable to the Project and are not necessary to determine need for the facility. Instead, Plum Creek proposes to submit data reasonably available to it regarding the impact on the wholesale market of the “no facility” alternative.

IV. CONCLUSION

Plum Creek has requested exemptions from certain data requirements on the grounds that, as an independent power producer, such data are not reasonably available to Plum Creek, are inapplicable to Plum Creek and the Project, and are not necessary to determine the need for the Project. In lieu of certain specified data, Plum Creek will submit regional or state data that are relevant to the Commission’s determination on the need for the Project. The Commission has granted similar exemption requests to independent power producers in the past, and Plum Creek respectfully asks the Commission to grant its requests for exemptions from the CN data requirements discussed above.

Dated: November 9, 2018

Respectfully submitted,

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