

Staff Briefing Papers

Meeting Date February 27, 2020 Agenda Item *1

Company Lake Benton Power Partners II, LLC; Northern States

Power Company d/b/a Xcel Energy

Docket No. IP-6903/WS-18-179

In the Matter of the Application of Lake Benton Power Partners II, LLC for a Site Permit Amendment for the 100.2 Megawatt Lake Benton II Wind Repowering

Project and Associated Facilities in Pipestone County

Issues Should the Commission authorize the Transfer of the Site Permit for the Lake

Benton II Wind Project?

Staff Cezar Panait Cezar.Panait@state.mn.us 651.201.2207

Relevant Documents	Date
Xcel Energy Notice of Acquisition and Request for Site Permit Transfer	December 3, 2019
Notice of Comment Period on Request for Transfer of Site Permit	January 15, 2020
DOC EERA Comments and Recommendations	January 31, 2020

These materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

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I. Statement of the Issue

Should the Commission authorize the Transfer of the LWECS Site Permit for the Lake Benton II Wind Project?

II. Statutes and Rules

Minnesota Rule 7854.1400 and Section 14.0 of the Site Permit provide the content requirements for requests to transfer a Large Wind Energy Conversion System (LWECS) site permit. The Commission will approve the transfer request upon determining that the new permittee will comply with the conditions of the permit. The Commission may also impose reasonable conditions as part of its approval. The Commission may hold a public meeting on the request prior to making a decision.

III. Procedural History

On March 14, 2019, the Minnesota Public Utilities Commission (Commission) issued an Amended Site Permit for the 100.2 MW Lake Benton Power Partners II Wind Energy Project in Pipestone County. The permit authorized the construction and operation of an up to 100.2 megawatt wind farm in Pipestone County, MN. On May 30, 2019 the Commission granted a Site Permit Amendment for the project.

On November 15, 2019, Northern States Power Company of Minnesota (NSPM, the Company) purchased the Lake Benton Power Partners II Wind Energy Project, which included the LWECS Site Permit. On December 3, 2019, the Company notified the Commission of their acquisition and filed a request to transfer the LWECS Site Permit.²

On January 15, 2020 the Commission issued a Notice of Comment Period requesting comments on the permit transfer.³

On January 31, 2020 EERA submitted comments and a recommendation on the Company's petition for permit transfer. 4

¹ Minnesota Public Utilities Commission, May 30, 2019, Amended Site Permit, eDockets Number <u>20195-153243-01</u>, March 14, 2019, Amended Site Permit, see eDockets Number <u>20193-151107-01</u>

² Northern States Power Company of Minnesota, December 3, 2019, Notice of acquisition and request for transfer of site permit. See eDockets Number <u>201912-157989-01</u>

³ Minnesota Public Utilities Commission, January 15, 2020, Notice of comment period on request for site permit transfer. eDocket Number 20201-159135-01

⁴ Minnesota Department of Commerce EERA January 31, 2020, Comments and Recommendations, eDockets No. <u>20201-159907-02</u>

IV. Proposed Permit Transfer

In support of its request, Lake Benton Wind Power Partners included the following information:

- Name of the existing permittee: Lake Benton Wind Power Partners II, LLC.
- Name and description of the person to whom the permit is to be transferred: Northern States Power Company, a Minnesota corporation, which is a public utility operating subsidiary of Xcel Energy Inc., a registered public utility holding company.
- Reasons for the transfer: On November 15, 2019, NSPM and Lake Benton Wind Power Partners II closed on the sale of Lake Benton Wind II LWECS. In connection with that transaction, NSPM and Lake Benton Power Partners II are seeking to transfer the Site Permit to NSPM.
- Description of the facilities affected: All facilities described in Sections 2.0-2.2 of the Site Permit.
- Requested date of the transfer: January 10, 2020.

The request included an affidavit of Christopher B. Clark (President, Northern States Power – Minnesota) stating that NSPM can and will comply with the conditions of the Site Permit.

VI. Department of Commerce Energy Environmental Review and Analysis

DOC EERA noted that the basic informational requirements of the permit transfer request have been met and that the petitioners have recognized and agreed to their obligations under the permit. DOC EERA indicated it has no reason to believe that Xcel Energy would not comply with the conditions in the Site Permit and recommended the Commission approve the transfer.

VIII. Staff Analysis

Upon review of the record to date, including comments received, staff agrees with DOC EERA that Lake Benton Power Partners II, LLC and NSPM have met the requirements requisite for transfer of the LWECS Site Permit. Staff agrees that the Company has committed to, and will comply with the conditions of the permit. Staff notes that Lake Benton Power Partners II, LLC and NSPM requested a transfer date of January 10, 2020. That date has already passed. Staff recommends the Commission discuss the effective date of the transfer with Counsel to determine whether a retroactive date can be approved or whether the transfer date will be the date of the order approving the transfer of the Site Permit.

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IX. Decision Options

A. Site Permit Issuance

- 1. Grant the request to transfer the site permit for the Lake Benton Project from Lake Benton Power Partners II, LLC to Northern States Power Company and authorize the reissuance of the site permit effective with the Commission's order deciding this matter for the purpose of modifying the permittee.
- 2. Grant the request to transfer the site permit for the Lake Benton Project from Lake Benton Power Partners II, LLC to Northern States Power Company and authorize the reissuance of the site permit with an effective date of January 10, 2020.
- 3. Deny the request to transfer the site permit for the Lake Benton Project.
- 4. Direct staff to issue a notice and schedule a public meeting in the project area to provide the public with an opportunity to comment on the request for the transfer prior to making a decision.
- 5. Take some other action deemed appropriate.

Staff Recommendation: Options A.1

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