

The Commission met on **Thursday, January 6, 2011**, with Commissioners Boyd, O'Brien, Pugh, Reha, and Wergin present.

The following matters were taken up by the Commission:

ENERGY AGENDA

IP-6851/WS-10-1238

In the Matter of the Application of Big Blue Wind Farm, LLC for a Large Wind Energy Conversion System (LWECS) Site Permit for the 36 MW Big Blue Wind Farm in Faribault County

Commissioner Wergin moved that the Commission:

1. accept the application as complete, with the condition that Big Blue Wind, LLC will provide additional information as requested by the Commission and the Office of Energy Security Energy Facility Permitting staff for the Big Blue Wind Farm project;
2. authorize the Office of Energy Security Energy Facility Permitting staff to name a public advisor for this project;
3. grant a variance to Minnesota Rule 7854.0800 to extend the period for the Commission to make a preliminary determination on whether a permit may be issued or should be denied for an unspecified, but reasonable period of time; and
4. based on the information in the record to date, find that a certificate of need is not required.

The motion passed, 5 – 0.

IP-6843/WS-10-1240

In the Matter of the Site Permit Application for a 40 Megawatt (MW) Large Wind Energy Conversion System (LWECS) in Stearns County, Minnesota

Commissioner Reha moved that the Commission:

1. accept the application as complete, with the condition that Black Oak Wind, LLC will provide additional information as requested by the Commission and the Office of Energy Security Energy Facility Permitting staff for the Black Oak Wind Farm project;
2. authorize the Office of Energy Security Energy Facility Permitting staff to name a public advisor for this project;

3. grant a variance to Minnesota Rules, part 7854.0800 to extend the period for the Commission to make a preliminary determination on whether a permit may be issued or should be denied for an unspecified, but reasonable period of time; and
4. based on the information in the record to date, find that a certificate of need is not required.

The motion passed, 5 – 0.

E-002/TL-10-249

IN the matter of the Application for a HVTL Route Permit for the Southwest Twin Cities (Glencoe to Waconia) Transmission System Upgrade

Commissioner O'Brien moved that the Commission

1. accept the HVTL Route permit application submitted by Xcel Energy for the Glencoe-Waconia Upgrade Transmission project as complete and authorize OES EFP staff to process the application under the alternative review process pursuant to Minnesota Rules 7850.2800 to 7850.3900;
2. authorize the OES EFP staff to name a public advisor in this case; and
3. determine that an advisory task force is not necessary at this time.

The motion passed, 5 – 0.

ET-2/TL-10-86

In the Matter of the Route Permit Application for the Potato Lake 115 kV Transmission Line and Substation in Park Rapids, Minnesota

Commissioner Boyd moved that the Commission deny reconsideration of the November 17, 2010 ORDER GRANTING ROUTE PERMIT.

The motion passed, 5 – 0.

E-002/TX-08-1442

In the Matter of the Petition for a Property Tax Exemption for Electric Power Generation Facility Located in Shakopee, MN

Commissioner Pugh moved that the Commission approve Koda's Petition and determine that the company meets the criteria of Minn. Stat. §272.0211, subd. 4.

The motion passed, 5 – 0.

E,G-002/S-10-1158

IN the Matter of the Petition of Northern States Power Company for Approval of Capital Structure for Issuance of Long-Term and Short-Term Securities for 2011

Commissioner Wergin moved that the Commission:

1. approve the petition, incorporating the recommendations of the OES; and
2. direct the Company to include in next year's Attachment N a discussion of the factors which caused substantial discrepancies between estimated and actual capital spending on individual projects during the year the approved capital structure and securities issuance permissions were in effect.

The motion passed, 5 – 0.

ET-9/RP-09-536

In the Matter of Southern Minnesota Municipal Power Agency's 2009-2024 Resource Plan

Commissioner Reha moved that the Commission:

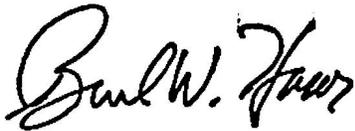
1. accept SMMPA's 2009-2024 resource plan;
2. find SMMPA to be in compliance with its 2008 and 2009 Minnesota REO/RES obligations;
3. find that SMMPA's resource plan demonstrates that SMMPA has sufficient renewable resources to meet the Minnesota REO/RES requirements until at least 2017;
4. advise SMMPA to include the following in its next resource plan:
 - A. a discussion and modeling of the impacts of RPU discontinuing its 216 MW CROD;
 - B. an update of the capacity accreditation/reserve ratio inputs to reflect the MISO Module E process;
 - C. an update of its DSM analysis to account for the results of the DSM study on the potential of energy conservation.
 - D. sensitivity analyses evaluating the cost-effectiveness of achieving various levels of energy conservation, including energy savings equal to 1.5 percent of retail sales;
5. require SMMPA to file its next resource plan no later than July 1, 2013;
6. require SMMPA to file a compliance update no later than July 2, 2012. The update should include:
 - A. an update on SMMPA's DSM achievements, modeling, and analysis;
 - B. an update on SMMPA's shorter action plan; and
 - C. an update on SMMPS's long-term action plan.

These updates should explain how/if SMMPA's action plans are providing SMMPA with adequate resources.

The motion passed, 5 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: JANUARY 19, 2011

A handwritten signature in black ink that reads "Burl W. Haar". The signature is written in a cursive style with a large initial "B" and a long, sweeping underline.

Burl W. Haar, Executive Secretary