

The Commission met on **Thursday, June 19, 2014**, with Chair Heydinger, and Commissioners Lange and Lipschultz present.

The following matters were taken up by the Commission:

ENERGY AGENDA

PL-5/CN-14-320

In the Matter of the Application for a Certificate of Need for the Minnesota Pipeline Reliability Project

Commissioner Lipschultz moved to take the following actions:

1. Approve the notice plan petition as modified in the May 27, 2014 reply comments;
2. Required the applicant to include the revised Project Overview Map (Revised Exhibit A) to notify landowners, residents, and government officials along the entire pipeline alignment.
3. Required the applicant to provide notice maps including the Overview map (Revised Exhibit A) and the applicable detailed aerial map to landowners and residents that own or live on land abutting the pump stations (proposed or existing).

The motion passed 3-0.

E-015/TL-13-805

In the Matter of the Application of Minnesota Power for a Route Permit for the Canisteo 115 Kilovolt High Voltage Transmission Line Project in Itasca County

Commissioner Lipschultz moved to take the following actions:

1. Determine that the environmental assessment and the record created at the public hearing addresses the issues identified in the environmental assessment scoping decision;
2. Approve and adopt the ALJ's Findings of Fact, Conclusions of Law, and Recommendation for Minnesota Power's Canisteo HVTL Project in Itasca County, Minnesota with the modification to Finding 35 recommended by staff;
3. Issue a high-voltage transmission line route permit identifying a specific route and permit conditions to Minnesota Power for the Canisteo Transmission Line Project in Itasca County

The motion passed 3-0.

E-015/TL-14-21

In the Matter of the Application of Minnesota Power for a Route Permit for the Great Northern Transmission Line Project in Roseau, Lake of the Woods, Beltrami, Koochiching, and Itasca Counties

Commissioner Lange moved to take the following actions:

1. Accept the application as complete;
2. Adopt the ATF structure and charge according to the following guidelines, identified as Attachment D to staff briefing papers:
 - A. The Department has proposed the composition of each of the three ATFs. Once the Department has finalized the names and affiliations of each ATF's members, it should submit the lists to the Commission. The Commission delegates the authority to approve task force membership, or changes to that membership, to the Executive Secretary.
 - B. When submitting the list of members of the ATFs, the Department should document that it contacted all local and tribal governments along the proposed route, and the names of other agencies and organizations that it contacted, in developing its list of ATG members, as well as the interests that are represented by the proposed membership.
 - C. The Department should prepare a schedule that includes the number and approximate dates of the ATF meetings, and file it with the Commission. The Department should assure that discussion of mitigation is incorporated into the ATF meeting schedule.
 - D. The Department should file with the Commission its plan to assure that appropriate state agencies are invited to participate in ATF meetings; that the public has the opportunity to submit information to the ARF; that the minutes and reports of all ATF meetings are available for review prior to the next meeting; at the initial ARG meetings there is a discussion of the relationship between the state and federal environmental impact statements, that ATF members receive written information that clearly identifies the applicable criteria for selecting alternatives to be included in the project scoping, and that ATF members understand the role of the ARF and their role as ARF members; and the projected date for the completion of the advisory task force reports, including additional routes and impacts, which must be prior to the Department EERA filing its recommendation on scoping with the Commission.
 - E. The final ATF reports should include all routes brought forward by ATF members and reasons for their selection or rejection; the preference, if any, of individual members on specific routes or impacts; and proposed mitigation related to the route alternatives.

In addition, the Commission encourages the Department to:

- Ask ATF members to regularly communicate with their constituencies and seek their input and feedback; and
 - Conduct public information meetings in each of the three ATF areas following the release of the final ATF report to accept comment and answer questions.
3. Delegate authority to the Executive Secretary to approve advisory task force membership;
 4. Refer the matter to the Office of Administrative Hearings for a contested case proceeding, requesting in the referral order that the following items be incorporated into the existing procedural framework:
 - A. Request that the administrative law judge assigned to the matter emphasize the statutory time frame for the Commission to make final decisions on applications and to strongly encourage the parties and participants to adhere to a schedule that conforms to the statutory time frame.
 - B. Direct Commission staff to formally contact relevant state agencies to request their participation in the development of the record and public hearings under Minn. Stat. §216E.10, subd. 3, and request that state agencies submit comments prior to the last day of the public hearing.
 - C. Request that the administrative law judge ask the parties, participants, and the public to address whether the proposed project meets the selection criteria established in Minnesota Statutes, section 216E.03, subd. 7, and Minnesota Rules, part 7850.4100.
 - D. Request that prior to the public hearing, the Department submit to the administrative law judge its comments on the merits of the application, and based on the record at that point its environmental impact statement; evidence of compliance with environmental review procedures; and recommended permit language or specific provisions relative to permissible routes. The environmental impact statement must include an analysis and relative merits of the route alternatives using the selection criteria established in Minn. Stat. § 216E.03, subd. 7, and Minn. Rules, part 7850.1400.
 - E. Request that the administrative law judge prepare a report setting forth findings, conclusions, and recommendations on the merits of the proposed project and a preferred route alternative, applying the routing criteria set forth in statute and rule; and provide comments and recommendations, if any, on the conditions and provisions of the proposed permit.

5. Request that the Department begin the environmental review process and route selection, including identifying alternative sites or routes; to conduct public scoping meetings and issue notices required in that process; and to perform related administrative tasks, including coordinating advisory task forces.
6. Request that the Department present draft route alternatives to facilitate Commission input to the Commissioner of Commerce on the scope of the environmental impact statement prior to its issuance.
7. Appoint the Commission's public advisor in this matter.

The motion passed 3-0.

E-017/M-13-103

In the Matter of Otter Tail Power Company's Request for Approval of a Transmission Cost Recovery Rider Including the Proposed Transmission Factor for the Recovery Period from May 2, 2013 to April 30, 2014

Commissioner Lipschultz moved that the Commission accept the Company's compliance filing and allow Otter Tail Power to keep its existing TCRR rates in effect.

The motion passed 3-0.

E,G-001/AI-14-158

In the Matter of Interstate Power and Light Company's Petition for Approval of a Renewed Master Supply Agreement with its Affiliate, Wisconsin Power and Light Company

Commissioner Lipschultz moved to take the following actions:

1. Approve the renewal of the Master Supply Affiliated Interest Agreement (Agreement) provided that IPL implement the following internal safeguards in an effort to ensure compliance:
 - A. Ensure that relevant company personnel receive updated training on the scope of the Agreement, including training to ensure that such personnel are fully aware of the types of transactions that are not authorized under the Agreement;
 - B. Establish internal notification to company personnel of any transactions that have dollar values near or above the limits in the Agreement; and
 - C. Conduct periodic reviews of transactions and report to the Commission any transactions undertaken that are inconsistent with the terms of the Agreement.
2. Make no determination as to the applicability of Minn. Stat. § 216B.50 to the notated prior transactions as described in footnote six.

3. Direct IPL to continue to file annual reports to the Commission showing the list of items that were transferred in each direction under the Master Supply Agreement and the cost of each transaction.

The motion passed 3-0.

G-0001, G-011/PA-14-107

In the Matter of a Request for the Approval of the Asset Purchase and Sale Agreement between Interstate Power and Light Company and Minnesota Energy Resources Corporation

Commissioner Lipschultz moved that, prior to determining whether to refer the matter to the OAH for contested case proceedings, the Commission require an additional round of substantive comments related to customer rates and Former Manufactured Gas Plant mitigation costs as follows:

1. Require the Joint Petitioners to file comments responding to any additional questions posed by the Commission, Department, OAG, or any other interested person. Any such questions must be filed and served on the Joint Petitioners no later than July 7, 2014, and the Joint Petitioners must file their responsive comments no later than August 8, 2014.
2. Permit any interested person to file reply comments in response to the Joint Petitioners no later than 30 days from the date Joint Petitioners file their responsive comments.
3. Delegate to the Executive Secretary the authority to develop and submit questions as part of this additional notice and comment process and to vary the time frames set forth herein.

The motion passed 3-0.

Chair Heydinger moved to determine not to hold public hearings in this case at this time.

The motion passed 3-0.

E-001, E-115, E-140, E-105, E-139, E-124, E-126, E-145, E-132, E-114, E-6521, E-142, E-135/PA-14-322

In the Matter of a Request for Approval of the Asset Purchase and Sale Agreement Between Interstate Power and Light Company and Southern Minnesota Energy Cooperative

Commissioner Lipschultz moved that, prior to determining whether to refer the matter to the OAH for contested case proceedings, the Commission require an additional round of substantive comments as follows:

1. Require the Joint Petitioners to file comments responding to any additional questions posed by the Commission, Department, OAG, or any other interested person. Any such questions must be filed and served on the Joint Petitioners no later than July 7, 2014, and the Joint Petitioners must file their responsive comments no later than August 8, 2014.
2. Permit any interested person to file reply comments in response to the Joint Petitioners no later than August 29, 2014.
3. Delegate to the Executive Secretary the authority to develop and submit questions as part of this additional notice and comment process and to vary the time frames set forth herein.

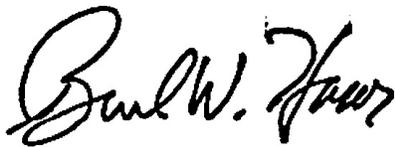
The motion passed 3-0.

Chair Heydinger moved to determine not to hold public hearings in this case at this time.

The motion passed 3-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: July 2, 2014



Burl W. Haar, Executive Secretary