

The Commission met on **Thursday, May 23, 2013**, with Chair Jones Heydinger, and Commissioners O'Brien, and Lange present.

The following matters were taken up by the Commission:

ENERGY FACILITIES AGENDA

ET-6675/CN-12-1053

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

Commissioner O'Brien moved to take the following actions:

1. Accept the application as complete upon filing the supplemental information identified by the Department.
2. Refer the matter to the Office of Administrative Hearings for a contested case proceeding.
3. Require a prehearing conference at a date, time, and place to be set by the administrative law judge in consultation with Commission staff.
4. Approve joint hearings and combined environmental review for the certificate of need and route proceedings.
5. Delegate administrative authority to the Executive Secretary and include the following additional items in the appropriate orders issued in this matter:
 - a. Provide the name, telephone number, and email address of the staff person designated as Public Advisor to facilitate citizen participation in the process.
 - b. Request that the Department continue to study issues and indicate during the hearing process its position on the reasonableness of granting a certificate of need.
 - c. Require ITCM to facilitate in every reasonable way the continued examination of the issues by the Department and Commission staff.
 - d. Require ITCM to place a copy of the application (printed or compact disc) for review in at least one government center or public library in each county where the proposed transmission line project is located.
 - e. Direct Commission staff to work with the Administrative Law Judge and the staff of the Department in selecting a suitable location for the public hearings on the application.
 - f. Direct ITCM to work with Commission staff to arrange for publication of the notice of hearings in newspapers of general circulation at least ten days prior to the hearings, that such notice be in the form of visible display ads, and that proof of publication be obtained from the newspapers selected.
6. Vary the time period of Minn. Rules, part 7849.0200, subp. 5, and extend the 30-day time limit for Commission decision on application completeness.
7. Vary the time period of Minn. Rules, part 7849.1400, subp. 3, and extend the 40-day time limit for the Department to conduct a public meeting.

8. Vary the time period of Minn. Rules 7849.0200, subp. 6, and extend the 45-day time period to allow ITCM to request exemption from the data requirements of Minn. Rules, part 7849.0280 A and H.
9. Grant ITCM requested exemptions from the data requirements of Minn. Rules, part 7849.0280 A and H.

The motion passed 3 – 0.

ET-6675/TL-12-1337

In the Matter of the Application of ITC Midwest LLC for a Route Permit for the Minnesota-Iowa 345 kV Transmission Line Project in Jackson, Martin, and Faribault Counties, Minnesota

Commissioner Lange moved to take the following actions:

1. Accept the application as complete.
2. 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 with its environmental impact statement comments and analysis on the relative merits of the route alternatives, as well as its best effort to afford some ranking, whether numerical or qualitative, using the selection criteria established in Minn. Stat. § 216E.03, subd. 7, and Minn. Rules, part 7850.4100; evidence of compliance with environmental review procedures; and recommended permit language or specific provisions relative to permissible routes.
 - 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.
3. 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.

4. Appoint the Commission's public advisor in this matter.
5. Authorize the Department to establish an advisory task force and develop a proposed structure and charge for the task force.

The motion passed 3 – 0.

E-015/TL-13-68

In the Matter of the Application of Minnesota Power for a Route Permit for the Deer River High Voltage Transmission Line Project in Itasca County

Commissioner Lange moved to take the following actions:

1. Accept the application as complete.
2. Send the matter to the OAH for a summary proceeding, adapting the existing procedural framework as follows:
 - a. Request that the ALJ assigned to this matter emphasize the statutory time frame for the Commission to make final decisions on applications and the ALJ strongly encourage the parties and participants to adhere to a schedule that conforms to the statutory timeframe.
 - b. Direct Commission staff to formally contact relevant state agencies, and request their participation in the development of the record and public hearings under Minn. Stat. § 216E.10, subp. 3 and request that state agencies submit comments prior to the last day of the public hearing.
 - c. Request that prior to the public hearing, the Department submit to the administrative law judge with its environmental impact statement comments and analysis on the relative merits of the route alternatives, as well as its best effort to afford some ranking, whether numerical or qualitative, using the selection criteria established in Minn. Stat. § 216E.03, subd. 7, and Minn. Rules, part 7850.4100; evidence of compliance with environmental review procedures; and recommended permit language or specific provisions relative to permissible routes.
 - d. Request that the ALJ ask the parties, participants, and the public to address whether the proposed project and any alternatives to the proposed project meet the selection criteria established in Minn. Stat. § 216E.03, subd. 7 and Minn. Rules Chapter 7850.4100.
 - e. Request that the ALJ prepare a report setting forth findings, conclusions, and recommendations on the merits of the proposed transmission project, alternatives to the proposed project, and a preferred route alternative, applying the routing criteria set forth in statute and rule, and provide comments, if any, on the language of the proposed permit.
3. Vary Minn. Rule 7850.3700, subp. 3, and request that the DOC EFP present draft route alternatives in order for the Commission to provide input to the DOC Commissioner prior to the Final Scoping Decision.
4. Appoint the Commission's Public Advisor for this project.

5. Take no action on an advisory task force at this time.

The motion passed 3 – 0.

ENERGY AGENDA

E015/D-12-379

In the Matter of Minnesota Power’s General Plant Depreciation Petition

Commissioner Lange moved to take the following actions:

1. Approve Minnesota Power’s 2012 General Plant Depreciation Petition;
2. Require Minnesota Power to file its next general plant depreciation petition by May 1, 2017; and
3. Require Minnesota Power to include Account 301, Organization; Account 302, Franchises and Consents; and Account 303, Miscellaneous Intangible Plant in future general plant depreciation petitions.

The motion passed 3 – 0.

PL6580/M-13-91

In the Matter of a Request by Greater Minnesota Transmission, LLC (GMT) for Approval of a Firm Transportation Agreement between GMT and the Prairie Island Indian Community

Commissioner O’Brien moved to take the following actions:

1. Grant the petition and approve the Agreements, subject to the following conditions:
 - a. Regulated ratepayers shall bear no risk of higher costs in the event of future financial problems of Greater Minnesota Transmission or in the event of future contract disputes between Greater Minnesota Transmission and the Prairie Island Indian Community regarding the terms of the two Agreements; and
 - b. Future financial difficulties of Greater Minnesota Transmission could constitute the basis for the Commission to declare a “natural gas supply emergency” under subdivision 7 of Minn. Stat. § 216B.045 so as to allow the Commission to prevent shutoffs and to ensure that Greater Minnesota Transmission’s pipeline continues to be operated for the benefit of retail natural gas customers.

The motion passed 3 – 0.

PL6580, G022/AI-13-94

In the Matter of a Request By Greater Minnesota Gas for Approval of Affiliated Interest Agreements with Intrastate Pipeline Greater Minnesota Transmission, LLC and Approval of GMT's contracts under Minn. Stat. §216B.045

Commissioner Lange moved to take the following actions:

1. Find that the proposed Agreements satisfy the statutory requirements for intrastate pipeline contracts under Minn. Stat. § 216B.045 and for affiliated interest agreements under Minn. Stat. § 216B.48.
2. Approve the Agreements between Greater Minnesota Gas, Inc. and Greater Minnesota Transmission, LLC, subject to the following requirement: Greater Minnesota Gas, Inc. shall state in its marketing material that in addition to Greater Minnesota Gas, other utilities (CenterPoint Energy, Minnesota Energy Resources Corporation, and Xcel) may also be able to provide distribution service to the customers along the proposed lateral pipeline.
3. Deny without prejudice cost recovery from ratepayers of Greater Minnesota Gas, Inc. for the transportation costs of Greater Minnesota Transmission.

The motion passed 3 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: June 26, 2013



Burl W. Haar, Executive Secretary