

The Commission met on **Thursday, August 9, 2012**, with Chair Heydinger and Commissioners Boyd, O'Brien, Reha, and Wergin present.

The following matters came before the Commission:

ENERGY AGENDA

E-002/TL-09-1448

In the Matter of the Route Permit Application for the CapX 2020 Hampton-Rochester-La Crosse 345 kV Transmission Line

As no commissioner moved to reconsider the Commission's May 30, 2012 Order Issuing Route Permit as Amended, the petitions for reconsideration were denied.

PL-9/CN-12-590

In the Matter of an Application by Enbridge Energy, Limited Partnership (Enbridge) for a Certificate of Need for the Line 67 Station Upgrade Project in Marshall, Clearwater and Itasca Counties

Commissioner Reha moved to do the following:

1. Direct Enbridge Energy, Limited Partnership (Enbridge) to work with staff to ensure that maps for the Line 67 Station Upgrade Project are sufficiently clear and detailed to provide adequate notice to landowners.
2. Approve Enbridge's proposed Notice Plan as modified to require notice to all landowners along the Line 67 Pipeline route.
3. Vary Minn. R. 7829.2560, subp. 6, to allow Enbridge to implement the approved Notice Plan within 60 days to two weeks prior to the filing of the Certificate of Need in this matter.

The motion passed 5 – 0.

ET-2/TL-08-1474

In the Matter of the Route Permit Application for a 345 kV Transmission Line from Brookings County, South Dakota to Hampton, Minnesota

This matter was removed from the Commission's agenda.

E-257,E-132/SA-12-465

Joint Request of the City of Kasson and People's Energy Cooperative for Approval of a Service Territory Agreement

Commissioner Wergin moved to approve ---

1. The requested service territory transfer of the South Bend Commercial Development from People's Energy Cooperative to the City of Kasson, and
2. The requested transfer of customers and facilities of the South Fork Residential Development from the City of Kasson to People's Energy Cooperative.

The motion passed 5 – 0.

E-015/RP-09-1088

In the Matter of Minnesota Power's 2010-2024 Integrated Resource Plan

Commissioner O'Brien moved to do the following:

1. Accept the baseload diversification study filed by Minnesota Power, merge the study with Minnesota Power's next resource plan filing, and close Docket No. E-015/RP-09-1088.
2. Require Minnesota Power to file its next integrated resource plan (IRP) by March 1, 2013, which includes a proposal to address the viability of Laskin Energy Center, Units 1 and 2, and Taconite Harbor Energy Center, Unit 3. In order to accommodate Minnesota Power's request for a final decision by the end of 2013, the Commission will vary its rules to shorten the comments periods typically allowed for resource plans to two months for initial comments and one month for reply comments.
3. Require Minnesota Power to evaluate in Minnesota Power's 2013 IRP the retirement of Boswell Energy Center, Units 1 and 2, by 2020, including all relevant costs and transmission adequacy impacts.
4. Require Minnesota Power to run scenarios in its 2013 IRP which add 100 to 200 megawatts (MW) of wind capacity in the 2014-2016 time frame.
5. Require Minnesota Power to run scenarios in its 2013 IRP which add 400 to 600 MW of natural gas capacity in the 2014-2016 time frame.
6. Require Minnesota Power to include a comprehensive socioeconomic impact analysis by customer class in its next IRP in conformance with IRP rules.

The motion passed 5 – 0.

Commissioner O'Brien moved to find that, on the basis of the facts as they now understand them, the cost of Laskin Energy Center Units 1 and 2, and Taconite Harbor Energy Center Unit 3, after 2016 may be borne by Minnesota Power and not by the ratepayer.

The motion passed 3 -2; Commissioners Boyd and Wergin voted no.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: October 31, 2012

A handwritten signature in black ink, reading "Burl W. Haar". The signature is written in a cursive style with a large initial "B".

Burl W. Haar, Executive Secretary