

4.0 Public Participation

4.1 Opportunities for Public Input

Annual Zonal Meetings

The Public Utilities Commission has established certain procedures that utilities must follow to advise local governmental officials and the general public about planning activities and possible new high voltage transmission lines. These procedures involve the holding of a public meeting in each Transmission Planning Zone at least once per year. Minn. Rules part 7848.0900. The utilities must announce the public meetings by mailing notice to certain local and state and tribal officials and to certain individuals and by publishing notice in local and statewide newspapers. Minn. Rules part 7848.1000. The utilities are also required to prepare a summary of each planning meeting that is held. Minn. Rules part 7848.1100.

The utilities did hold transmission planning meetings in each of the six transmission planning zones in the state every year from 2004 to 2007. Summaries of these meetings were provided in the biennial reports that were submitted. It is generally agreed that these public meetings were not well attended by local officials or the general public. As part of its decision accepting the 2007 Biennial Report, the Public Utilities Commission granted the utilities a variance from the requirement in the rules to hold annual public meetings in each transmission planning zone in the biennial period 2008-2009.

The Commission directed its staff to solicit ideas on how to better involve the public in transmission planning. On June 12, 2008, the Commission issued a Notice of Comment Period and announced that it would accept comments on how the PUC rules might be changed to enhance public participation. Only a few comments were submitted and no specific procedures have been developed as a result of the notice and comment exercise for involving the public in transmission planning.

Webinars

In place of the transmission planning meetings that had been held in previous years, the utilities in September 2009 held six webinars, one for each transmission planning zone, in which utility representatives addressed transmission planning generally and described those transmission inadequacies in each zone that are reported upon in this Report. Notice was mailed to those persons who in the past received notice of the planning meetings, and notice was published in local newspapers around the state. Interested persons could either attend the presentation in person or simply log in on their computer at home or in the office and hear utility representatives address the issues while power point slides were projected on the computer monitor. Participants could e-mail questions or comments to the utility representatives. A summary of each webinar is provided in Section 4.2 below. The webinars were not any better attended than zonal meetings were in past years and not many questions or comments were generated.

Transmission Planning

Much of the utilities' planning activities and analyses are reviewed and discussed in open forums, and local officials, state regulators, citizen groups, and the general public are welcome at these planning sessions. Recently, certain studies relating to renewable energy and distributed generation were prepared with the advice and participation of stakeholder groups. The utilities will continue to seek opportunities to keep interested persons aware of ongoing planning activities.

The utilities have for several years maintained the web site www.minnelectrans.com where information about transmission planning and past studies can be found. Recently, the utilities devoted a significant effort to improving the webpage to provide additional information. Every Biennial Report, for example, is available on that webpage. Various planning studies that have been performed, such as the West Central Minnesota Renewable Generation Study, are also available on this webpage. The use of the Internet to provide access to broad transmission planning studies will continue to be expanded. In addition, any person may use the webpage to submit a question or comment to the utilities.

Local Contacts.

Local officials and the general public are generally interested in transmission issues that impact their local community. Utilities routinely meet with local officials to describe potential transmission inadequacies affecting the community. Electric cooperatives throughout the state have close relationships with city and county staff in their service areas, and investor-owned utilities employ community service representatives who work closely with local governments. Many local transmission needs are identified by local electrical cooperatives or municipal utilities. Utility representatives are available to speak to the League of Minnesota Municipalities, Minnesota Association of Townships, and the Association of Minnesota Counties to advise local officials of pending transmission concerns and have on occasion spoken at regional meetings of these Associations.

Local officials and the public are primarily interested in the routing of specific transmission projects. Numerous steps are taken by the utilities to advise interested persons of proposed transmission lines. Even with the smallest of transmission projects, such as a 69 kV line or a 115 kV line, utilities will publish ads in the local paper, mail notification letters to landowners in the area about the project, and host open houses to discuss the need for the project and preliminary routing options and encourage landowners and stakeholders to provide input on the information presented. In addition, it is common to hold meetings with county and city staff where the utilities present plans and request feedback from local officials.

With larger projects, even more extensive efforts to involve local officials and the general public are undertaken. The efforts undertaken by the eleven utilities participating in the CapX 2020 projects are an example of the kind of steps that are taken to make sure the public is aware of ongoing activities related to possible new significant transmission projects. The CapX 2020 projects include up to 700 miles of high-voltage transmission lines (three 345 kV projects and one 230 kV project) that cross a number of counties across the state. The CapX 2020

transmission lines are designed to ensure that the transmission system is adequate to reliably meet a growing demand for electricity and renewable resources in the region.

The CapX 2020 transmission projects have been included in the Biennial Report since the 2005 Report. The eleven utilities participating in CapX 2020 have maintained a separate webpage just for the CapX project. <http://www.capx2020.com/> The CapX utilities established large lists of landowners, more than 70,000 people in all, who live along possible routes; these lists were used to notify landowners of the proposed projects. Also, the CapX utilities met with city and county staff throughout the project areas to ensure that local officials were aware of the project and to identify potential issues in each area. The utilities studied county comprehensive plans, worked with zoning administrators, planners and engineers to help ensure that local government plans and utility proposals were compatible.

PUC Procedures

Once a utility has selected a specific transmission project to address an identified inadequacy, numerous requirements regarding public notice will commence. For the smaller projects, the utility may decide, or even be required, to apply to a local unit of government for a conditional use permit or other authorization. Local officials will have significant input into a final decision on the project in such a situation.

In other cases, with larger projects, a Certificate of Need and a Route Permit will be required from the Public Utilities Commission. The Commission requires an applicant for a Certificate of Need for a high voltage transmission line to file a proposed Notice Plan for notifying the public about the proposed project. Minnesota Rules part 7829.2550. With a Route Permit, notice requirements are spelled out right in the rule. Minnesota Rules parts 7850.2100 and 7850.2300. These requirements include mailing notice to certain individuals and publishing notice of the project in local newspapers. Any person who wants to learn more about a project or desires to comment upon a project and to let governmental officials know of his or her concerns will have an opportunity to do so before the PUC will make a final decision.

4.2 Webinars

In September 2009 the utilities held six webinars, once for each Transmission Planning Zone. Each webinar consisted of a number of power point slides with narration by utility representatives. Each webinar began with an overview of the transmission system and general planning techniques, followed by a discussion of each transmission inadequacy in the zone by Tracking Number. The webinar presentations are available in their entirety at www.minnelectrans.com. Persons who missed the presentation when it was given can watch the presentation at any time by going to the webpage and following the instructions for logging on to the particular webinar of interest.

Interested persons were able to log on to the webinar on their home or office computers through use of their e-mail. The only information that is available about each registrant is the name of the person who logged in. It is not possible to know how many people were listening at that person's computer or whether the registrant represented a particular group or organization, unless the person asked a question or was known to the utility representatives.

The following is a summary of each of the webinars.

4.2.1 Twin Cities Zone

The webinar for the Twin Cities Zone was held on Monday, September 14, 2009, at 10:00 a.m. Nineteen people logged in to the presentation. At least half of the registrants can be identified as utility employees or state agency people.

After a general discussion of transmission planning, utility representatives discussed each of the Tracking Numbers reported for the Twin Cities Zone. Each utility with transmission facilities in the Twin Cities Zone had a representative present to describe any projects under consideration by the utility and to respond to questions. Several questions were asked via e-mail. Some questions related to transmission needs for possible new generation sources, and one question had to do with transmission needs in south Minneapolis.

4.2.2 Southwest Zone

The Southwest Zone webcast was held on September 16 at 1:00 pm. Twenty-two people participated in the webinar and four people attended in person. After the general presentation, the only questions were from representatives of the Upper Sioux Community who were interested in learning more about the possibility of a line from Granite Falls to the Southwest Twin Cities area. An Xcel Energy representative explained the recent studies completed by utilities about potentially upgrading the existing 230-kV line to a 345-kV line to increase wind generation outlet. After the webinar concluded, one in-person attendee asked a question about the status of specific transmission projects identified in the past for a generation interconnection project and another who owns land near the Lakefield Substation recounted his experiences with utility representatives on a recently completed transmission project.

4.2.3 West Central Zone

The West Central webcast was presented at 1:00 p.m. on September 17. Nineteen people attended. After the presentation, several questions were asked about the Green Power Express, distributed generation, placing peaking plants near wind turbines (to increase access to the transmission grid for small wind projects), and if electric vehicles are figured into transmission and load planning, and a comment suggested that the West Central Zone is missing out on wind generation potential because of a lack of transmission access. Utility representatives responded to each question.

4.2.4 Northwest Zone

The webcast for the Northwest Zone was held on September 16 at 10:00 a.m. Eighteen people logged on, many of whom were utility personnel or regulatory staff. Two questions were asked via the webcast chat function, both of which were about the status of the CapX 2020 Fargo-St. Cloud/Monticello project.

4.2.5 Northeast Zone

The webcast for the Northeast Zone was held on September 15 at 10:00 a.m. Sixteen people logged on, many of whom were utility personnel or regulatory staff. No questions were asked after panelists presented the general transmission planning information and the zone-specific projects.

4.2.6 Southeast Zone

The Southeast Zone webcast was conducted on September 17 at 10:00 a.m. and had twenty-two attendees on the webcast and four in-person attendees. After the general presentation and zonal project presentation, three questions were asked and responded to, one about Phase II of the Distributed Renewable Generation study and its impacts on Phase I sites; another about Big Stone II and the impact on CapX 2020 if Big Stone II is cancelled, and another about the benefits of reconductoring lines vs. building new ones for wind interconnection.

4.3 Recommendations for Improvement in the Biennial Transmission Projects Report Process

Zonal Meetings. The utilities appreciate the fact that the Commission granted a variance from the requirement to hold an annual public meeting in each Transmission Planning Zone over the past two years. Minnesota Rules part 7849.0900. The zonal meetings for the Biennial Transmission Report process have never been well-attended. Despite significant effort and large expenditures, the zonal meetings failed to attract more than a handful of people. Unfortunately, holding webinars instead of public meetings did not increase the attendance a great deal, and while the webinars were less costly than traveling around the state for zonal meetings, the webinars still resulted in significant expense (on the order of \$30,000), primarily for publication of notice in newspapers in each zone. The utilities request that the Commission continue to exempt the utilities from this requirement, either through the granting of another variance or the amendment of the rule.

Planning Activities. The number of individuals in the general public who are interested in transmission planning in this state is quite small. The utilities can identify on the www.minnelectrans.com webpage the major transmission planning studies that are underway and provide a link where people can sign up to receive notices of planning meetings for studies of interest. Also, notice of upcoming planning activities could be posted on the webpage. Recently, the final reports of major transmission planning studies have been posted there and this practice can continue in order to provide a convenient, public location for dissemination of transmission information.

Specific Projects. The PUC rules (part 7849.1000) require the utilities to invite local government and tribal governments and agencies and other organizations to designate a liaison to be involved in planning activities with the utilities. These groups have not responded to the invitation. Local and tribal government and state agencies have not participated in general planning activities on a state-wide, or even a zone-wide, basis. But they are often interested in local projects. It makes sense, then, to devote efforts to contacting officials directly about specific situations. Indeed, that is what is done now. The utilities will continue to work with

local officials to establish mechanisms that work best in individual situations to keep local officials and residents advised of developments and to provide opportunities for input into the process at an early stage.

Internet. The Internet is a wonderful tool to provide notice in a timely fashion and to provide ready access to information. The MTO group has begun to enhance the use of the Internet by re-designing the www.minnelectrans.com website, posting studies and zone specific information throughout, and providing background on the transmission system and transmission planning processes. The utilities will continue to look for ways to utilize the Internet to get information to the public. The Commission, as well, can consider ways to utilize its Internet capability to encourage the public to get involved in transmission issues.

Certification. The statute directs the Commission to adopt a list of certified high voltage transmission line projects by June 1 of each even-numbered year. A transmission line shall be certified as a priority project if the Commission finds that the line is necessary to maintain or enhance reliability, is needed, and is in the public interest. Minnesota Statutes § 216B.2425, subd. 3. The intent of the legislation was to expedite the process for certifying high priority transmission lines.

In practice, however, the procedural and substantive requirements the Commission established in Minnesota Rules chapter 7848 for certifying priority transmission lines do not provide any advantages over the usual Certificate of Need requirements. Minnesota utilities elected to follow the certification requirements specified in chapter 7848 in only one reporting biennium. As part of the 2005 Biennial Report, Minnesota Power and Great River Energy requested certification of the Tower line (Tracking Number 2003-NE-N1) and the Badoura line (Tracking Number 2003-NE-N3). In 2007, and again with this 2009 Biennial Report, no utility has opted to pursue the certification option recognized by section 216B.2425.

The Minnesota Transmission Owners invite the Commission to take another look at the process that is employed to determine whether a particular transmission line project qualifies for priority certification. The Commission could establish a mechanism for identifying priority transmission projects as part of the Biennial Report so that between November 1, when the Report is submitted, and June 1, when the Commission is directed to adopt a state transmission project list, the Commission can evaluate the project and compare its features with the criteria required in the statute for a priority classification.

The Commission could make a general determination regarding what kind of transmission projects are eligible for an expedited certification project. Perhaps load serving situations, or transmission for renewables, are the type of projects that lend themselves to a shorter, less comprehensive review than what is required under a full-blown Certificate of Need proceeding. Perhaps the Commission could establish a voltage limitation, so only lines under 345 kV were eligible for certification rather than a Certificate of Need, or even a length limit so that certified lines could not be more than a certain number of miles long. This approach would be similar to the distinction that is made for the routing of transmission lines, where an alternative, more expedited process has been established for certain smaller lines. Minnesota Rules parts 7850.2800 to 7850.3900.

Once the minimum qualification criteria were established, the Commission could determine the extent of the information that must be included in the Biennial Report on a particular project for which certification is sought. It is probably not necessary, for example, to require an econometric load forecast for a load serving problem in a small area, when other more generic load forecasting and resource planning data would suffice in that situation. Also, this approach would eliminate the step of a separate exemption proceeding that usually takes several months to complete. Of course, the Commission could also establish a mechanism for determining that a particular project did not qualify for the certification process, and a Certificate of Need, with everything that a CON requires, was more appropriate.

Importantly, the biennial reporting process lends itself to sufficient opportunity for the public to participate in the certification of a particular project. A utility seeking certification could notify local officials and citizens in the area of the certification request in the Biennial Report. The Commission could afford the public an opportunity to comment on the request, similar to what it does now when it establishes a public comment period on the entire Report. The Commission could provide for the right to request a hearing, if there was something unique about a load serving project or a wind interconnection that needed to be examined in such detail that a hearing was required.

This expedited process would apply only to whether a project qualifies for placement on the priority list. The necessary routing process could still be followed to determine the best route for a certified transmission line. However, it also makes sense that if a project qualifies for the expedited certification process, and the utility is prepared to identify a proposed route and provide the necessary information about the route as part of the Biennial Report, that not only could a decision on certification be made by June 1, but a decision on a route permit could also be made within that same timeframe, so that upon adoption of the state transmission project list by June 1 of each even-numbered year, the Commission could also make a decision on a route permit for the line. This approach is consistent with the statutory provision directing the Commission to combine routing and need into one joint proceeding. Minnesota Statutes § 216B.243, subd. 4.

Summary. The utilities recognize that these concepts need further attention and development. It might be appropriate for the Commission to consider amending chapter 7848. The Minnesota Transmission Owners would welcome the opportunity to participate with the Commission staff and other interested parties in establishing procedures for preparing the biennial report and identifying and approving priority transmission projects.