

**STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE PUBLIC UTILITIES COMMISSION**

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

OAH Docket No.: 60-2500-30782
PUC Docket No.: ET-6675/TL-12-1337
ET-6675/CN-12-1053

**CITIZENS ENERGY TASK FORCE AND NO CAPX 2020
REPLY BRIEF**

Citizens Energy Task Force and NoCapX 2020 submit this Reply Brief and request that the Applications for a Certificate of Need and a Route Permit be denied. The Public Utilities Commission should deny the permits because they are contrary to public and ratepayer interests, and to assure that projects meet statutory requirements. This is the first MISO Multi Value Project applied for in Minnesota, an issue of first impression. This is a private project, transmission for export, for economic gain, at a cost of over \$5.2 billion for the 17 MVP projects, that cost to be apportioned to Minnesota ratepayers at a 13.3% share, or roughly \$390 million, of the entire group of MVP projects, plus environmental costs and landowners' loss of property and property value through condemnation. This is not provision of an essential service -- it is transmission through Minnesota to sell energy elsewhere, built on the backs of ratepayers of Minnesota who have to pay a share of full portfolio of 17 MVP Projects. Costs to Minnesota ratepayers are not just this segmented ITC Midwest MN/IA project, which is roughly one-half of MVP 3, we pay for 13.3% of costs for all of the MVP projects. When all the

apportioned costs of all the projects to Minnesotans are considered, balanced against the benefits to potentially be realized, this project is of no net benefit to the people of Minnesota.

I. **ITC MIDWEST’S MN/IA 345 kV TRANSMISSION PROJECT IS NOT NEEDED – THIS PROJECT IS THE RESULT OF MISO PROMOTION**

MISO would have us believe that because it led a long process to set up the MVP

Portfolio of projects it is needed:

... the need for a Project was partly determined through a deliberate, collaborative stakeholder process, which included the design and planning of transmission projects through a structured, multi-year planning process...

MISO essentially states repeatedly that because they say it’s needed, it’s needed, because it went through a long process, the Commission had better agree that it’s needed:

After an extensive, multi-year, collaborative planning effort that included information provided by transmission owners, state regulatory personnel, and other stakeholders, the MVP Portfolio was approved as part of the *MISO Transmission Expansion Plan* (“MTEP”) for 2011.

MISO Initial Br., p. 3.

Witness Chatterjee concluded that the “facilities proposed by ITCM are necessary to meet the reliability needs of the system in the southern Minnesota area.” MISO Initial Br., p. 6.

That “MISO (the RTO for Minnesota) determined that the Project is necessary to meet transmission needs in the area,” is not a demonstration of need, nor is it relevant to Minnesota, because the MVP “area” is the Midwest. Just because MISO members, members with an interest in building transmission, took these steps in their own corporate self-interest to design a transmission build-out does nothing to substantiate Minnesota, or even regional, need – it’s merely evidence of their corporate gamble and the depth of MISO pockets. MISO is a transmission based entity, with members that have an interest in building transmission and providing transmission services for their own sake. MISO’s

criteria are notably different than those of the Commission, and MISO has no authority to determine whether a project is needed under Minnesota law. Ex. 6, Application, Appendix I, MTEP 11, p. 49.

MISO's self-interested bias is also reflected in Commerce DER's analysis of the project's "Size and Type." The department notes that:

However, the Department's review of MISO's analysis of same voltage (345 kV) alternatives indicated a distinct preference on the part of MISO to approve for further detailed analysis the longer (and more expensive) options rather than to also fully analyze shorter, cheaper alternatives.¹ For example, MISO's Midwest ISO Transmission Expansion Plan 2009 (MTEP09) at page 194 indicated that the shorter Lakefield Junction – Rutland 345 kV line had a benefit/cost ratio of 2.52 while the longer, Lakefield Junction – Fox Lake – Rutland – Winnebago – Adams 345 kV alternative had a significantly lower benefit/cost ratio of 0.90. These results mean that the shorter line had benefits greater than costs (was cost-effective) while the longer line was not cost-effective.²

Commerce DER Initial Br., p. 19. Commerce also pointed out ITC's misrepresentation regarding constraints, and MISO's elimination of the more cost-effective alternative without explanation, and as exposed by Rakow, "MISO essentially combined a short, cost effective segment with other short, non-cost effective segments to create larger transmission projects that could be cost effective when considered together." Id., p. 20. DER notes that "one lesson of MTEP 10 is that, in this instance, other shorter more localized alternatives perform better economically than longer alternatives. Id. ITC chose to analyze only three alternatives, all high voltage transmission. ITC Application, Ex. 6, Appendix J, p. 6-7

Alternatives were not sufficiently considered in development of the MISO MVP Portfolio, because alternatives are "inconsistent with achieving a robust 345 kV overlay across the upper MISO footprint. MISO Initial Br. P. 12. As an economic project, with a purpose of "achieving a robust 345 kV overlay," there is no alternative that is "comparable," any alternative

¹ DOC-DER Ex 205 at 15 (Rakow Direct).

² Id., p. 12-13.

“would not nearly provide the benefits.” Id., p. 12. It is logically impossible in this situation to offer any alternatives sufficient for an alternatives analysis. Minn. R. 7849.0120B.

MISO manipulated options and combined projects to arrive at one that accomplished its goal of transfer capacity with a more palatable cost/benefit ratio.

II. **MISO DOES NOT HAVE REGULATORY JURISDICTION, AND MISO AND APPLICANT’S PROMOTION OF THE MVP PORTFOLIO IN A STATE PROCEEDING RAISES JURISDICIONAL QUESTIONS**

MISO is a regional transmission organization responsible for planning transmission. MISO Initial Br. P. 2. MISO has no regulatory jurisdiction. Despite this, MISO spent much time and money developing the MVP Portfolio and is now marketing it across the Midwest.

Because MISO has a different purpose than the Commission, and because the Commission’s charge is to regulate utilities and protect the public and ratepayers interests, the criteria used by MISO to develop the MVP Portfolio of projects should be recognized as different from Minnesota’s criteria for determining need, and MISO’s “approval” should not be given great weight in a Commission analysis. The Commission is to make a decision based on its own criteria.

MISO’s criteria is found in MTEP 11, found in the project Application:

Criterion 1

A Multi Value Project must be developed through the transmission expansion planning process to enable the transmission system to deliver energy reliably and economically in support of documented energy policy mandates or laws enacted or adopted through state or federal legislation or regulatory requirement. These laws must directly or indirectly govern the minimum or maximum amount of energy that can be generated. The MVP must be shown to enable the transmission system to deliver such energy in a manner that is more reliable and/or more economic than it otherwise would be without the transmission upgrade.

Criterion 2

A Multi Value Project must provide multiple types of economic value across multiple pricing zones with a Total MVP benefit to cost ratio of 1.0 or higher, where the total MVP benefit to cost ratio is described in Section II.C.7 of Attachment FF to the MISO Tariff. The reduction of production costs and the associated reduction of LMPs from a transmission congestion relief project are not additive and are considered a single type of economic value.

Criterion 3

A Multi Value Project must address at least one transmission issue associated with a projected violation of a NERC or Regional Entity standard and at least one economic based transmission issue that provides economic value across multiple pricing zones. The project must generate total financially quantifiable benefits, including quantifiable reliability benefits, in excess of the total project costs based on the definition of financial benefits and Project Costs provided in Section II.C.6 of Attachment FF.

Ex. 6, Application, Appendix I, MTEP 11, p. 49.

The problems in MISO's promotion of the MVP Portfolio, and in "alternatives" selection, discussed below, raised concerns, and Commerce DER's Rakow offered recommendations:

I would hope that MISO's process would more carefully consider the cost per MW of transfer capability in the future. As explained in my direct testimony, MISO's analysts, under MISO's current planning framework, **repeatedly disregarded the results of prior rounds of analysis that identified reasonable alternatives, selected progressive larger and more expensive alternatives, and as shown in MISO's *Multi Value Project Portfolio: Results and Analysis* ended up analyzing only 345 kV alternatives for this region.** [citation omitted]. It appears that MISO could do more to support the proposals of its members in CN proceedings such as this one. MISO could take several steps to improve its analytical process. For example, MISO could take the simple step of ensuring that least cost alternatives area carried forward from one transmission study to the next. The least cost project from previous analysis may not pass a screen analysis in the subsequent analysis due to revised needs, but it should at least be considered. If it is rejected, the reasons for the rejection should be clearly documented. Further, MISO analysts, in studies that are expected to lead to projects submitted for approval by a state utilities commission, should consider the requirements of the relevant state process. The Minnesota Commission, for example, has clear CN criteria to consider and takes seriously the impact on ratepayers of costs and cost overruns. Lastly, if MISO wishes to establish the minimum threshold for alternatives to meet, then it is incumbent upon MISO to work with CN applicants to ensure that the list of claimed needs stated in an applicant's CN petition is, in MISO's view, adequate.

Commerce DER Initial Brief, quoting DOC-ER Ex. 208 at 28 (Rakow Surrebuttal)(emphasis added). “[R]epeated disregard for the results of prior rounds of analysis” should indeed be a red warning flag for the Commission.

Commerce also argues that “promotional practices of the applicant have not given rise to the claimed needs.” Commerce DER Initial Br., p. 15. However, the MISP 17 Project Portfolio is in and of itself a promotion of large scale transmission, as is the ITC Application to the Commission. This is an economic project, not a project in any way related to a utility’s service of local load.

The future is here, with this decision. Applicant’s and MISO have taken a strong promotional role in development of this project. No CapX 2020 and CETF ask the Commission to take a broad and critical look at this project. It is an issue of first impression, where cost recovery is set by FERC and the MVP Portfolio project is developed by MISO, under its own self-interested criteria, with zero input from the public and little input from the states that this MVP project will pass through. The Commission should take a broad view of need, costs and benefits of the MVP projects on behalf of the public and ratepayers.

III. **BUILDING TRANSMISSION DOES NOT DISPLACE OR REDUCE FOSSIL FUEL – IT’S NOT FOR WIND, IT’S TO FACILITATE COAL**

There are many claims in the Initial Briefs that this transmission project that adding wind directly reduces use of coal and thereby reduces power plant air emissions, water use, and other environmental impacts, but these claims are unsubstantiated. No evidence has been provided regarding this project’s impact on coal, generation emissions, or displacement. . From Initial Brief, MCEA, et al.:

- MISO’s MVP Report quantified the CO₂ emissions reductions associated with the full MVP Portfolio. The report found the increased use of wind energy would reduce MISO’s CO₂ emissions by between 8.3 million and 17.8 million

tons annually, depending on the scenario analyzed. (Ex. 37 at 78). In certain scenarios, this was calculated to provide savings of between \$3.8 and \$15.4 billion annually. (Ex. 37 at 79).

- Moreover, the additional wind energy results in direct reductions in coal and natural gas use, and corresponding reductions in power plant air emissions, water use, and various environmental impacts associated with fossil fuel producing and transporting those fuels. Initial Brief, MCEA, et al., p. 2.
- Project will protect and enhance environmental quality in the region. Id.
- Also, if such “environmental regulation leads to the retirement of some coal-fired plants, transmission investment through the Mid-MISO MVP’s provides a robust transmission supply tht will be available to profide needed support to maintain reliable service. Id., p. 10, quoting ISO Ex. 400; see also ITCM Witness Schatzki testified regarding reductions in emission costs associated with construction of the Mid-MISO MVPs.
- Wind also plays an important rol in offsetting water consumption of other forms of electricity generation. Wind energy requires virtually zero water, while most conventional forms of electricity generation consume hundreds of gallons of water per megawatt-hour produced (Id. at 38:911-913.) A Department of Energy (“DOE”) report concluded that a U.S. energy portfolio that derives 20% of its energy from wind would safe 4 trillion gallons through 2030. (Id. at 38:913-915.) These water savings would produce broad benefits, as all people consume water. (Id. at 38:915-916). These benefits would be particularly large in an agricultural state like Minnesota, and the benefit of reduced costs for producing food and other agricultural products would benefit all consumers. (Id. at 38:915-918.)

MCEA, et al., Initial Brief.

These claims of a direct link between more wind and less coal are unfounded – there is no link. Not one witness offered testimony about the specific megawatts and coal plants that would be shut down, and not one witness offered any testimony regarding a sure-fire way to increase capacity on the lines – shut down coal plants. Not one witness offered any testimony as to whether this project would be necessary if coal plants were shut down, freeing up capacity. Not one party addressed the impact of this project and the MVP Portfolio of enabling coal or the failure of the addition of these projects to reduce coal generation. Not one party addressed the inability, legally and electrically, of transmission to discriminate in provision of services to keep

coal off these transmission lines. This line of argument that “it’s for wind,” is blatant misrepresentation.

On the other hand, the record demonstrates that it’s not for wind. Per Commerce’s Dr. Rakow, regarding the “it’s for wind” notion:

However, it is not clear that the proposed Project (on its own or in combination with MVP 4) is needed to facilitate compliance with the Minnesota RES in the timeline proposed for the project.

Ex. 207, Rakow Rebuttal, p. 5. Dr. Rakow reviewed the IRPs and PPAs, and found that:

No; the point is that the Minnesota RES is not driving the need for this line in the near term.

Id. p. 6.

Commerce’s Rakow testified that utilities in Minnesota are well on their way to meet Minnesota renewable mandate, that “the utilities serving Minnesota do not need to add significant amounts of wind for RES compliance in the near future.” Ex. 207, Rakow Rebuttal, p. 5.

Table 1: Minnesota RES Compliance Plans

Utility	Compliant		
	Docket	through	Compliance Plan
Interstate Power	14-77	2014	No specific plan given. ³
Missouri River	10-735	2021	Red Rock Hydro, 36 MW in 2018. ⁴
SMMPA	13-1104	2022	23 MW Wind annually starting 2021.
Minnesota Power	13-53	2022	Does not include Bison 4 wind farm. ⁵
Xcel Energy	13-716	2023	See also 13-603.
MMPA	13-1165	2023	Petition pg 28 DOC Comment Apr 21
Minnkota	10-782	2023	
Otter Tail Power	13-961	2024	
Great River Energy	12-1114	2024	Wind: 100 MW in 2024, 300 MW in 2025, and 200 MW in 2026.

Id., p. 6.

While Dr. Rakow did not take a position regarding the other states' RES requirements, neither did MCEA, et al. provide any evidence. There is no basis for the assertion that other states would want to import to meet their RES mandates. Dr. Rakow did note that, regarding development of wind in other states and MCEA, et al.'s Goggins' comments about congestion forcing development in lower wind resource areas:

I do not disagree with Mr. Goggin's statement. However, the issue for this proceeding is not which regions have the lowest generation cost per MWh; the issue is the total cost per MWh (generation plus transmission) for potential projects in this region compared to the total cost per MWh in other areas.

For example, my direct testimony estimated a first-year transmission cost of \$57.55 to \$134.82 per MWh for the incremental transfer capability provided by the Mid0MISO MVPs, above the capacity provided by the 161 kV rebuild alternative. To this transmission cost the generation cost should be added to get the total cost. The total costs for this region could be then compared to the total generation and transmission costs of wind projects in other areas. Due to data limits (for example, it is not possible to calculate a levelized cost for the Mid-MISO MVPs) no party has provided such information.

Ex. 207, Rakow Rebuttal, p. 10-11.

No party reviewed likely needs of other states or their plans to meet their RES through transmission import and pay transmission service costs in addition to the costs of the energy. No party reviewed the publicly available MISO queue regarding renewable project plans sufficiently developed to secure a place on the MISO queue. Minnesota's renewable mandate pertains to Minnesota, and Minnesota law does not mandate that renewable energy be exported to other states.

The record also demonstrates that this project will not displace coal. MISO's own MTEP 11, describing the MVP 17 project Portfolio, shows that there's only an infinitesimal 0.85% decrease in coal, not even close to a direct displacement:

		Generation (MWH)	Capacity Factor
Combined Cycle	No Appendix projects.	25,267,913	21.22 percent
	With Appendix projects.	20,804,817	17.47 percent
	Change	-4,463,096	-3.75 percent
CT Gas	No Appendix projects.	3,252,613	1.61 percent
	With Appendix projects.	2,352,304	1.16 percent
	Change	-900,309	-0.45 percent
CT Oil	No Appendix projects.	68,820	0.16 percent
	With Appendix projects.	15,908	0.04 percent
	Change	-52,913	-0.12 percent
Hydro	No Appendix projects.	3,744,454	34.25 percent
	With Appendix projects.	3,744,116	34.25 percent
	Change	-338	0.00 percent
IGCC	No Appendix projects.	5,860,686	76.29 percent
	With Appendix projects.	5,854,798	76.21 percent
	Change	-5,888	-0.08 percent
Nuclear	No Appendix projects.	71,312,762	88.91 percent
	With Appendix projects.	71,312,762	88.91 percent
	Change	0	0.00 percent
ST Coal	No Appendix projects.	383,096,341	68.34 percent
	With Appendix projects.	378,307,444	67.49 percent
	Change	-4,788,897	-0.85 percent
ST Gas	No Appendix projects.	708,331	2.86 percent
	With Appendix projects.	453,482	1.83 percent
	Change	-254,849	-1.03 percent
ST Oil	No Appendix projects.	12,209	0.24 percent
	With Appendix projects.	12,399	0.24 percent
	Change	189	0.00 percent
Wind	No Appendix Projects	42,108,491	27.99 percent
	With Appendix Projects	52,251,508	34.73 percent
	Change	10,143,018	6.74 percent

Table 2.5-6: 2016 generation and capacity factor change for different type units

This project and the entire 17 project MISO MVP Portfolio, at a cost of over \$5.2 billion, will result in a -0.85% decrease in MWH of coal generation. It will have a negligible impact on decrease of generation by coal. Rather than displace coal with wind, the revealed purpose of the MVP projects is baseload unit transfer capacity:

You're trying to move capacity resources or, capital P, capital R, planning resources. These are baseload units that you're moving from local resource zone one for utilization in all of the other MISO local resource zones for every load to meet their local -- to meet their planning reserve margin requirement.

So you know how much you need and you know what you're transferring, you're transferring capacity resources, baseload units, and wind also, but wind has a

very small capacity credit value. And we identified a significant benefit there. So that is an important context.

MISO's Chatterjee, Evidentiary Hrg., Tr. p. 94-95.

It's that simple: "These are baseload units that you're moving from local resource zone one for utilization in all of the other MISO local resource zones..."

Assuming, against interest, that parties would not want to utilize natural gas generation for wind backup, if natural gas were counted, there is a larger decrease in "fossil" generation.

Is a potential 6.74% increase of wind generation (MWH), much of which development would occur anyway, worth a \$5.2 billion cost of the MVP Portfolio? Does a plan to transmit wind generated energy over long distances, even with the higher capacity factor of up to 34.73 (see chart above) make any sense when considering line loss?

IV. APPLICANT MISUSES SPECIAL PROTECTION SYSTEMS

Commerce's Initial Brief took note of the Applicant's misplaced reliance on its desire to eliminate Special Protection Systems (SPS) from their footprint as a basis for need for the project. DER Initial Br., p. 10, citing ITC Ex. p. 5-12, Berry Direct. An SPS is a determination and directive that under certain conditions there is a limitation of powerflow on a particular segment of the grid, a minor adjustment, which allows the grid to continue operating safely. An SPS does not eliminate flow over the line, it disallows increases in powerflow that could destabilize the system. If an SPS is being used, it is "active," and if it is not being used, it is "inactive."

The SPSs in question are not being used:

Regarding these SPSs in particular, Mr. Heinen determined that MISO had labeled the SPSs as inactive in the MISO Transmission Expansion Plan 2013 (MTEP13). Thus, while it is clear that there has been curtailment in the area it was unclear whether there were still reliability concerns to be addressed.

Commerce DER, Initial Br. P. 12.

Applicants selected the MISO information that the SPSs were inactive and improperly declared it “Non-Public,” and it was not revealed publicly until that status was challenged. That is a strong reason to pay close attention to the information that was hidden from public view. The existence of an SPS or two, whether active or not, is not justification for a 345 kV transmission line. There is no reason for SPSs to be avoided, or removed, at great cost, when their purpose is to allow the system to work.

V. **THE REQUISITE ALTERNATIVES ANALYSIS FOR “ECONOMIC” PROJECT IS LOGICALLY IMPOSSIBLE**

Commerce DER demonstrates that where a project is desired for economic reasons, where the need claim is the desire to build a project for profit, rather than for a generation interconnection or transmission into an area, and this transmission is a “pass-through,” where traditional “need” alternatives are logically and electrically unable to be offered as an alternative.

Although the forecast indicates increased demand in the Project area, it is unlikely that this demand will be served by the Project. In fact, the Applicant stated that this slow demand growth may exacerbate issues because this demand is not sufficient enough to utilize wind resources being constructed in the Project area. (citation omitted). Essentially, electric supply exceeds electric demand in southwestern Minnesota and transmission allows the surplus generation to be exported to other areas. Therefore, increases in demand in the Project area would decrease the need for transmission and the associated export capacity.

As noted by ITCM, the purpose of this Project is to relieve the existing capacity constraint, improve the ability of renewable generation capacity to reach energy markets further east, and, subsequently reduce LMPs in Minnesota. Ultimately, the question of need is related more to the ability of Project to improve deliverability and relieve any existing reliability conditions in Minnesota.

Commerce DER, Initial Br., p. 14 (emphasis added). Commerce clearly states, “the lower the level of demand in southwestern Minnesota, the higher the need to export, since lower demand means a greater quantity of generation that must be consumed elsewhere.

Commerce, Applicants, and all parties failed to address what type of alternative is a reasonable alternative to a transmission project for export. Where the alternatives proposed are not able to address the “need,” they are not “alternatives,” and no alternatives analysis has been done. This application and the need consideration and environmental review are both fatally flawed for lack of legitimate alternatives analysis, or even opportunities to consider alternatives.

VI. **NO PARTY ENTERED EVIDENCE SHOWING IMPACTS ON OTHER STATES IN THE REGION**

While Minnesota will make a determination regarding this project, the “benefits” touted are based on the presumptions Applicant and MISO make about other states. There are claims that this project would have a beneficial regional impact, but the potential for harmful impacts, a chilling effect, on the region’s renewable development plans in the areas served by this network of MVP projects are not addressed.

There is no basis to claim that this project would have a positive impact on other states ability to meet their renewable energy mandates. Evidence was entered to show each state’s mandate, but no evidence was entered to show the progress various states have made towards meeting their renewable mandate or regarding existing and in progress development of in-state generation. Further, no party introduced the MISO queue to show how many megawatts of projects are in line to be built in receiving states, projects that would help that state fulfill their own state renewable mandate.

VII. **THE CLAIMED ECONOMIC BENEFITS ARE PIPEDREAMS**

The economic benefits touted by Applicants are unsubstantiated. For example, the claim that “[e]conomic benefits from the Project include development of wind resources...” MISO Initial Br. P. 3 (quoting MCEA, et al.’s witness Goggin, no citation.). In the MVP 2011, “Wind Turbine Investment” is claimed to be \$1.3-2.5 billion. But as Dr. Rakow noted, that wind

development would happen anywhere – given where the MISO MVP Portfolio claimed it predicted wind generation development would occur to the east and southeast of Chicago, there is no reason to attribute generation development to the MVP projects – there is much generation modeled in Illinois,

Indiana, Ohio, and Michigan:

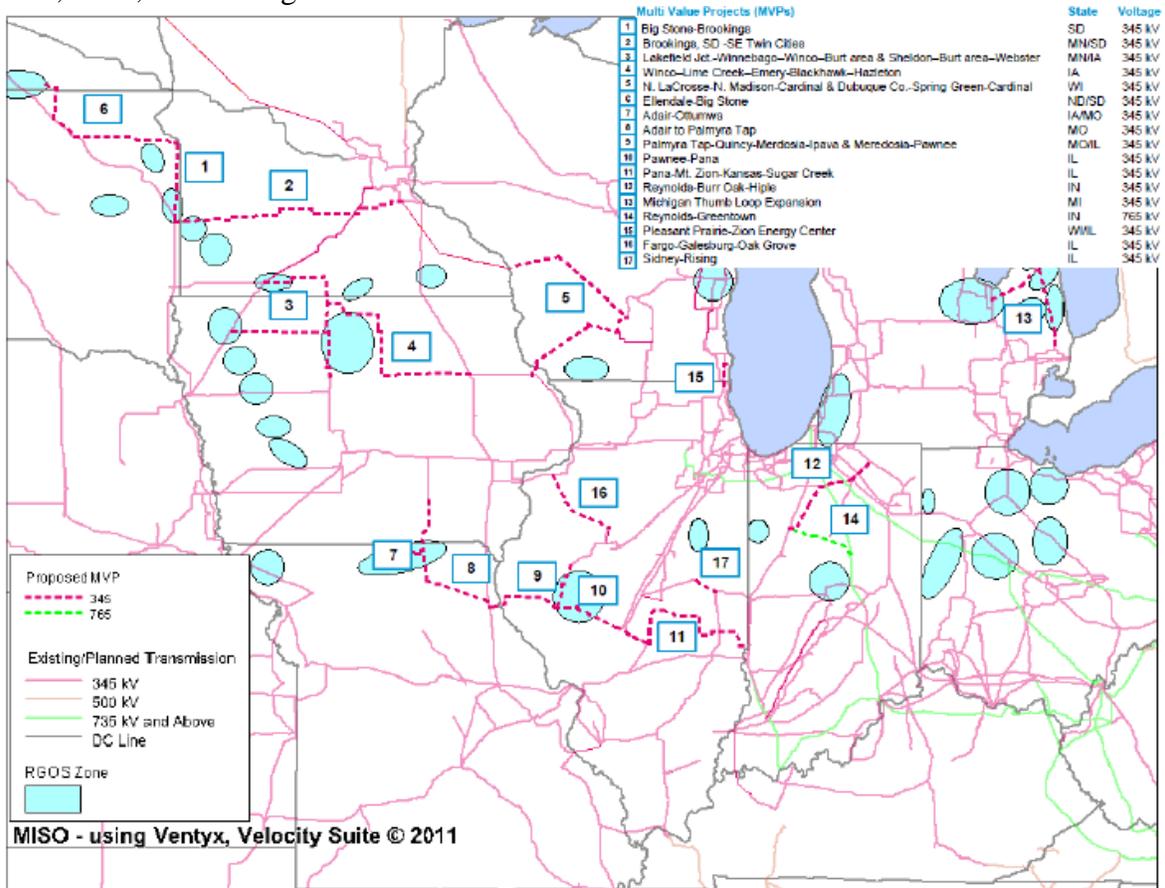


Figure 4.1-11: 2011 proposed MVP portfolio

Applicant Exhibit 6, Appendix I, MTEP 11, Figure 4.1-11.

VIII. THIS PROJECT IS ONE SMALL PART OF A MUCH LARGER PROJECT AND CANNOT PERFORM INDEPENDENTLY.

The Applicants and other parties admit that this project is but a small part of the MVP projects, but fail to address that all parts are required to potentially realize the benefits.

- *Those planning functions resulted in identification of the Project as an important link that is needed to support public policy requirements...*
MISO Initial Br. P. 2.
- *Each MVP Project is a necessary component of the portfolio that provides benefits that broadly span the MISO footprint.*
Id., p. 3.
- *These facilities also fit well as a component of the MISO Regional Plan for the continued development of a reliable and efficient regional transmission system.*
MISO Ex. 400, 40-41.
- *To achieve the intended benefits, it is important that the Project be constructed as planned.* MISO Initial Br. P. 13.

MISO threatens dire consequences if this piece of the project is not built:

Directing his attention to an example in this case, Mr. Chatterjee testified that “[r]eplacing the MN-IA Project with the 161 kV Rebuild would trigger re-studies of over 2,797 MWs of planned wind generation currently in the MISO interconnection queue...” The project is not only needed, but needed on a timely basis to prevent negative “ripple effects” from occurring due to failure to construct a necessary component of the MVP portfolio.

MISO Initial Br., p. 14. But to be clear, it is MISO that took the risk in planning and promoting this project, and claiming they have determined “need” regarding projects over which they have no permitting jurisdiction. – this is a docket before the Commission, which has full jurisdiction to review and analyze the Application and project, and determine whether this project is needed under the laws of the state of Minnesota.

IX. CONCLUSION

CETF and No CapX 2020 request that the Applications for a Certificate of Need and a Route Permit be denied. This is a case of first impression in Minnesota, an economic-based project, part of a very large group of projects, that offers little to Minnesotans. Applicants have not met their burden of proof for a Certificate of Need. Where a transmission-only company Applicant has requested a Certificate of Need and Routing Permit for a segmented portion of a multi-project “portfolio” project extending across the region, the larger picture should be considered. No CapX 2020 and CETF agree

with the Applicants' testimony that the Commission should consider all of the costs and benefits of the MISO 17 project MVP Portfolio as a part of this proceeding, since MVP Project 3 was studied by MISO as part of the larger portfolio of projects. The MVP 17 project portfolio is MISO's promotional business plan to enable marketing of low-cost electricity from the Dakotas in the northwest to Madison/Milwaukee, Illinois, and beyond. A marketing plan is not need; desire to gain financially by increasing marketing range is not need; lowering production costs is not need, nor is wanting a return of 12.38% on the capital costs of transmission construction need.

If the Commission is concerned about transmission constraints on the growth of wind capacity in this state, then the Commission should direct a study of that issue specifically. CETF and No CapX 2020 request that the Final Environmental Impact Statement be declared inadequate because it did not accompany the project through this administrative review, as required by statute. Further, CETF and No CapX 2020 request that Applications for a Certificate of Need and a Route Permit be denied.

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