

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

American Transmission Company LLC)	
)	
v.)	Docket No. EL13-9-000
)	
Midwest Independent Transmission System)	
Operator, Inc., and)	
)	
Xcel Energy Services Inc., Northern States)	
Power Company, a Wisconsin corporation,)	
And Northern States Power Company, a)	
Minnesota Company)	

**MOTION TO INTERVENE
AND COMMENTS OF
THE CITY OF ROCHESTER, MINNESOTA**

Pursuant to Rules 212 and 214 of the Federal Energy Regulatory Commission’s (“Commission’s”) Rules of Practice and Procedure, 18 C.F.R. §§ 385.212 and 385.214 (2012), the City of Rochester, Minnesota (“Rochester”), a Minnesota municipal corporation, hereby files this Motion to Intervene and Comments in the above-captioned proceeding.

On October 1, 2012, American Transmission Company LLC, by its corporate manager, ATC Management Inc. (collectively, “ATC”) filed a Complaint and Request for Fast Track Processing (“Complaint”) pursuant to Section 306 of the Federal Power Act and Rule 206 of the Commission’s Rules of Practice and Procedure against the Midwest Independent Transmission System Operator, Inc. (the “Midwest ISO”) and Xcel Energy Services Inc., on behalf of its operating company affiliates Northern States Power Company, a Wisconsin corporation, and Northern States Power Company, a Minnesota corporation (collectively, “Xcel”). The Complaint requests that the Commission apply Section VI of Appendix B to the Midwest ISO’s

Transmission Owners Agreement to enable ATC to acquire ownership of a fifty percent share of what ATC claims to be a single 345 kV transmission line to be built in two segments from the Twin Cities area in Minnesota to La Crosse, Wisconsin and from La Crosse to Madison, Wisconsin.

In support of this Motion to Intervene and Comments, Rochester submits as follows:

**I.
COMMUNICATIONS**

The names and mailing addresses of the persons to whom communications concerning this Motion to Intervene should be addressed are as follows:

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**II.
MOTION TO INTERVENE**

Rochester is a Minnesota municipal corporation located in southeastern Minnesota with a population of approximately 106,000 residents, including the Mayo Clinic and IBM Corporation, the two largest employers within the City. Rochester Public Utilities (“RPU”) is a department of the City and is wholly owned and operated by Rochester. RPU is a generation, transmission and distribution municipal utility supplying electricity to customers within the municipal limits of Rochester and certain rural areas immediately adjacent to the City limits. RPU owns and operates approximately 192 MW of electric generating capacity, 42 miles of 161 kV transmission and approximately 768 miles of 13.8 kV distribution facilities. Rochester is also the largest member of the Southern Minnesota Municipal Power Agency (“SMMPA”), a municipal power agency consisting of eighteen Minnesota municipalities, each of which owns

and operates an electric utility system, and purchases electricity from SMMPA either entirely or under a partial requirements power purchase agreement such as Rochester does. SMMPA has been a transmission owner under the Midwest ISO Transmission Owners Agreement since 2006.

Rochester is part of the CapX2020 Transmission Initiative, a joint, regional approach to transmission planning, construction, ownership and operation involving eleven utilities providing service in Minnesota, North Dakota, South Dakota, Wisconsin and the surrounding region. The participating utilities (the “CapX2020 Utilities”) include investor-owned utilities subject to the Commission’s jurisdiction and non-jurisdictional cooperatives and public power utilities. These utilities include transmission owning members of the Midwest ISO and utilities such as RPU that are not transmission owners within the Midwest ISO. The CapX2020 Utilities have determined that a comprehensive, collaborative approach to transmission planning for “backbone” transmission infrastructure is superior to a piecemeal approach.

A primary purpose of the CapX2020 Initiative is to study, develop, permit, and construct transmission infrastructure needed to implement long-term and cost effective solutions for customers in the Upper Midwest region served by the CapX2020 Utilities. Planning studies show that customer demand for electricity will increase in this region by 4,000 to 6,000 MW by 2020. The CapX2020 Utilities are developing transmission lines in phases that will serve this expected increase in demand. The collaborative and joint effort has resulted in the efficient planning and development of transmission, permitting, routing, scheduling, material purchasing, overall project development, and improved project costs and project benefits.

One of the four initial transmission projects initiated by the CapX2020 Initiative is the Twin Cities to La Crosse transmission project (the “Project”), described below. Rochester, along with Xcel, SMMPA, Dairyland Power Cooperative (“Dairyland”) and Wisconsin Public Power

Inc., are the CapX2020 Utilities which have funded the development of the Project since 2007 and are currently in the process of finalizing documentation and securing financing for the construction of the Project. The Project will consist of approximately 145 miles of 345 kV transmission facilities to be built from Xcel's Hampton Substation, currently under construction in the Two Cities area, to a new Xcel-owned Briggs Road Substation to be constructed near La Crosse, Wisconsin, and two 161 kV lines originating at the North Rochester Substation and terminating at both the Northern Hills Substation and at the Chester Substation, for a total of 42 miles of new 161 kV transmission facilities. The CapX2020 Utilities intend to have all needed regulatory approvals needed for the construction of the Project in hand this year to allow for the commencement of construction in 2013 with an anticipated in-service date in 2015.

The Commission's action on the ATC Compliant could affect the ability of one or more of the CapX2020 Utilities to secure financing of its share of the costs of constructing the Project. Accordingly, Rochester has a direct and substantial interest in the resolution of the issues raised by the Complaint that cannot be adequately represented by any other party. This Motion to Intervene, therefore, should be granted so that Rochester may be afforded all rights as a party to this proceeding.

III. COMMENTS

Contrary to ATC's statements in its Complaint, the reliability benefits that Rochester will realize from the construction and operation of the Twin Cities to La Crosse Project are not dependent on the construction of a La Crosse to Madison transmission segment. In fact, the Project is critically needed by Rochester for reliability purposes on a stand-alone basis. The RPU board has determined to decommission 100 MW of existing generating capacity by the end of 2015 and its electric utility system is dependent upon the additional transmission capacity into

the Rochester municipal limits provided by the Project to ensure continued reliable service to RPU's transmission-dependent load including customers such as the Mayo Clinic. Moreover, any significant delay by the Commission in resolving the ATC Complaint could have adverse impacts on some or all of the CapX2020 Utilities involved in the Project in securing necessary financing for their percentage interests in the Project which could result in a delay in the Project and a significant increase in the total cost of the Project as a result of anticipated increases in the costs of commodities and construction services needed to build the Project. Since ATC has requested fast track processing of its Complaint and since it is in the interests of the CapX2020 Utilities involved in the Twin Cities to La Crosse Project to resolve any issue with respect to the ownership of the Project as soon as possible, Rochester urges the Commission to resolve the Complaint on an expedited basis.

**IV.
CONCLUSION**

WHEREFORE, Rochester respectfully requests that its Motion to Intervene be granted, that it be afforded all rights as a party to this proceeding and that the Commission resolve the issues raised by the Complaint expeditiously so that the financing and construction of the Twin Cities to La Crosse Project is not delayed for a significant period of time.

Respectfully submitted,

/s/ Robert L. Daileader, Jr.
Robert L. Daileader, Jr.

Counsel to the City of Rochester, Minnesota

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Dated: October 18, 2012

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on each person listed on the Official Service List compiled by the Secretary in this proceeding.

Dated in Washington, DC this 18th day of October, 2012.

/s/ Robert L. Daileader, Jr.

Robert L. Daileader, Jr.