

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

Citizens Energy Task Force and)	
Save Our Unique Lands,)	
)	
Complainants,)	
)	
v.)	
)	Docket No. EL13-49-000
Midwest Reliability Organization, Midwest)	
Independent Transmission System Operator,)	
Inc., Xcel Energy Inc., Great River Energy,)	
Dairyland Power Cooperative, and)	
WPPI Energy,)	
)	
Respondents.)	

MOTION TO INTERVENE AND COMMENTS OF ROCHESTER PUBLIC UTILITIES

Pursuant to Rule 14 of the Federal Energy Regulatory Commission’s (the “Commission”) Rules of Practice and Procedure, 18 CFR § 385.214 (2012), the City of Rochester, Minnesota, a Minnesota municipal corporation, acting by and through Rochester Public Utilities (“RPU”), submits the following motion to intervene and comments in response to the Complaint of Citizens Energy Task Force (“CETF”) and Save Our Unique Lands (“SOUL,” and collectively with CETF, “Complainants”) filed on March 1, 2013 in the above-referenced docket (“Complaint”).

I. MOTION TO INTERVENE

RPU, a division of the City of Rochester, Minnesota, is the largest municipal utility in the state of Minnesota serving approximately 48,000 electric customers. RPU owns electric generating facilities as well as transmission facilities that are subject to the functional control of the Midwest Independent Transmission System Operator, Inc. (“MISO”).

The Complaint relates to the Twin Cities – La Crosse Project, a 345 kV transmission line from the new Hampton Substation (near the Twin Cities) on to the North Rochester Substation (near Rochester, Minnesota) and terminating at the new Briggs Road Substation (near La Crosse, Wisconsin) with a new 161 kV line between the North Rochester and Chester Substation and a new 161 kV line between the North Rochester Substation and the Northern Hills Substation. The Twin Cities – La Crosse Project is being developed by the CapX2020 Initiative, in which RPU is participating, and the Project will be partly owned by RPU.¹ Complainants assert that the planning work for the Twin Cities – La Crosse Project violates certain North American Electric Reliability Corporation (“NERC”) planning standards,² that the Respondent Utilities³ have concealed information in the planning process,⁴ and that the environmental review for the project violates the National Environmental Policy Act (“NEPA”) by failing to analyze impacts of a separate transmission project to the west.⁵

One of the drivers for the Twin Cities – La Crosse Project is the need for additional transmission support and capacity in the Rochester area to serve RPU’s customers. RPU actively participated in the transmission planning work and development of the Twin Cities – La Crosse Project, including serving as the primary author of the Rochester Local Area Study that provided a basis for the more comprehensive Southeastern Minnesota–Southwestern Wisconsin Reliability

¹ The other owners of the Twin Cities – La Crosse Project include Northern States Power Company, a Minnesota corporation (“NSPM”), Northern States Power Company, a Wisconsin corporation (“NSPW”), Dairyland Power Cooperative (“DPC”), WPPI Energy (“WPPI”), and Southern Minnesota Municipal Power Agency (“SMMPA”).

² Complaint at 8.

³ Respondent Utilities are Xcel Energy Services Inc. (“XES”), on behalf of its holding company parent Xcel Energy Inc. (“XE”), and its operating company affiliates NSPM and NSPW (both of which, collectively with XES and XE are “Xcel Energy”), Great River Energy (“GRE”), DPC, and WPPI.

⁴ Complaint at 10, 19.

⁵ Complaint at 15.

Enhancement Study (“TC-Lax Study”)⁶ that first established the need for the Project. RPU also holds a nine percent ownership interest in the Twin Cities – La Crosse Project.

As this proceeding relates to a transmission project that RPU has an ownership interest in and questions the transmission planning work conducted in part by RPU, RPU has a direct interest in this proceeding that will not be adequately represented by any other party. Accordingly, RPU respectfully requests intervention in this proceeding with full rights as a party.

II. PERSONS DESIGNATED FOR SERVICE

The names, titles, and business addresses of the persons designated for service pursuant to Rule 2010 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.2010, are as follows:

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III. COMMENTS

RPU supports the Answer to the Complaint submitted by the Respondent Utilities on March 21, 2013 in this proceeding. RPU provides these comments related to the Rochester area needs that will be served by the Twin Cities – La Crosse Project to provide additional information on the thorough and compliant study work performed by RPU and the other Respondent Utilities that demonstrate this need.

⁶ *In re Application for Great River Energy, Northern States Power Company (d/b/a Xcel Energy) and Others for Certificates of Need for Three 345 kV Transmission Lines with Associated System Connections*, MPUC Docket No. ET-2, E-002, *et al.*/CN-06-1115 (“Minnesota CON Proceeding”), APPLICATION TO THE MINNESOTA PUBLIC UTILITIES COMMISSION FOR CERTIFICATES OF NEED FOR THREE 345 KV TRANSMISSION LINE PROJECTS WITH ASSOCIATED SYSTEM CONNECTIONS (August 16, 2007) (“Minnesota CON Application”) at Appendix A2 Southeastern Minnesota – Southwestern Reliability Enhancement Study, Final Copy, Transmission Analysis for Southeastern Minnesota and Southwestern Wisconsin (“TC-Lax Study”) (March 13, 2006).

The Twin Cities – La Crosse Project was planned to address load serving needs in Rochester, Minnesota and La Crosse, Wisconsin and to provide regional reliability benefits. The primary allegation of the Complaint is that the planning work supporting the Twin Cities – La Crosse Project violates certain NERC reliability standards. This claim is without evidentiary support and without merit. The planning studies, including those authored by RPU, are compliant with all applicable planning standards and the Complaint offers no evidence to the contrary. In addition, this planning work has been thoroughly evaluated by Minnesota and Wisconsin state regulatory commissions⁷ and MISO.⁸

A. TC-Lax Study and Rochester Area Needs

The Twin Cities – La Crosse Project is driven in part by local load serving needs in the Rochester, Minnesota area, specifically impacting RPU’s customers. This need was first demonstrated in the 2006 TC-Lax Study which incorporated two earlier studies, the Rochester Local Area Study, authored by RPU, and the La Crosse 161 kV Load Serving Study authored by Respondent DPC.⁹ This study, and the two underlying studies, were prepared by licensed engineers¹⁰ and were compliant with the then applicable standards.

With regard to Rochester area needs, the TC-Lax Study documented that electric reliability issues have arisen in the area due to a rapidly increasing population and associated

⁷ Minnesota CON Proceeding, ORDER GRANTING CERTIFICATES OF NEED WITH CONDITIONS (May 22, 2009) (“Minnesota CON”); *Joint Application of Dairyland Power Cooperative, Northern States Power Company – Wisconsin, and Wisconsin Public Power Inc., for Authority to Construct and Place in Service 345 kV Electric Transmission Lines and Electric Substation Facilities for the CapX Twin Cities – Rochester – La Crosse Project, Located in Buffalo, Trempealeau, and La Crosse Counties, Wisconsin*, PSCW Docket No. 5-CE-136 (“Wisconsin CPCN Proceeding”), FINAL DECISION (May 30, 2012) (“Wisconsin CPCN”).

⁸ Midwest Independent Transmission System Operator, Inc., Midwest ISO Transmission Expansion Plan 2008 at pp. 186–95, available at <https://www.midwestiso.org/Library/Repository/Study/MTEP/MTEP08/MTEP08%20Report.pdf> (“MTEP08”).

⁹ TC-Lax Study at 47, 64.

¹⁰ TC-Lax Study at certification pages.

increase in electric power demands that have surpassed the capacity of the current transmission system.¹¹ Power to the Rochester area is mainly supplied by three 161 kV lines and is a major load center not currently served by the 345 kV system. The TC-Lax Study demonstrated that when the demand for electrical power exceeds 181 MW in the Rochester area, the failure of a single transmission line could cause service interruptions.¹² Due to this limitation, RPU must run local generation when RPU's demand exceeds 145 MW to ensure reliable service to customers in the event of a transmission line outage.¹³ In 2005, the demand for power on the RPU system exceeded 145 MW for about 5,400 hours, or more than 61 percent of the time.¹⁴

The Rochester area system peak occurred in 2006 and reached 330 MW,¹⁵ and on August 12, 2010 the system reached 314 MW.¹⁶ With all local generation operating, the system can support up to 362 MW of demand in the Rochester area should a transmission line be out of service.¹⁷ Although local generation operated in advance of the next line or power plant outage may support additional demand, the TC-Lax Study concluded that running generation for system support is not a desirable long-term solution because it is less reliable than transmission.¹⁸ In addition, the energy generated from the older facilities is typically more expensive than power purchased from the MISO energy markets.¹⁹

¹¹ TC-Lax Study at 8–12.

¹² *Id.* at 12.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ Minnesota CON at 24 (*adopting* ALJ Findings of Fact, Conclusions and Recommendations at Finding 202 (February 27, 2009)).

¹⁶ Wisconsin CPCN Proceeding, Supplemental Need Study (“Supplemental Need Study”) at 38 (August 2011).

¹⁷ Minnesota CON at 24 (*adopting* ALJ Findings of Fact, Conclusions and Recommendations at Finding 202).

¹⁸ *Id.*

¹⁹ TC-Lax Study at 12.

The TC-Lax Study concluded that Twin Cities – La Crosse Project will restore reliable service to the Rochester area by providing a strong 345 kV source into the area.²⁰ The Twin Cities – La Crosse Project will also provide two needed load serving connections to the City of Rochester from that source through the two proposed 161 kV lines connecting the North Rochester Substation with the Northern Hills Substation and the Chester Substation. This configuration will increase the peak load serving capability of the transmission system in the Rochester area to 821 MW.²¹ This level of transmission system capacity is expected to meet the Rochester area needs until 2041–2053 depending on available reliable generation.²²

The Minnesota Public Utilities Commission independently assessed the conclusions of the TC-Lax Study, and found it sufficient to support issuance of a Certificate of Need for the Twin Cities – La Crosse Project in 2009.²³

B. MTEP08

The Twin Cities – La Crosse Project was approved by MISO as an Appendix A²⁴ project in 2008 MISO Transmission Expansion Plan (“MTEP08”).²⁵ In MTEP08, MISO performed an independent analysis of the Twin Cities – La Crosse Project. MISO’s analysis confirmed the conclusions of the TC-Lax Study noting that the proposed project is needed to “support the growing loads of Rochester, Minnesota and La Crosse, Wisconsin” as load growth in these areas “will outstrip the ability of the existing lower voltage systems to reliably support the loads.”²⁶

²⁰ TC-Lax Study at 1.

²¹ Minnesota CON (*adopting* ALJ Findings of Fact, Conclusions and Recommendations at Finding 71).

²² *Id.*

²³ Minnesota CON at 42.

²⁴ Appendix A projects are those that have been recommended by MISO staff and approved by the MISO Board of Directors to be implemented by the designated MISO Transmission Owner. MTEP08 at 154.

²⁵ MTEP08 at 186-95.

²⁶ *Id.* at 6.

As part of its MTEP08 analysis, MISO documented how its independent study complied with all applicable NERC standards.²⁷

C. Supplemental Need Study

As part of the regulatory approval process in Wisconsin, a Supplemental Need Study was prepared in 2011 to update previous study work performed for the Twin Cities – La Crosse Project.²⁸ This study again demonstrated the need for the Twin Cities – La Crosse Project and confirmed that the project is the best transmission option to meet the local reliability needs identified in Rochester and La Crosse.²⁹ The Wisconsin Public Service Commission evaluated the information and conclusions of the Supplemental Need Study and found this planning work supported issuance a Certificate of Public Convenience and Necessity for the Twin Cities – La Crosse Project.³⁰

All planning studies were conducted in compliance with all applicable planning standards and demonstrate the need for the Twin Cities – La Crosse Project to meet local load serving needs in the Rochester and La Crosse areas. The Complainants have failed to provide any evidence or contrary analysis supporting their contention that the Twin Cities – La Crosse Project violates any of the planning standards identified in the Complaint. As a result, the Commission should deny the Complaint.

²⁷ *Id.* at 186.

²⁸ Supplemental Need Study at 1.

²⁹ *Id.*

³⁰ Wisconsin CPCN.

IV. CONCLUSION

Wherefore, RPU respectfully requests that the Commission accept this Motion to Intervene and immediately dismiss or deny the Complaint.

Respectfully submitted,

CITY OF ROCHESTER
TERRY L. ADKINS
CITY ATTORNEY

Dated: March 21, 2013

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 21st day of March 2013, I have served the foregoing document on all affected parties in accordance with the requirements of the Commission's Rules of Practice and Procedure.

/s/ Zeviel Simpser _____
Zeviel Simpser