

July 21, 2022

*RE: Notice of Certificate of Need Application for Two Generation Tie (Gen-Tie) Lines from Sherburne County to Lyon County, Minnesota*  
MPUC Docket No. E002/CN-22-131

This letter is intended to notify you of a proposed transmission line project and to provide the following information:

1. Project location and a description of the need for the Project;
2. A description of how you can participate in the regulatory process; and
3. Contact information to get additional information and to sign up for email and mailing lists.

Northern States Power Company, doing business as Xcel Energy, is proposing to construct two 120- to 140-mile 345 kilovolt (kV) transmission lines between Xcel Energy's existing Sherburne County Substation at the Sherburne County Generating Station Substation (Sherco Substation) in Becker, Minnesota, and a new substation in Lyon County, Minnesota (the Project). Xcel Energy will be proposing the two lines be co-located on the same set of structures.

This notice is being provided to you because you fall into one of the categories listed below as they relate to the area shown in the attached "Notice Area" map.

- Landowners with property within the Notice Area;
- Residents living within the Notice Area;
- Local units of government in and around the Notice Area;
- State elected officials; and
- Government agencies and offices.

### **Why is the Project needed?**

Xcel Energy is committed to delivering clean, reliable, and safe electricity service to customers. We are pursuing a plan that will reduce carbon emissions by over 85% from 2005 levels by 2030 and achieve our vision to deliver 100% carbon-free electricity by 2050. We will achieve these goals by retiring coal plants in the Upper Midwest, including the Sherco Units 1 and 3, totaling approximately 1,300 megawatts of coal-fired generation, and adding significant amounts of renewable energy.

In connection with the Company's 2016-2030 Integrated Resource Plan (IRP), the Commission approved the Company's plan to retire Sherco Units 1 and 2 in 2026 and 2023, respectively; and, in the Company's most recent IRP proceeding, the Commission directed Xcel Energy to retire Sherco Unit 3 by 2030. The Commission further approved Xcel Energy's procurement of 600 MW of solar and 2,150 MW of wind, or an equivalent amount of energy and capacity from a combination of wind, solar and/or storage between 2027 and 2032. A significant portion of these acquisitions will maximize the use of the Project and the Sherco interconnection rights, and the Commission ordered the Company to begin a proceeding to obtain a Certificate of Need and Route Permit for the Project.

We plan to use the proposed transmission lines to connect renewable energy-rich areas in southern and southwestern Minnesota and deliver that carbon-free, renewable energy to our customers throughout the Upper Midwest. Re-using this transmission connection meets federal requirements to use or surrender our right to connect energy to the grid at the substation, and our plan will save customers money compared to building entirely new infrastructure or acquiring renewable projects elsewhere in the region, which would require significant expensive transmission upgrades. Simply put, re-using the substation interconnection rights will save our customers money by maximizing the benefits and reuse of our existing infrastructure to connect new generation as we continue to add renewable energy.

The Project will make it possible to build thousands of megawatts of new renewable energy in southern and southwestern Minnesota, and create new jobs in construction and operations in the communities in which the new renewable energy and transmission lines are located. New wind and solar farms will also bring new property tax revenue and lease payments to landowners.

Further information on the Project need is available on the Project website:  
[www.xcelenergy.com/MNEnergyConnection](http://www.xcelenergy.com/MNEnergyConnection)

### **What is the regulatory process for the Project?**

Before we can construct the Project, the Commission must determine whether the Project is needed in a Certificate of Need proceeding. If the Commission determines that the Project is needed, it will determine where the Project should be constructed through a Route Permit proceeding. Xcel Energy will begin public outreach efforts this

fall to inform the route development process and anticipates filing a route permit application in the 2023-2024 timeframe.

The Certificate of Need process is governed by Minnesota law, including Minnesota Statutes Section 216B.243, and Minnesota Rules Chapters 7829 and 7849, specifically Rules 7849.0010 to 7849.0400 and 7849.1000 to 7849.2100. A copy of the Certificate of Need application, once submitted, can be obtained by visiting the Commission's website at [www.puc.state.mn.us](http://www.puc.state.mn.us) in Docket No. E002/CN-22-131.

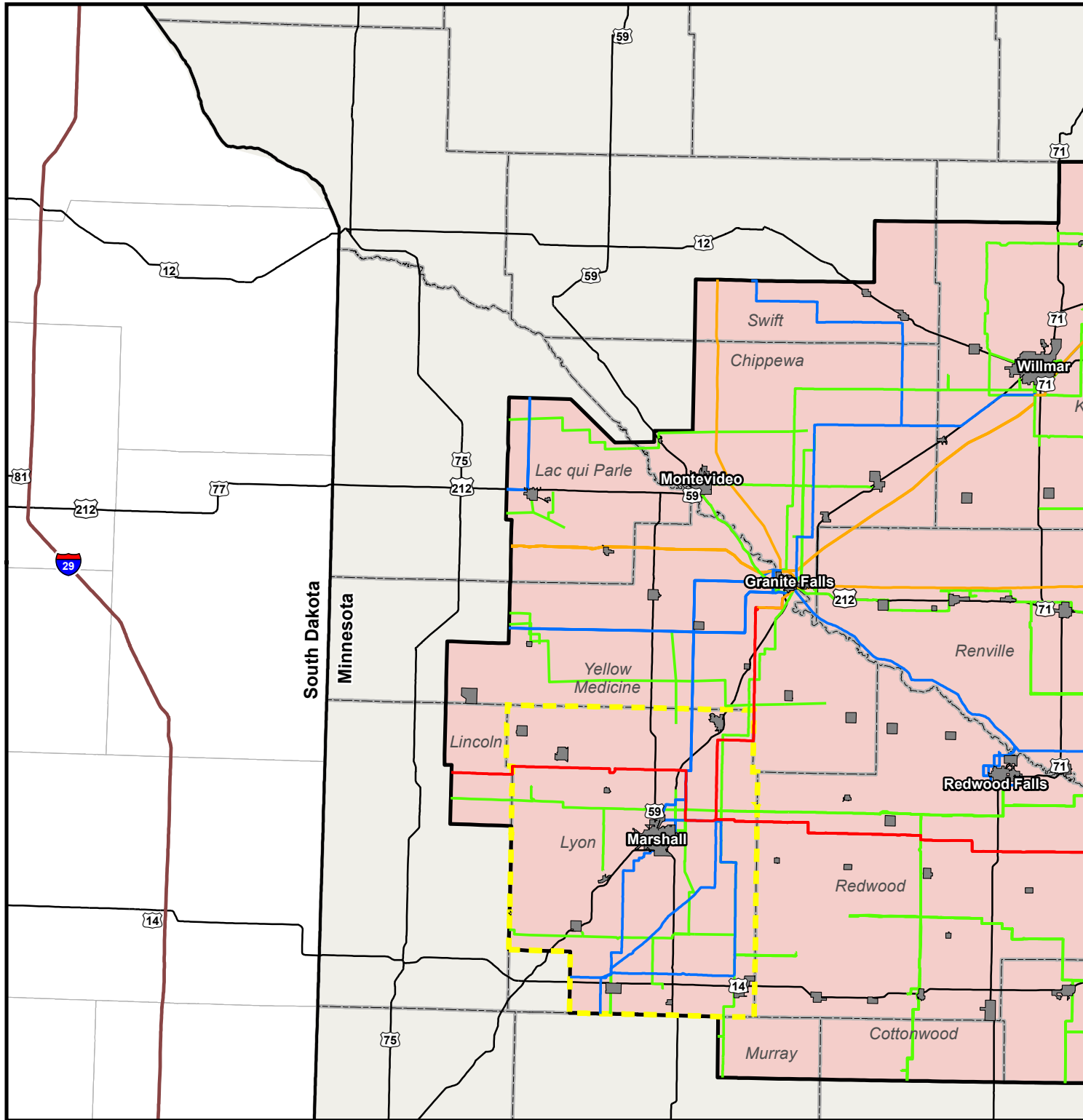
As part of the Certificate of Need process, Minnesota Department of Commerce, Energy Environmental Review and Analysis (EERA) will prepare an environmental report as required by Minnesota Rule 7849.1200.

As noted, the Commission must also grant a Route Permit for the Project before it can be constructed. The routing of the Project is governed by Minnesota law, including Minnesota Statutes Chapter 216E and Minnesota Rules Chapter 7850. A copy of the Route Permit application, once submitted, will be available at the Commission's website in Docket No. E002/TL-22-132.

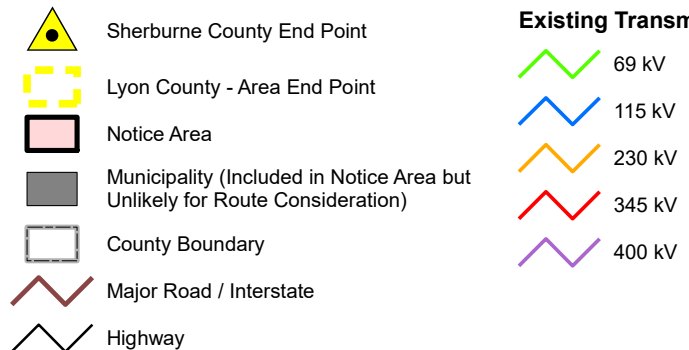
The Commission will not make these determinations until it has completed a thorough process that encourages public involvement and analyzes the impacts of the Project and various route alternatives. This process includes preparation of an Environmental Impact Statement (EIS) by EERA staff.

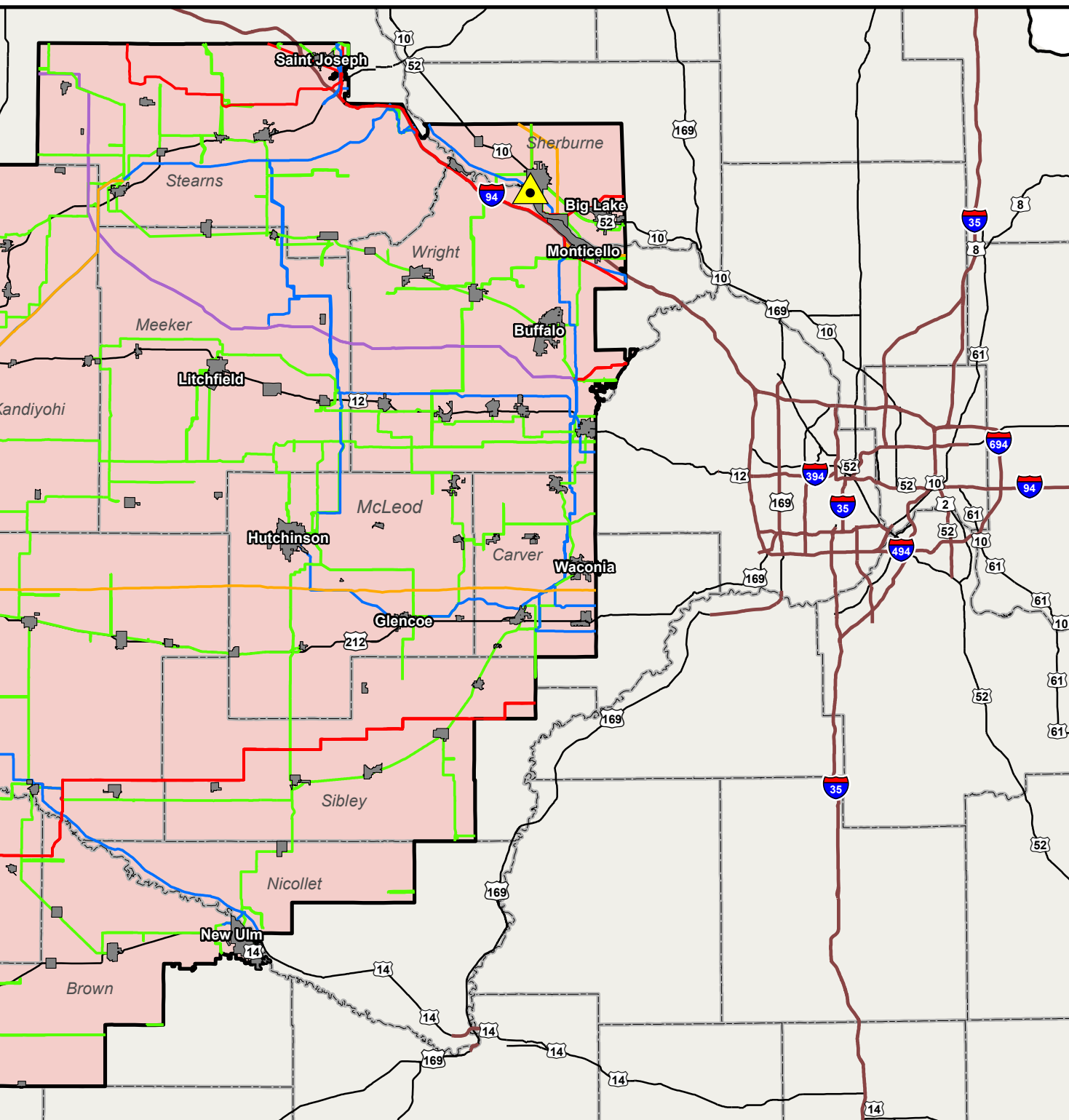
### **Major Certificate of Need Process Steps and Summary Schedule**

| <b>Step</b>  | <b>Approximate Date</b> |
|--|-------------------------|
| Certificate of Need Application submitted to Commission  | Summer 2022             |
| Informational and Scoping Meetings, generally to provide feedback on what should be evaluated in environmental review (public meeting and comment) | Fall 2022               |
| Public Hearings (public meeting and comment period)  | Summer 2023             |
| Evidentiary Hearings   | Summer 2023             |
| Commission Decision  | End of 2023             |



# MN Energy Connection Notice Area





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**DISCLAIMER:** This information is believed to be correct but is subject to change and is not warranted.

**Date:** 4/12/2022

**How will Xcel Energy acquire right-of-way necessary for the Project?**

Before beginning construction, Xcel Energy will acquire property rights for the right-of-way, typically through an easement that will be negotiated with the landowner for each parcel. The typical right-of-way for a transmission line of 345 kV voltage is 150-feet wide.

**How can I obtain additional information about the Project?**

To subscribe to the Project's Certificate of Need docket and to receive email notifications when information is filed in that docket visit: <https://www.edockets.state.mn.us/EFiling> and select "Subscribe to Dockets", enter your email address, and select "Docket Number" from the Type of Subscriptions dropdown box, then select "22" from the first Docket number drop down box and enter "131" in the second box before clicking on the "Add to List" button. You must then click the "Save" button at the bottom of the page to confirm your subscription to the Project's Certificate of Need docket. These same steps can be followed to subscribe to the Project Route Permit docket (TL-22-132) and receive email notifications when information is later filed in that docket.

To be placed on the Project Certificate of Need mailing list (MPUC Docket E002/CN-22- 131), mail, fax, or email Robin Benson at Minnesota Public Utilities Commission, 121 7th Place E., Suite 350, St. Paul, MN 55101-2147, Fax: 651-297-7073 or [robin.benson@state.mn.us](mailto:robin.benson@state.mn.us).

If you have questions about the state regulatory process, you may contact the Minnesota state regulatory staff listed below:

***Minnesota Public Utilities Commission***

Bret Eknes

121 7<sup>th</sup> Place East, Suite 350

St. Paul, Minnesota 55101

651.296.7124

800.657.3782

[bret.eknes@state.mn.us](mailto:bret.eknes@state.mn.us)

[www.puc.state.mn.us](http://www.puc.state.mn.us)

## **Minnesota Department of Commerce EERA**

Andrew Levi, Environmental Review Manager  
Minnesota Department of Commerce  
Energy Environmental Review and Analysis  
85 7<sup>th</sup> Place E, Suite 280  
St. Paul, MN 55101  
[andrew.levi@state.mn.us](mailto:andrew.levi@state.mn.us)  
651-539-1840

Project phone and e-mail addresses are:

**Project Phone Number** - 888-292-4714

**Project e-mail address** - [MNEnergyConnection@xcelenergy.com](mailto:MNEnergyConnection@xcelenergy.com)

### **How do I learn more about other transmission projects and the transmission planning process in Minnesota?**

Minnesota statutes (Minnesota Statutes Section 216B.2425) require that each electric transmission owning utility in the state file a biennial transmission planning report with the Commission in the fall of odd years. These reports provide an excellent source of background information on the transmission planning process used by utilities in the state of Minnesota and information about other transmission line projects. The 2021 Biennial Transmission Planning Report is available at: [www.minnelectrans.com](http://www.minnelectrans.com).



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## Transmission Line Information