US Department of Energy

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Electricity Delivery and Energy Reliability

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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Electricity Delivery and Energy Reliability

Minnesota Power

Docket No. EA-196 - D

APPLICATION OF MINNESOTA POWER FOR RENEWAL OF AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO CANADA

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ALLETE, Inc., d/b/a Minnesota Power (Minnesota Power), pursuant to Section 202(e) of the Federal Power Act (FPA)(16 U.S.C. §824a(e)) and 10 C.F.R. §205.300 *et seq*. (1966), hereby submits an application for renewal of authorization to transmit electric energy from the United States to Canada for a period of five years (or for such other period as the Department deems appropriate.)

I. DESCRIPTION OF APPLICANT

The exact legal name of the applicant is ALLETE, Inc., d/b/a Minnesota Power (Minnesota Power). Minnesota Power is a division of ALLETE that owns electric generation and transmission facilities and sells and distributes electricity within its northern Minnesota service territory. Minnesota Power is authorized by the Federal Energy Regulatory Commission (FERC) to make sales of electric power at wholesale in interstate commerce, at negotiated rates under the Restated Mid-Continent Area Power Pool (MAPP) Agreement and its market-based rate tariff as well as other FERC Rate Schedules on file at FERC. Minnesota Power is a MISO transmission customer.

II. PARTNERS

Minnesota Power is not seeking authorization to export power on behalf of, or in conjunction with, any partners or partnerships.

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III. COMMUNICATIONS

Communications regarding this application should be addressed to the following:

Christopher D. Anderson Associate General Counsel ALLETE, Inc. 30 West Superior Street Duluth, MN 55802 (218) 723-3961 Fax (218) 723-3955

IV. ORGANIZATION OF APPLICANT, AUTHORITY TO DO BUSINESS

ALLETE, Inc. is a Minnesota corporation having its principal place of business in Duluth, Minnesota. Currently ALLETE, Inc. is authorized to do business in the states of Minnesota, Wisconsin, North Dakota and Florida.

V. JURISDICTION

Minnesota Power does not know of any other Federal, State or local government that has jurisdiction over the actions to be taken under the authority sought in this Application.

VI. FACILITIES

Minnesota Power intends to export power over existing transmission interconnections between the United States and Canada. Exhibit C to this Application provides the location and description of the transmission facilities through which the electric energy may be delivered into Canada, and includes the name of the facility owners as well as the Presidential Permit numbers.

VII. TECHNICAL DISCUSSION OF PROPOSAL

Minnesota Power currently has an export authorization in its name for international interconnection facilities located at International Falls, Minnesota (PP-78.) The electric power Minnesota Power will export, on either a firm or interruptible basis, will generally be purchased from others voluntarily and will, therefore, be surplus to the needs of the selling entities. Minnesota Power does have an obligation to serve native load in northeastern Minnesota. However, the exports proposed by Minnesota Power will not impair its ability to meet any current and prospective retail or wholesale power supply obligations in the United States.

Minnesota Power's proposed exports will not impair or tend to impede the sufficiency of electric supplies in the United States or the regional coordination of electric utility planning or operations.

VIII. PROCEDURES

Minnesota Power's application for renewal is consistent with United States energy policy established in the Energy Policy Act of 1992, the North American Free Trade Agreement of 1993 and FERC Order No. 888, which fosters more efficient and competitive North American energy markets.

Minnesota Power, in this proceeding, is seeking renewal of its authorization, as a power marketer, to export electricity through existing border facilities. Minnesota Power now files quarterly reports with the Department reporting its exports and imports; and will similarly report exports and imports resulting from the export authorization requested in this proceeding, as directed by the Department. Minnesota Power has secured sufficient transmission service for the delivery of power to the border as shown on Exhibit C. Also, Minnesota Power is willing to accept general conditions consistent with the Department's previous power marketer authorizations for this additional export authorization. In particular, if required by the Department, exports made by Minnesota Power will not exceed the export limits for the transmission facilities utilized by Minnesota Power, or otherwise cause a violation of the terms and conditions set forth in the export authorizations applicable to each; when scheduling the delivery of power, Minnesota Power will comply with the applicable NERC reliability criteria, standards, and guidelines; and, for each calendar quarter, Minnesota Power will provide the Department with reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, and the maximum hourly rate of transmission, as well as any additional annual reports required by the Commission.

IX. EXHIBITS

The following exhibits are attached hereto:

Exhibit A	- Agreements (Not applicable)
Exhibit B	- Legal Opinion of Minnesota Power's counsel
Exhibit C	- Transmission Facilities (Submitted in lieu of Maps)
Exhibit D	- (Not applicable)
Exhibit E	- (Not applicable)
Exhibit F	- (Not applicable)

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X. CONCLUSION

WHEREFORE, Minnesota Power respectfully requests that the Department review and grant this Application for Renewal in an expeditious manner.

Respectfully submitted,

Christopher D. Anderson Associate General Counsel ALLETE, Inc. 30 West Superior Street Duluth, MN 55802 (218) 723-3961

Dated this 23rd day of April, 2013.

VERIFICATION

STATE OF MINNESOTA)) ss. COUNTY OF ST. LOUIS)

I, Christopher D. Anderson, Associate General Counsel of ALLETE, Inc., d/b/a Minnesota Power, having knowledge of the matters set forth in the above Application of Minnesota Power for Renewal of Authorization to Transmit Electric Energy to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

Christopher D. Anderson

Subscribed and sworn to before me this 23^{12} day of April, 2013.

Notary Public, State of Minnesota



2013 Verification.doc



CHRISTOPHER D. ANDERSON Associate General Counsel

218-723-3961 Fax: 218-723-3955 E-mail: canderson@allete.com

April 23, 2013

The Department of Energy Office of Electricity Delivery and Energy Reliability OE-20, Room 6H-034 1000 Independence Avenue, SW Washington, DC 20585-0350

> **Application for Renewal to Export Electric Energy** RE: ALLETE, Inc. d/b/a Minnesota Power Docket No. EA-196

Dear Sir/Madam:

The following opinion is given in support of the Application of ALLETE, Inc., d/b/a Minnesota Power for renewal of authorization to transmit electric energy to Canada.

- I am an attorney, authorized to practice law in Minnesota and Wisconsin; 1.
- I am currently serving as Associate General Counsel of ALLETE, Inc., d/b/a 2. Minnesota Power;
- ALLETE, Inc., d/b/a Minnesota Power is duly incorporated, validly existing and 3. in good standing under the laws of the State of Minnesota and is authorized to do business in the states of Minnesota and such other states as required by the current nature of its business.
- ALLETE, Inc., d/b/a Minnesota Power has full corporate power and authority to 4. buy, sell or act as a marketer/broker in the sale and exportation of electric energy as requested in this Application; and
- ALLETE, Inc., d/b/a Minnesota Power intends to comply with all applicable 5: Federal and State laws.

Christopher D. Anderson Associate General Counsel

TRANSMISSION LINES AT THE US-CANADA BORDER AUTHORIZED FOR THIRD-PARTY USE

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Present <u>Owner</u>	<u>Location</u>	<u>Voltage</u>	Presidential <u>Permit No.</u> 1
Basin Electric Power Cooperative	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA Nelway, WA Nelway, WA	2-500-kV 230-Kv 230-kV	PP-10 PP-36 PP-46
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International Transmission Company	Detroit, MI Marysville, MI St. Claire, MI St. Claire, MI	230-kV 230-kV 230-kV 345-kV	PP-230 PP-230 PP-230 PP-230
Joint Owners of the Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME Fort Fairfield, ME Madawaska, ME Aroostook, ME	69-kV 69-kV 138-kV 2-69-kV	PP-12 PP-12 PP-29 PP-29
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative	Roseau County, MN	230-kV	PP-61
New York Power Authority	•	765-kV 2-230-kV -345-kV 230-kV	PP-56 PP-25 PP-74 PP-30
Niagara Mohawk Power Corp.	Devils Hole, NY	230-kV	PP-190
Northern States Power Company	Red River, ND Roseau County, MN Rugby, ND	230-kV 500-kV 230-kV	PP-45 PP-63 PP-231
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT Millbury, MA Medway, MA	±450-kV DC 345-kV 345-kV	PP-76

¹ These Presidential permit numbers refer to the generic DOE permit number and are intended to include any subsequent amendments to the permit authorizing the facility.



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CHRISTOPHER D. ANDERSON Associate General Counsel

218-723-3961 Fax: 218-723-3955 E-mail: canderson@allete.com

VIA OVERNIGHT COURIER

Mr. Lamont Jackson The Department of Energy Office of Electricity Delivery and Energy Reliability OE-20, Room 6H-034 1000 Independence Avenue, SW Washington, DC 20585-0350

> RE: Application for Renewal to Export Electric Energy Minnesota Power Docket No. EA-196____

Dear Mr. Jackson:

Enclosed please find an original and fifteen (15) copies of the Application of Minnesota Power for Renewal of Authorization to Transmit Electric Energy to Canada, together with verification, opinion of counsel and exhibits. Also enclosed is an additional copy which should be date stamped, including the Docket No., and returned to the attention of the undersigned in the envelope provided for that purpose. Minnesota Power respectfully requests that the renewal be a 5-year authorization, or the longest term period available under the Department's rules and regulations.

Also enclosed is our check in the amount of \$500 for the filing fee.

If there are any questions regarding this filing, please contact the undersigned counsel for the Company.

Yours truly, Christopher D. Anderson kl., og kan det ander som en starte som en som e Enclosures Pete Seeling c: Leann Oehlerking-Boes AN ALLETE COMPAN 30 West Superior Street | Duluth, Minnes 55802-2093 | 218-279-5000 | www.allete.com