Fossil Energy
[Docket No. PP-61-1]

AMENDMENT TO
PRESIDENTIAL PERMIT PP-61
ISSUED TO

MINNKOTA POWER COOPERATIVE

BACKGROUND

On April 12, 1993, Minnkota Power Cooperative (MPC) applied to the Department of Energy (DOE) to amend the Presidential permit issued by the Federal Power Commission on July 6, 1976, in Docket E-9535 (now docketed by the DOE as Docket PP-61). The facilities previously authorized by Presidential Permit PP-61 consist of one three-phase, 60 hertz, 230,00 volt (230-kV) overhead transmission line extending 191.4 miles from the Minnesota Power & Light Company's (MP&L) Shannon Substation, near Hibbing, Minnesota, to the international border connecting with facilities owned by the Manitoba Hydro Electric Board.

In its application, MPC requested authority to expand the existing Running Substation located near International Falls, Minnesota, and to construct a new substation in Roseau County, Minnesota, along the route of the existing 230-kV transmission line authorized by Presidential Permit PP-61.

Specifically, MPC proposed to expand the existing Running
Substation, within the existing property line, from approximately
4.7 acres to approximately 7.0 acres, to accommodate the

installation of five, 30-megavolt-ampere reactive (MVAR), 230-kV shunt capacitor banks and associated electrical equipment.

MPC also proposed to construct a new Roseau County 230-kV Substation covering approximately 0.9 acres, located adjacent to the existing Roseau County 500-kV Substation. Both substations are within an 80-acre parcel of land owned by Northern States Power Company (NSP). The proposed 230-kV substation will contain one, 230-MVAR shunt capacitor bank and associated electrical equipment.

The MPC project is the last part of a three-phase program involving MPC, MP&L, and NSP. The total project, headed by NSP, is projected to increase the capacity of the transmission system connecting Minnesota, North Dakota, and Manitoba. In related Dockets PP-45-1 and EA-63, NSP requested authority to expand the existing Prairie Substation located near Grand Forks, North Dakota, and increase levels of electricity exported to Manitoba, respectively.

The DOE has assessed the potential environmental impacts associated with the proposed amendment and has determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement and, therefore, is eligible for

categorical exclusion under Appendix B to Subpart D, paragraph B4.11 of the DOE regulations implementing the National Environmental Policy Act of 1969. A memorandum dated September 24, 1993, documenting the use of this categorical exclusion has been placed in Docket PP-61-1.

After a review of the information in the Docket, the DOE determined that the proposed project would not adversely impact the reliability of the U.S. electric power supply system. A staff analysis dated December 10, 1993, in support of this determination has been placed in Docket PP-61-1.

The Secretary of State by letter dated January 12, 1994, and the Secretary of Defense by letter dated January 31, 1994, favorably recommended that the request for amendment be granted as hereinafter provided.

FINDINGS

After a review of the Docket, the Director, Office of Coal & Electricity, Office of Fuels Programs finds that:

- 1. The period for public comment was sufficient and appropriate.
- 2. The proposed action would have no significant impact on the quality of the human environment within the meaning of the National Environmental Policy Act of 1969;

- 3. The proposed action would not adversely impact the reliability of the U.S. electric power supply system; and
- 4. The Secretaries of State and Defense favorably recommend granting the proposed amendment.

ORDER

Pursuant to the provisions of Executive Order No. 10485, as amended by Executive Order No. 12038, and the Rules and Regulations thereunder (Title 10, Code of Federal Regulations, section 205.320 et seq.), the Presidential permit in Docket PP-61 (formerly E-9535) granted to Minnkota Power Cooperative to construct, connect, operate, and maintain electric transmission facilities at the international border of the United States and Canada, as further described in Article 2 below, is hereby amended to read as follows:

Article 1. The facilities herein described shall be subject to all conditions, provisions, and requirements of this permit.

This permit may be modified or revoked by the President of the United States without notice, or by the DOE after public notice, and may be amended by the DOE after proper application thereto.

Article 2. The facilities covered by and subject to this permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

(a) One 230-kV, 60-hertz, alternating current, overhead transmission line extending 191.4 miles from Minnesota Power & Light Company's Shannon Substation, near Hibbing, Minnesota, to the international border connecting with facilities owned by the Manitoba Hydro Electric Board. These facilities shall include the seven (7)-acre Running Substation and a 0.9 acre Roseau County substation constructed within Northern States Power Company's Roseau County 500-kV Substation.

These facilities are more specifically shown and described in the application filed by MPC on April 12, 1993.

Article 3. The facilities described in Article 2 shall be designed and operated in accordance with the applicable criteria established by the Mid-Continent Area Power Pool (MAPP) and consistent with that of the North American Electric Reliability Council. Furthermore, the facilities authorized herein shall be operated in such a manner that the maximum rate of transmission in the import mode shall not exceed 1900 MW (net) in the aggregate for the facilities authorized by this permit and Presidential Permits PP-45 and PP-63. This maximum rate of transmission for imports may be increased to 2000 MW during the

summer off-peak load period only when exports from North Dakota to Manitoba do not exceed 600 MW. Upon submission by MPC of technical studies which demonstrate the reliable operation of the U.S. power supply system at import levels above 2000 MW, the DOE will evaluate these studies and, if warranted, authorize operation of the permitted facilities at higher import levels.

Article 4. No change shall be made in the facilities covered by this permit or in the authorized operation of these facilities unless such change has been approved by the DOE.

Article 5. MPC or its agent shall at all times maintain the facilities covered by this permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 6. The operation and maintenance of the facilities covered by this permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for such purposes. MPC shall allow officers or employees of the United States with written authorization free and unrestricted access into, through, and across any lands occupied by these facilities in the performance of their duties.

Article 7. MPC shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this permit. MPC shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuit are the only ones which must be resolved. MPC shall maintain written records of all complaints received and of the corrective actions taken.

Article 8. The United States shall not be responsible or liable for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the facilities covered by this permit; or for damages to, or loss of the property of, or injuries to the person of MPC officers, agents, servants or employees, or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and MPC shall hold the United States harmless from any and all such claims arising from the construction, operation or maintenance of the facilities authorized.

Article 9. MPC shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Canada over the facilities authorized herein. MPC shall prepare, maintain, and preserve

complete and accurate records concerning the transfer of such electric energy; and shall furnish the DOE an annual report which will be due on or before February 15 of each year, detailing the transmission of such electric energy, as follows: (1) the gross amount of kilowatt-hours of electric energy received or delivered; (2) the maximum hourly rate of transmission in kilowatts; and (3) the consideration paid or received for such energy during each month of the preceding calendar year.

Article 10. Neither this permit nor the facilities covered by this permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by the DOE. Upon receipt by the DOE of such an application, this existing permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 11. Upon the termination, revocation, or surrender of this permit, the 230-kV transmission line and associated

equipment, operated and maintained by MPC and described in Article 2 of this permit, shall be removed within such time as DOE may specify and at the expense of MPC. If MPC fails to remove such facilities or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of MPC. MPC shall have no claim for damages by reason of such possession, removal, or repair. However, upon a showing by MPC that certain facilities authorized herein, such as portions of its rights-of-way or the transmission lines within the United States, are useful to other utility operations within the bounds of the United States, the DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Article 12. This permit shall be valid upon receipt by the DOE of the Testimony of Acceptance properly executed.

Issued in Washington, D.C. on February ______, 1994.

Office of Coal & Electricity Office of Fuels Programs

Office of Fossil Energy