

ORDER AMENDING PRESIDENTIAL PERMIT PP-63
AUTHORIZING NORTHERN STATES POWER COMPANY
TO CONSTRUCT, CONNECT, OPERATE AND MAINTAIN
ELECTRIC TRANSMISSION FACILITIES AT
THE INTERNATIONAL BORDER BETWEEN THE
UNITED STATES AND CANADA

[Economic Regulatory Administration - Docket PP-63]

BACKGROUND

On January 31, 1985, Northern States Power Company (NSP) filed an application with the Economic Regulatory Administration (ERA) of the Department of Energy (DOE) for an amendment to the Presidential permit issued in Docket PP-63 pursuant to Executive Order 10485, as amended by Executive Order 12038. The Presidential permit in Docket PP-63 was issued by the Administrator, ERA, on March 6, 1979. The permit authorized NSP to construct, connect, operate and maintain a 500,000 volt electric transmission line at the international border between the United States and Canada. These facilities are described in Article 2 of the Presidential permit issued in Docket PP-63 and in the original application filed with the Federal Power Commission on April 18, 1977.

NSP presently operates the subject transmission facilities under the terms and conditions of the Transactions and Coordinating Agreement signed by NSP and Manitoba Hydro on July 21, 1976. This agreement calls for a 300 megawatt (MW) seasonal diversity exchange between NSP and Manitoba Hydro, and the purchase by NSP of 200 MW of summer peaking capacity. This agreement expires on April 30, 1993.

On July 14, 1984, NSP signed a new Power Agreement with the Manitoba Hydro Electric Board (MHEB) and the Manitoba Energy Authority (MEA). This agreement eliminates the 300 MW seasonal diversity exchange arrangement and changes the 200 MW summer peaking capacity purchase by NSP to a 500 MW firm power purchase on a year-round basis. The new Power Agreement will be in effect for twelve years starting on May 1, 1993.

NSP has requested that the Presidential permit issued in Docket PP-63 be amended to allow the operation of the 500,000 volt transmission line under the terms and conditions of the new Power Agreement.

FINDINGS

On March 13, 1985, DOE determined that the granting of the proposed amendment will not result in significant effects on the quality of the human environment and, hence, neither an environmental impact statement nor an environmental assessment is required to satisfy the requirements of the National Environmental Policy Act of 1969.

After a review of factors relating to electric system reliability ERA staff recommended on May 8, 1985, a finding that the granting of the proposed amendment would not impair reliability of the U. S. electric bulk power supply system. The Administrator concurs with this recommendation, and so finds. The recommendation has been made a part of the permanent docket file.

The Department of State, by letter dated April 24, 1985, and the Department of Defense, by letter dated April 25, 1985, have concurred in the issuance of the amendment to the permit.

Upon consideration of all the facts in the matter, the Administrator finds that the issuance of the amendment of the Presidential permit in Docket PP-63, as hereinafter provided, is appropriate and consistent with the public interest.

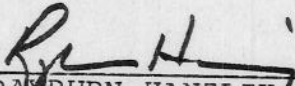
ORDER

Pursuant to Executive Order No. 10485, as amended, Article 14 of the Presidential permit issued by ERA in Docket PP-63 on March 6, 1979, is hereby amended to read as follows:

Article 14. The facilities described in Article 2 will be designed and operated in accordance with the applicable criteria established by the Mid-Continent Area Power Pool, and consistent with those of the North American Electric Reliability Council. Furthermore, the subject facilities shall be operated under the terms and conditions set forth in the Transactions and Coordinating Agreement between NSP and Manitoba Hydro dated July 21, 1976, until April 30, 1993. From May 1, 1993, NSP is authorized to operate the subject facilities under the terms and conditions set forth in the Power

Agreement between NSP and the Manitoba Hydro Electric Board
and the Manitoba Energy Authority dated July 14, 1984.

Issued in Washington, D.C., May 8, 1985.



RAYBURN HANZLIK
Administrator
Economic Regulatory Administration