Avon Hills Initiative

Box 377, Avon, MN 56310

January 11, 2008

Mr. David Birkholz Energy Planning Permitting MN Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-2198

Subject: CapX2020 - St. Cloud to Fargo Line – 06-1115

Dear Sir,

The Avon Hills Initiative

The Avon Hills Initiative (AHI) is a community based organization located in Central Minnesota committed to preserving the rural and natural character of roughly 50,000 acres in Avon, Saint Joseph, Collegeville, and Saint Wendel Townships. We work through education, community organization, and local government to increase awareness of land development pressures facing the Avon Hills. We act to initiate meaningful dialogue between stakeholders relative to these pressures, in order to preserve the rich cultural history, natural beauty, and biological diversity of the Avon Hills for generations to come. We have 300 families on our mailing list.

Our mission is to:

- Preserve the rural character of our communities
- Protect the quality of our natural areas
- Maintain economic productivity in our communities while respecting landowner rights

We are concerned about the effect that a 345 kV transmission line with its 175 foot towers would have on the natural and cultural resources of our area. We are also aware that each of us contributes to the need for power transmission. As such, we understand that we cannot

trivialize the need for transmission simply because we do not like the idea of tall towers in our natural landscape.

Natural Resources in the Avon Hills

In 2004, The Avon Hills Initiative cooperated with others to complete a fairly detailed survey of the natural resources of our area. Please see the attached colored map which shows the dense collection of natural resources in such a small area. Public participation was broad and strong in this mapping exercise. The wooded hills, wetlands, and lakes of this area are a key component of the remaining natural vegetation of Stearns County. It is imperative that we do all we can to avoid cutting a 150 foot transmission line right-of-way through this unique natural habitat.

As indentified by the MN County Biological Survey, a significant proportion of the remaining natural vegetation and rare plants and animals of the entire county lie within this relatively small geographic area. The lakes are often deep and especially clean for this area of Minnesota. Four Scenic and Natural Areas (SNAs) have been established by the MN DNR in this area, some just recently.

The Stearns County Planning Commission has recommended that the County adopt a special Conservation Overlay District for the Avon Hills area as part of the new Stearns County comprehensive plan. The vote to pass this novel overlay district is Jan 22. We expect the passage followed by special ordinances to promote the preservation of open-space.

The Legislative Citizen Commission on MN Resources (LCCMR) just awarded \$337,000 to protect the landscape of the Avon Hills. Most of the funding goes for conservation easements of this sensitive landscape.

Last year, the Audubon Society named the Avon Hills area as its latest "Important Bird Area" in Minnesota. The remaining natural habitats are very important in what is otherwise a largely human-dominated and disturbed landscape. The Nature Conservancy also completed a conservation action plan for the Avon Hills in 2007. This plan carefully evaluated the resources and threats to the landscape and the analysis resulted in the Avon Hills being named a focus area for resource protection by The Nature Conservancy in MN.

Public Policy on Electric Transmission Lines and Generation

The citizens of our communities don't possess the technical knowledge to evaluate the actual need for this 345 kV line. To improve our knowledge, our organization co-sponsored a public meeting on this topic this week at Saint John's. Speakers included Darrin Lahr and his staff from CapX2020; Beth Soholt from Wind-on-the-Wires; and George Crocker of NAWO.

We trust that the Public Utilities Commission (PUC) and the Department of Commerce will use their knowledge to act in the public's best interest. While we cannot offer specific evidence concerning the need stated by the utilities we think the following technical and policy issues must be examined by the PUC prior to any decision on this St. Cloud-Fargo section of the line.

Is CapX2020 a continuation of an old-paradigm, in which relatively few old-fashion central-station generators will get hooked up to remote loads (cities) with relatively few extra-high voltage power lines?

- We think that the PUC should at least look at a policy change that could guide our society towards a cheaper, quicker, less disruptive, and newer paradigm infrastructure to optimize distributed and dispersed community-based energy development.
- If true that thousands of megawatts of new coal-fired capacity west of Minnesota are already in the Midwest Independent System Operator (MISO) Queue, considering that existing Dakota coal capacity is already transmission-constrained, and considering the limited number of substations (which serve as "on-ramps" for energy from Minnesota-based generation capacity) along the line routes in Minnesota, what will prevent these power lines from being used to transmit larger amounts of coal-fired electricity, and diminished amounts of C-BED electricity generated in Minnesota?
- What is the transmission infrastructure cost on a per megawatt basis for each new megawatt of electrical generating capacity made possible by the CapX2020 proposal?

How has the 2007 legislative requirement for 25% renewable energy changed the need? Has the analysis been done to see if CapX2020 would be different if it had started after this 2007 mandate?

• The CapX2020 proposal was designed to meet a projected need for about 6,000 MW of additional electrical generation capacity during the forecast period. Those forecasts have since changed due to changed circumstances. Considering that revised forecasts project a need for about half as much new generation capacity as the abandoned forecasts, why hasn't the CapX2020 proposal been revised to reflect the new projections?

What are the alternatives to building this line?

- Considering the complexity and scale of the interconnected electrical utility system, it
 appears in some ways that the applicant and the regulators are interested in
 considering only one scenario for addressing multiple perceived inadequacies of the
 system. Why do no alternatives appear to be included in the CapX2020 application?
- Can dispersed generation using existing transformers at multiple locations solve the problem at a much lower cost?

- What are the system alternatives (supply-side and demand-side) to the CapX2020 proposal?
- Will each proposed CapX2020 power line be justified on its own merit, and not lumped together as a single package?

In closing, we trust you will use this process to give careful thought to the protection of the natural features of our landscape. We also hope you will ask experts to provide the PUC with multiple perspectives on the underlying policies that are driving CapX2020. We want to be part of a solution that is as forward-thinking and light-on-the-land as possible. Please advise us if we can be of further assistance.

Respectfully,

Peter Dwyer Chair

Enclosures

Avon Hills Conservation Vision Color Map Avon Hills boundary map Avon Hills located on CapX2020 map

Cc: Avon Hills Initiative Executive Committee
Darrin Lahr – CapX2020
Beth Soholt – Wind-on-the Wires
George Crocker - NAWO