Administrative Law Judge Beverly Heydinger
Office of Administrative Hearings
Suite 1700, 100 Washington Square
Minneapolis, MN 55401

Testimony at CapX 2020 Public Hearing, June 26, 2008
RE: CapX 2020 High Voltage Transmission Lines

The decision on whether or not the CapX 2020 power lines will be built is a critical decision with a huge impact on Minnesota's energy future.

As a resident of Minnesota, an electric ratepayer and a member of the Citizens Energy Task Force, I am testifyingto voice my concerns regarding the CapX 2020 High-Voltage Transmission Line Project. I respectfully ask that you deny the Certificate of Need for the proposed CapX 2020 project.

My opposition to the CapX 2020 transmission lines includes the following unresolved issues:

1) Conservation, energy efficiency, smart grids. We do not need all three-power lines if we maximize conservation.

Unfortunately, conservation receives three brief paragraphs of attention in the Environmental Report (p. 90), most of which are devoted to a discussion of Minnesota statutes. There is no evidence in the record that the contribution conservation might make to limiting load growth or bolstering local reliability of supply has been duly appraised.

The potential savings through energy conservation should be analyzed and compared to costs of additional generation and transmission. Specific strategies to maximize cost-effective conservation, such as a certificate program, should be compared to the full costs of the CapX 2020 system before billions of dollars are invested in new generation and a bulk power transmission system to meet projected demand.

2) Coal plant pollution and global warming impacts. A major risk with these huge lines is coal plants in South and North Dakota.If the lines start and end outside of Minnesota, Minnesota can lose its ability to prevent coal impacts.

The Cap X 2020 power lines were designed with a plan to use coal and gas for up to 64% of the new energy between now and 2020. Air pollution that results from fossil fuel powered electricity generation threatens human health, the environment, and the long-term economic viability of this region. Electricity generation is responsible for 76% of the SO2 emissions in the United States, almost a third of the oxides of nitrogen and mercury, and half of the carbon dioxide.

The CapX utilities and the state Department of Commerce are insisting that there be no conditions placed on the CapX power lines to make it more likely that they will carry wind energy rather than dirty coal. If the LaCrosse line is built, coal power could be sold to Milwaukee and Chicago without our laws about renewable energy having any effect. If the lines are permitted it is crucial that they include conditions requiring a majority of the transmission be from renewable sources.

3) Benefits of community based wind. Power lines should support local economic development, efficient use of transmission, distributed and more secure.

Wind energy provides more jobs per dollar invested than any other energy technology. Every megawatt of new wind capacity creates 15-19 jobs and about 60 person-years of employment. Each 100 MW of wind development in southwest Minnesota has generated about $1 million per year in property tax revenue and about $250,000 per year in direct lease payments to landowners.

On June 16, 2008, the Minnesota Department of Commerce released the findings of the first of two major power line studies ordered by the Minnesota Legislature. The study's conclusions affirm those of a previous utility study that found that significant amounts of wind energy can be injected into the existing transmission system at costs far lower than building new transmission lines to more distant wind farms.

The study found that 600 MW of dispersed, community-based wind projects could be integrated across Minnesota into the existing grid system with no additional costs for transmission. For comparison, the proposed 600 MW Big Stone II coal fired power plant would need to spend about $250 million for new transmission infrastructure, just in Minnesota.

4) Begin to address the gaps in policy and financing so that greater support can be given to community based renewable energy.

Presently C-Beds face high costs connecting up to transmission lines. It is crucial that any new lines be designed to support and encourage C-Bed development.

The Applicants have stated that the 345 kV Twin Cities—Brookings line would provide 700 MW of incremental outlet capacity for wind generation from the Buffalo Ridge at a cost of $600 to $665 million dollars. The substantial cost to provide a relatively modest increase in renewable generation outlet capacity suggests that additional alternatives must be tested and comparisons made if the purpose of the line is to provide renewable generation outlet capacity.

Information in the Application and discovery documents pertaining to the generation types and locations used to model the CapX 2020 projects also raises questions about the reasonableness of the Twin Cities - Brookings transmission expansion as a cost-effective way to support renewable generation. Although

there is substantial wind in the CapX 2020 model the model also included substantial fossil-fuel generation including 600 MW from the Big Stone coal plant, which would depend on the Brookings line for transmission. While the modeling may not predict actual generation, without further conditions substantiating that the Brookings transmission line will be actually used to transmit wind energy, it is not reasonable to assume that this project is a cost-effective response to the Applicants' legitimate purpose of increasing outlet support for renewable generation.

5) Risks of high voltage power lines EMF as well as aesthetics. We should not build high voltage power lines unless they areabsolutely necessary.

It is crucial that Minnesota avoid the risk of EMF's and cancer when there are better alternatives to high voltage power lines like the CapX proposal. The precautionary principle is a moral and political principle that states that if an action or policy might cause severe or irreversible harm to the public, in the absence of a scientific consensus that harm would not ensue, the burden of proof must be on the project proposer (here the utilities) to prove that what they are proposing is safe. They haven't met this burden of proof.

The time to consider the costs of expanding the system is now, before the transmission network is laid in place. It is crucial that a detailed and accurate analysis be made of conservation savings and community-based energy projects before the CapX lines are permitted.

Generation and transmission cannot be separated without sacrificing economic prudence. Doing so will likely result in a power system that is more expensive than necessary.Once the CapX line is permitted and built, the transmission network will largely determine the form and location of future generation expansion at the detriment of distributed, renewable generation.

The generation future supported by the CapX 2020 projects is likely to include more remote generation, less renewable energy and less local economic benefit than would be optimal if all costs and benefits of the proposal were compared to alternatives.

There are economically viable alternatives to the CapX line based on conservation, more local, distributed, renewable generation and a different scale of transmission upgrades. These alternatives should be developed before a high-voltage, long distance transmission line is permitted for Minnesota.

Before a high-voltage transmission line of this magnitude and long lasting impact is permitted, a fully transparently comparison of the comprehensive costs of the proposal must be prepared and include a robust comparison with alternatives. Costs must include the cost of transmission, new generation capacity, operation and maintenance (including fuel costs), environmental costs and line losses.

I respectfully request that you deny the certificate of need Application for the CapX 2020 power lines.

Atina Diffley
Member of Citizens Energy Task Force
25498 Highview Ave.
Farmington, MN. 55024