

January 4, 2022

Via E-Filing

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

**SUBJECT: Great River Energy and Nexus Line, LLC's Joint Request for Partial
Transfer of Legacy Construction Permit, Docket No. ET2/TL-21-434**

Dear Mr. Seuffert:

Great River Energy and Nexus Line, LLC (Nexus) (collectively, the Applicants) provide this brief letter to inform the Commission of three commercial updates relevant to the Applicants' request to partially transfer the legacy Construction Permit.

First, in the Applicants' October 8, 2021 Compliance Filing, the Applicants committed to notifying the Commission of any material modification of the Operations and Maintenance Agreement (O&M Agreement). Consistent with this commitment, Nexus and Great River Energy hereby inform the Commission that they have agreed to extend the term of the Agreement from ten (10) to twenty (20) years. Following approval of the Partial Transfer and closing of the Transaction, Great River Energy will continue to operate and maintain the HVDC facilities, as it does today, serving as the O&M provider for a 20-year term, providing extended assurance of compliance with the Construction Permit and good utility practice. All other material terms of the O&M Agreement remain the same. A copy of the Amended O&M Agreement is included at **Attachment A**.

In addition, in recognition of the Commission's and Clean Energy Organizations'¹ interest in future use of the HVDC facilities and Great River Energy's continuing commitment to achieving its renewable energy goals, Great River Energy and Nexus have agreed to allocate up to 400 MW of capacity on the HVDC facilities to Great River Energy. This capacity will be used to support the delivery of 400 MW of wind energy to Minnesota to serve Great River Energy's members' load. This will be accomplished by REC agreeing to allow Great River Energy's selected wind developer to apply for and use a portion of Coal Creek Station's interconnection rights under the Midcontinent Independent System Operator, Inc. (MISO) interconnection service known as

¹ The Clean Energy Organizations include the Minnesota Center for Environmental Advocacy, CURE and the Sierra Club.

"Surplus Interconnection Service." Under Surplus Interconnection Service, a new 400 MW wind facility will have the right to use Coal Creek Station's existing interconnection rights to deliver wind energy to the Dickinson Substation in Minnesota – essentially displacing energy from Coal Creek Station when the wind facility is delivering energy over the HVDC facilities.² While contractual arrangements still need to be finalized, Great River Energy expects to enter into a long term power purchase agreement, with a developer of a 400 MW wind energy facility to be online on or before December 31, 2025.

Finally, Nexus is pleased to provide the Commission with an update related to advancement of carbon capture at the Coal Creek Plant. The North Dakota Industrial Commission for the Clean Sustainable Energy Authority has awarded REC a grant contract of \$7 million, and REC committed over \$7 million in matching funds, solidifying its dedication to pursue carbon capture and storage at the Coal Creek Plant and complete the necessary feasibility study, which is the next step in that process.

Great River Energy and Nexus appreciate the opportunity to provide this update to the Commission in advance of its January 6, 2022 agenda meeting.

Dated: January 4, 2022

Respectfully submitted,

FREDRIKSON AND BYRON, P.A.

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² Under Surplus Interconnection Service, the total amount of energy delivered to the point of interconnection cannot exceed the interconnection service level in Coal Creek Station's generator interconnection agreement.