

**STATE OF NEBRASKA  
NEBRASKA POWER REVIEW BOARD**

IN THE MATTER OF THE APPLICATION OF )  
THE PUBLIC POWER GENERATION AGENCY, )  
HEADQUARTERED IN HASTINGS, NEBRASKA, )  
REQUESTING AUTHORIZATION TO )  
CONSTRUCT THREE 115 KILOVOLT )  
TRANSMISSION LINES ASSOCIATED WITH )  
THE WHELAN ENERGY CENTER UNIT #2 )  
GENERATING STATION NEAR THE CITY OF )  
HASTINGS, ADAMS COUNTY, NEBRASKA. )

**PRB-3555**

**ORDER**

ON THE 21<sup>st</sup> day of March, 2008, the above-captioned matter came on for consideration before the Nebraska Power Review Board (the Board). The Board, being fully advised in the premises, and upon reviewing said application and all evidence presented to the Board at said hearing, HEREBY FINDS AS FOLLOWS (references to testimony are designated by a "T" followed by the transcript page, then the lines upon which the testimony appears, while references to exhibits are designated by "Exh."):

**FINDINGS OF FACT**

1. That on the 10<sup>th</sup> day of January, 2008, the Public Power Generation Agency (PPGA) filed an application with the Board requesting authorization to construct three 115 kilovolt (kV) transmission lines totaling approximately 7.5 miles in length in Adams County, Nebraska. (Exh. 1). The application was designated "PRB-3555".

2. The estimated total cost of the three lines is \$1,500,000. (Exh. 1, page 3).

The PPGA estimates construction of the transmission line would be completed by the end of May 2009. (Exh. 1, page 3).

3. That the membership in the PPGA is comprised of the following power suppliers: City of Grand Island Utilities, City of Hastings Utilities, Heartland Consumers Power District of Madison, South Dakota, the Municipal Energy Agency of Nebraska, and the City of Nebraska City Utilities. (T12:20-25; Exh. 1, page 3). The PPGA is a joint action agency created under the authority of the Nebraska Interlocal Cooperation Act, Neb. Rev. Stat. §§ 13-801 to 13-827, specifically for the purpose of constructing and operating the Whelan Energy Center Unit 2. (T12:16-19; T13:13-14).

4. That those power suppliers, other than the applicant, that the Board deemed to be potentially affected by or interested in said application were the City of Grand Island, the City of Hastings, the Heartland Consumers Power District, the Municipal Energy Agency of Nebraska, the City of Nebraska City, the Nebraska Public Power District and the Southern Public Power District. Written notice of the filing of the application and the hearing date was provided to these potentially interested parties and the PPGA via certified U.S. mail. (Exh. 3).

5. Notice of the filing of the application and the hearing date was provided to the general public by publication in the Hastings Tribune newspaper on Tuesday, January 22 and Monday, February 4, 2008 (Exhs. 4 and 5), and in the Omaha World-Herald newspaper on Tuesday, February 5, 2008 (Exh. 6). Both publications are legal daily newspapers serving the area where the proposed transmission lines would be located.

6. That no Petitions to Intervene, written Protests, or Complaints were filed with the Power Review Board concerning this application.

7. That on February 21, 2008, the Board commenced the formal hearing on PRB-3555.

8. That Consent and Waiver forms were offered and accepted into evidence at the hearing before the Board, as provided by law and the Board's Rules of Practice and Procedure, whereby the City of Hastings Utilities, the Nebraska Public Power District, and the Southern Public Power District consented to the approval of PRB-3555 and waived a hearing and any and all notice in the matter. (Exhs. 7, 8, and 9, respectively).

9. That in December 2004, the Board approved an application filed by the PPGA to construct Whelan Energy Center Unit 2, a 220 megawatt coal-fired generation facility located near Hastings, Nebraska. (T12:7-12). The purpose of the transmission lines involved in PRB-3555 is to provide transmission services to connect the Whelan Energy Center Unit 2 to the transmission grid. (T12:12-14).

10. A transmission study was performed by the Nebraska Public Power District and the PPGA to determine what transmission assets were needed to best serve the purpose of connecting Whelan Energy Center 2 to the transmission grid. (T12:14-16; Exh. 1, pages 10-13). The study concluded that the three 115 kV lines in PRB-3555 were needed in order to move the power resulting from the Whelan Energy Center Unit 2 and interconnect it with the grid, which would result in enhanced system reliability in the region known as the Mid-Continent Area Power Pool, or MAPP. (T15:25 to 16:11; Exh. 1, page 11).

11. There are currently no transmission lines in the area surrounding the location of the Whelan Energy Center Unit 2 capable of moving the electricity generated by the new facility. The three 115 kV transmission lines currently located in the area are dedicated to moving the power created by the existing Whelan Energy Center Unit 1. There is also a 220 kV transmission line to the west of the Whelan Energy Center Unit 2, which is owned by the Nebraska Public Power District. That line is used to move power north from the area near Hastings. That line also has insufficient available capacity to move the power resulting from the Whelan Energy Center Unit 2. Without the addition of the transmission lines involved in PRB-3555, the output from the Whelan Energy Center Unit 2 could not be moved to the Hastings area or interconnected to the state's transmission grid. (T14:19 to 16:11; T16:21-25; T29:18 to 30:12).

12. One of the three lines proposed in PRB-3555 will connect the Hastings Energy Center Substation, located near the Whelan Energy Center Unit 2 site, and the Hastings-NPPD Substation, located to the southeast of the City of Hastings. (Exh. 10, pages 7 and 8; Exh. 14). This will be referred to as "Line 1" for purposes of identification. Approximately half of Line 1 will have an underbuilt 34.5 kV line to replace an existing 34.5 kV line that Southern Public Power District has in the right-of-way to be used for the new 115 kV line. (T21:5 to 24:16).

13. The second of the proposed lines will begin at the Hastings Energy Center Substation, proceeds south approximately one mile, then west one-half mile, then south one-half mile, and then angles to the northwest and connects with the Hastings-NPPD Substation. (Exhibit 10, pages 7 and 8; Exhibit 14). This will be referred to as "Line 2"

for purposes of identification. Part of the infrastructure for Line 2 already exists. Approximately two miles of this line would be reconductored, while approximately one mile would be new construction. (T25:10 to 27:18; Exh. 10, pages 7 and 8). Splitting the transmission system within a mile of a generating plant conforms to MAPP rules designed to reduce the system's susceptibility to storm damage and provide options for outage situations. (T25:18-25).

14. The third of the proposed lines will consist of approximately 3.5 miles of new line that will connect what is known as the Hastings Bypass Substation to a new substation known as the "Hastings North Substation" that will be owned by the Nebraska Public Power District. The Hastings North Substation will be located approximately three miles northeast of the City of Hastings. (T30:16 to 31:2; Exhibit 10, pages 7 and 9; Exhibit 15). Line 3 will allow multiple delivery points for the Whelan Energy Center Unit 2 output, so the power can be moved into and through the City of Hastings and on to the transmission grid. It also allows another route for power to be supplied into the City of Hastings, if necessary, which increases the reliability of the transmission facilities in the Hastings area. (T34:2 to 36:3).

15. The three lines proposed in PRB-3555 will increase the reliability of the transmission grid not only in the Hastings area, but also in the State of Nebraska and the region. (T44:3-23).

#### **CONCLUSIONS OF LAW**

16. Pursuant to Neb. Rev. Stat. §§ 70-1012, 70-1013, and 70-1014, the Board has jurisdiction to conduct a hearing and either approve or deny an application for

authority to construct a transmission facility located in the State of Nebraska, but outside a power supplier's service area. Such approval is required prior to commencement of construction of facilities such as those described in application PRB-3555.

17. The Board concludes that the evidence shows the proposed transmission lines will serve the public convenience and necessity.

18. The Board concludes that the evidence demonstrates that the PPGA can most economically and feasibly supply the electric service resulting from the proposed transmission lines.

19. The Board concludes that the evidence demonstrates that the proposed transmission lines will not unnecessarily duplicate other facilities or operations.

20. That based on the foregoing findings, the PPGA is entitled to an Order approving the construction of the transmission lines described in application PRB-3555.

### **ORDER**

That during that part of its February 21, 2008, public meeting held subsequent to the hearing on application PRB-3555, a majority of the members of the Power Review Board (5 yes, 0 no) voted in favor of a motion to approve application PRB-3555.

IT IS THEREFORE ORDERED by the Nebraska Power Review Board that, pursuant to the Board's action taken during its public meeting held February 21, 2008, application PRB-3555 for authorization to construct three 115 kV transmission lines

totaling approximately seven and one-half (7.5) miles in length in Adams County,  
Nebraska, and hereby is, APPROVED.

NEBRASKA POWER REVIEW BOARD

BY: Don Kohtz  
Don Kohtz, Chairman

DATED: 4/1/, 2008.

## CERTIFICATE OF SERVICE

I, Timothy J. Texel, Executive Director and General Counsel for the Nebraska Power Review Board, hereby certify that a copy of the foregoing **Order** in PRB-3555 has been served upon the following parties by mailing a copy of the same to the following persons at the addresses listed below, via certified United States mail, first class postage prepaid, on this 7<sup>th</sup> day of April, 2008.

Gary Mader  
Utilities Director  
City of Grand Island  
P.O. Box 1968  
Grand Island, NE 68802-1968

Marvin H. Schultes  
Manager of Utilities  
City of Hastings  
P.O. Box 289  
Hastings, NE 68902-0816

Mike McDowell  
General Manager  
Heartland Consumers Power District  
203 West Center Street  
Madison, SD 57042-0248

Gary Stauffer  
Executive Director  
Municipal Energy Agency of Nebraska  
P.O. Box 95124  
Lincoln, NE 68509

LeRoy Frana  
Utility Superintendent  
Nebraska City Utilities  
P.O. Box 670  
Nebraska City, NE 68410-0670

John McClure  
General Counsel  
Nebraska Public Power District  
P.O. Box 499  
Columbus, NE 68602-0499

Gary Hedman  
General Manager  
Southern Public Power District  
P.O. Box 1687  
Grand Island, NE 68802

Bruce A. Smith, Esq.  
Woods & Aitken, LLP  
301 S. 13<sup>th</sup> Street, Suite 500  
Lincoln, NE 68508



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Timothy J. Texel  
Executive Director