

An Interview with  
MARK NISBET

Conducted by Marta Monti  
On  
June 19, 2015  
Xcel Energy, Fargo, Cass County, North Dakota

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Center for Science, Technology, and Environmental Policy  
University of Minnesota, Minneapolis

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**Marta:** Today is June 19, 2015 and I'm speaking with Mark Nisbet. How about we start with you telling me about your role with Xcel Energy?

**Mark:** Mark Nisbet, Principal Manager for Xcel Energy in North Dakota. I'm involved with the strategy, working with government relations, community relations, and the overall image and presence of Xcel Energy in North Dakota, as well as our border cities here....Moorhead, Dillworth, and Glinden.

So, I keep local officials apprised of what the situation was. I met with quite a few of the community groups to talk to them about what was happening, and why this was such a critical project for our region.

**Marta:** When did you start to do work on the CapX2020 project?

**Mark:** I was brought in very early on before any of the community meetings had started. I was brought in when one of the events that caused us to rethink the robustness of our transmission system here in North Dakota. We had an ice storm a number of years ago that sort of precipitated a deeper look at what our reliability was going to be. As the area continues to grow, the demand for energy is stronger. We're seeing western North Dakota that used to provide quite a bit of our energy now using more of the energy from that direction. We realized we needed a stronger transmission line to our facilities down in the Monticello area. Plus, with the growth of renewable energy in North Dakota, the opportunity to expand that possibility of exporting energy.

**Marta:** I understand that Xcel has two wind farms in the works.

**Mark:** Yes, the Courtney project and the Borders wind project, totaling 350 MW of wind energy in the state of North Dakota, so that's an exciting project.

**Marta:** Are either of those projects connecting to the CapX2020 line?

**Mark:** What we say nowadays is that it's a tough question to answer exactly where those electrons flow, but it's all part of the integrated grid, so absolutely this enhanced transmission line will make a difference and allow for an increased export of wind energy. To me, that's pretty important. I play a role in North Dakota empower commission ([website here](#)) wanting to export more energy, but we quickly realized there was a limitation based on transmission. So this is one of the solutions to that bottleneck we were experiencing in the past.

**Marta:** Let's talk about the mix of generation in North Dakota. How that's changing?

**Mark:** Yes, in North Dakota, we have been heavily dependent on coal in the past, and it coal is still going to play a big role here, but what other states are asking for is renewable energy, and so the fact that we're sitting on a very strong wind resource here in North Dakota but only have about 650,000 people here, if the state was going to grow its energy portfolio, we needed to be able to export that energy to other states that are looking for wind energy, getting ever more cost competitive.

**Marta:** What sorts of policies and regulations are driving this?

**Mark:** In North Dakota, what's driving this, we have a North Dakota Transmission Authority that recognized, that did a lot of the studies in conjunction with the North Dakota Public Service Commission (PSC), recognizing that there are changes on the transmission grid, and with MISO (Midcontinent Independent System Operator), we are more interdependent than ever. So the biggest change was recognizing the fact that if we were going to grow, we needed to strengthen the transmission. And to have that transmission authority in place, and to have tax policies that acknowledge that it's a huge capital investment. And the state of North Dakota was willing to participate by making sure our tax rates were competitive in the state. So North Dakota itself as a state played a role in making sure this could happen.

**Marta:** What is it like working within 2 different states, 2 different state governments on the same project?

**Mark:** I think on transmission the states were of a like mind. Both states wanted to move this forward. There are benefits for both states in this, so this is one of the areas that I was very pleased. The end result was going to be important to both states, but as always you have to cautions in working with 2 entities. We worried about "do you start from the end or the beginning and where do we have the river crossing?" Even something as seemingly routine as that could be cause for a snag.

And working with the communities too, recognizing what they believe their growth patterns will be. The fact that everybody knows that electricity is a major part of our modern world, but there is that reluctance to have a transmission line sited right next to your housing developing. So the regulators in North Dakota play a role in that, and we worked very hard to minimize the conflicts. In fact, we changed the route a couple of times....we jogged around a local airstrip here for safety reasons. Also had some lengthy conversations with the neighborhood that worried it was going to change things in their life, but it ended up, in my mind, far enough away from their subdivision, and the regulatory rulings backed that up.

We picked a pretty good route, minimal impact. We didn't have to have a lot of condemnation proceedings. In fact, in North Dakota we didn't have any, we were able to come to a conclusion with all of the landowners.

**Marta:** With a line doesn't come too far into North Dakota, I wouldn't imagine there would be too many.

**Mark:** They had some Buy the Farm cases in Minnesota...there were a few things going on, yes. They had some challenges, and it's also partly my understanding that if we had somebody that was just adamantly opposed to it, we did look for an alternate route, or, we treated them very fairly on the financial compensation.

**Marta:** Does that work differently in North Dakota than in Minnesota since there is no buy the farm here?

**Mark:** Right, it does work differently. But that doesn't mean.....we sort of approach it in the same fashion. That was the view of this....the numerous meetings that were held, trying to get information to people, comparing it to some of the battles that took place back in the 1970's when there was a major transmission line. I had college roommates who had the worst summer jobs of their life, patrolling the corn fields looking for the people who were going to be cutting down transmission towers. In comparison, we just really did a very good job of communicating. We held meetings anytime anyone wanted one. We went to all the service clubs that ever asked us about it. We had some videos. We had some interesting technology. Did a lot of work in the wintertime so we didn't alienate the farmers who were good enough to give us access to their land, or easement for the transmission.

I think the idea too, that coming across Minnesota in the recessionary time period is important because jobs were created. I think a lot of people had family members working on the line, or were a supplier, so we had a big impact. It was a major construction project during that timeframe.

**Marta:** It's interesting the stories I've been hearing from the last major build out to now, Xcel has changed a lot, as is anyone building high-voltage transmission lines, but there really is a lot more response to the landowners.

**Mark:** Yes. To the landowners, to the environmental. The use of those big plastic mats so we weren't leaving ruts in the field, chewing it up for the farmer. Or nature lovers didn't see tracks through some of the environmentally sensitive areas. I think that was important. I think it's important that one of the things we do is give credit to the engineers...conductors only strung on of the sets across arm so we could double the size of this project if the growth continues and the

demand for energy continues to keep pace. So, some of those things that people realized we were working very hard to minimize the impact, or to only have to do it once so we wouldn't be back bothering them down the road.

This use of the helicopters. I think people identified with that, that a unique way of trying to get it done on-time and on-budget. Some of those things really made it an interesting project to talk about. The communities, of course, and our employees all sleep better knowing that we have this very robust transmission line in here. If we see storms coming, the odds are very good that we're going to have one source or the other still available to us.

**Marta:** And it puts the burden on you to do it. Construction in the middle of the winter up here is not an easy feat.

**Mark:** You're right, it isn't always easy, and to schedule the project in such a way to take advantage when the weather was decent. At any rate, I'm proud of the guys who worked on the project because they worked really hard. We didn't hear of, often times there are complaints about construction crews coming into town, and might not treat it like home, but we just didn't seem to have any type of that impact here.

**Marta:** One of the interesting things I learned from speaking with someone from the PMO (Project Management Office) is, speaking of construction, and sourcing suppliers, is that one advantage to all of these projects together is that you are purchasing so much. At the same time, these are still kind of separate lines in the sense that you want the same materials.

**Mark:** We gained a lot of knowledge from the project and the initial team that set it up...I think it was a breakthrough to have 11 utilities come together to pick those high priority areas to work on, and then to continue to improve the process of the build out, and looking for the most cost effective way to do it. I think that's one of the things. The massive scope of the project and the fact that 4 or 5 different areas that we were building lead to the use of the most productive methods.

**Marta:** Was that challenging for this line up here? Were there times you needed materials but they were spoken for by another project?

**Mark:** No, it really didn't. I shouldn't say that, because by the time it got here, they sort of knew who they were looking for, they knew where the prices were going to come in on, and so I did not hear of bad things. I did hear from happy people who were providing supplies to it. I didn't hear from anybody saying we didn't get a fair shake. I'm in one of those positions where if a local supplier says that you didn't give us a chance, I usually hear from them. I heard from the people at Border States electric, for example. They had been involved with the project. Knife

River providing concrete, talked with some of their people, and they were pleased to be involved. Some of the specialty engineering firms. So, again, I'm one of those guys who was benefiting by the good work done by the project team, because a minimal amount of complaints in my community and my area.

**Marta:** Well let's keep talking about all these happy people. I saw the list of meetings, and you're right, it's just one after the other--at every step of the process. How effective were those meetings? Did they truly reach everyone you wanted to?

**Mark:** Well, I wouldn't say they reached everyone. Some people have it in their subconscious they know it's coming, but until it's imminent, they aren't really engaged. So, there were some surprised people, but again we handled people that had been part of our...I would say our community affairs....dealing with customers. We had people instead of hard-balling them and using a take-it-or-leave it approach, we asked what it would take, or what asked what their concerns were. We would say "Let's sit down across from you at the kitchen table if you really have something on your mind." The good part, we had the project going in other areas where they can visit with landowners too. So, yes, people are concerned if they get too close, but we searched so many different routes, I think we did a very good job of trying to minimize that conflict.

**Marta:** This might be a little technical, but as I was driving up, I saw a few different pole designs.

**Mark:** Some of those have to do the transition. If they're running in a straight line, each tower supports itself. But if you're making a turn or a corner or a dead end post, it has to be stronger and built more robustly because there are different forces involved. There are a couple places where, it might not even be the same line....because there are other transmissions that intersect and cross and under-build in some of the areas. I think the biggest thing is they engineer it based on the loads, and if there's a change in direction, is the biggest thing you're probably seeing.

**Marta:** That's what I thought. I also saw one that was by a wooded/water area, so I was wondering if it was a flyway or something like that?

**Mark:** It could be something like that.

**Marta:** There are a lot of new technologies employed in this project....matting, the imploding conductors for the connections, and using a helicopter. With the Fargo line, there were 16 highway crossings on 94. Could you tell me about the work does with MN DOT or ND DOT?

**Mark:** Well, the Minnesota DOT (Department of Transportation)...I'm in North Dakota, so I didn't have to do anything. But the idea, it's part of the news that was brought back to us by our customers here that were traveling to the Twin Cities, Minnesota DOT keeping the traffic flowing so they weren't stopping and gawking and causing accidents, but I think as far as a company, we made some good inroads with those people because...I talked about the fact that we can string a second set of conductors...well, cross some of the roadways, we've already done that, so we wouldn't have to have that type of serious involvement again. We didn't want the expense of stringing the conductor the whole way, but in areas where it would involve the extra work by the highway control or Minnesota DOT, we went ahead and did some of the pre-work. The biggest thing is that they were very supportive of the efforts, and both of us wanted to keep public safety in mind.

**Marta:** Sure. I know there were lots of mailers that went along with it.

**Mark:** And information at rest stops. I drove the route a number of times, and felt pretty comfortable about the help we were getting. The highway patrol presence if there was some particularly intensive work going on, they were there, and were part of the process. They had the information on the radios...we got great cooperation with the media as well to spread that message. It was an interesting enough project, and created enough buzz that people felt like they were a part of it, or that they had a role to play to make sure this massive project is going to keep moving ahead in a safe a method as possible.

**Marta:** What about...I understand the constraints when you can't always build a line parallel to a highway....sometimes there is no highway. What are your thoughts about running lines along highways? Is it more challenging to work with DOT's *and* landowners?

**Mark:** I would probably agree (that lines should go with highways), and I've been involved with some of the conservation groups too...in their mind, the highway is already degraded that area, it's never going to be a habitat for some of the native birds, so to speak. So then if we sort of concentrate in an area that's not especially suited for the native habitat, we are minimizing the impact we have. Some people might argue that more people see it and it's more bothersome there.

But part of it is access, too. If we were to have a natural disaster, it's easier to get to an area where you can stage-off a major road like that. A number of advantages to it. The right-of-ways are fairly well established in some of those areas. I tend to believe that you'll see more of that in the future instead of less.

**Marta:** That was my next question, is if having those right-of-ways already established makes it easier?

**Mark:** Yes, it did. I consider it the right decision, plus it gave a lot of our local customers a reason to talk to us about the project so by the time it got here, they understood it was coming, and had asked questions, and had seen even people whose land it wasn't going to impact were very interested in the project.

**Marta:** Why were those people interested?

**Mark:** They were just wondering, "how do you build something of that scale and magnitude? How do you keep a project on track like that? Why is it needed? What's the point of it? Who's doing it? Are you involved with it?" Just one of those things, in general people like to see signs of progress, and in this part of this world recognizing that we are growing, and that we're doing a good job of keeping up with their needs. It was a good conversation starter wherever I went.

**Marta:** Is it easy to convey the message that the lines are needed? I'm thinking of the people who are opposed because they think the lines are bringing wind to the East Coast.

**Mark:** That's one of the tougher things about how the world has changed, and in days gone by it sort of was a flow from the generating facility directly to the customers, but now with this integrated grid, it's just...you can't guarantee that your green electron is flowing from point A to point B. It is an integrated grid, and energy flows in and out depending on the need. Most people get it, but it is a little trickier. Their first thought is "well where is the generator at the end of that?" Well, it ends at a substation and interconnects to other transmission lines. It isn't a point A to point B.

**Marta:** Let's talk more about some of the environmental impacts and some of the groups that you regularly work and interact with.

**Mark:** The one thing I would say, the environmental impacts weren't as dramatic here. We were pretty much in developed farm land, so we were moving along and right next to farm to market type of roads, and well established that they are farming the land. In ND, it wasn't as much environmental issues as it was "how will this affect my family or my view". I do know the company as a whole really is committed to the process of being environmentally responsible. From everything I heard...again, I would get the backlash if we were problematic, or out there doing things that weren't acceptable.

I think, again, as far as the environment here, what's the environment for the producers on the land. Well, they're not out there in the winter time, so I think the fact that we punched the holes in the ground through the frozen ground, and leave literally no tracks as we left there...pour the

concrete, keep it insulated under wrap while the concrete was curing in the winter time, truly minimized that type of impact.

Even with the work stations that we had, we did have a little bit of a controversy where we were going to have a staging yard here. Well, the company didn't argue long about it. It would have been simpler to have it where here than there (where we wanted it), but when we found people that are our customers were worried that it might not be safe for their children, or it might be too noisy. So, again, the idea that we were very aware of what was going on around us, I would say that we weren't tone deaf. If we heard some issues, we acted on it. Because the scope of the project was so large, to pick fights wasn't going to be a very good way to go about this.

**Marta:** One thing I've heard with farmers, and most of the times they try to site the poles on a corner, or towards an edge...not running directly through the farm....but even so, there are still times when farmers can't get their farm equipment around. Have you heard of that? Is that an issue here?

**Mark:** Oh absolutely I've heard. In fact, I grew up on a farm, so I know anytime you're going straight and not avoiding obstacles, you're making better time. But, one of the things is, with our single pole structure--so you don't have the wasted space in between like you had with the H-structures like they used to. With the circular base they can come up very close and swing an arch to it. I would say, in comparison to some of the structures from the past, these new monopoles are easy for the farmer to work with. We do understand, and there's a certain amount of, just wasted time and slowing down to go around it. So yeah, I think we made a point at our dedication of thanking those people that did...recognizing inconvenience for them, but when this whole region is depending on electricity...when we're coming together as utility providers, people recognize that if you want the modern infrastructure and reliability, there will be some trade-offs along the way.

**Marta:** On my drive up the other day, I was surprised at how close some of the crops were planted to the poles, and I even saw some cows grazing literally right next to the base. How does that work--with crops. If the pole needs to be serviced, isn't the point of the easement so that land isn't used for farming anymore?

**Mark:** Actually, we're envisioning that it might be minimal service. We're talking about unmanned aerial systems to inspect the poles, and going back with helicopters and avoiding, in most instances, having to have access to those poles or tramping through the farmers' fields. The attempt is that it is a robust enough system so there will be minimal on the ground foot traffic.

**Marta:** This is the first I've heard of this. Is this a brand new development? Was this something that was communicated to the landowners from the get-go?

**Mark:** Well, it was known and has been done in other parts of the country, but I would say it is new to the Upper Midwest. It's been awhile since we've had a major buildout to this effect, so yes, we've had the benefit of...and our company has always built stuff, that's what we do, so we're pretty proud of the talent that we had on hand and the talent that we developed doing this, so we're looking for those new engineering techniques that would simplify the process.

This is a personal plug, but my current boss was one of the originators, and she was a nuclear engineer prior to this....we put smart people on the project that understood how critical it was to our companies future and our customers safety and reliability.

**Marta:** Were landowners told this?

**Mark:** Yes, it was part of it. The one thing that would make a difference compared to the transmission lines of the 70's when people were protesting...those were DC lines, those were directly from a power plant to a market and they felt that their communities weren't benefiting. This is benefiting this whole region. There are substations, smaller offshoot lines, so the benefit is to a lot of the municipalities and the local coop's. It was more of a broad-based effort, and people did recognize that if you looked around your home at the things that run on electricity nowadays, people are coming to believe it's a necessity.

**Marta:** How much do you encounter people that feel that there will be health impacts to this? Either to themselves or, if they are farmers, to their livestock?

**Mark:** I wouldn't want to minimize that, and I know there has been talk in areas about dairy being impacted. Through this area, it isn't a dairy region, so I haven't heard that. Again, if you visited with Commissioner Kalk, there are some pretty stringent rules about the distances. So, nobody is right underneath the line. Even when we're talking close....I better not quote the exact distance, but I think it's 500 feet. I personally didn't have to hear much about that.

I believe that it isn't a major impact. Where you've heard about that is if the grounding was improper, and if it's in a wet area, you might get stray voltage.

**Marta:** Well, let's shift to talk a little about CapX2020 specifically. What are the advantages to having 11 utilities work together on a project like this?

**Mark:** Well, the advantages are because it an integrated grid, we shared information. We all count on each other in times of storms and crisis. If somebody doesn't hold up their end of the bargain, it can end up impacting everybody. So, more and more we are realizing we are interdependent, interconnected, and I think it's going to pay some dividends down the road. The

fact that we had these 11 utilities together means we might be together talking about other projects. If we're trying to attract economic development opportunities that might be too big for one utility, could we do something as a joint effort? Those type of discussions have popped up. If we can do this together, what else is possible? Can we drive down the cost of some of the supplies? Can we utilize...speaking of renewable energy...what do we know about the weather...if we're over a broader region, do we have less variability of the wind? I think the real key is that it seemed to be very effective, successful, and we won't partner on everything, but there's a potential we could go forward.

**Marta:** Had this line just been an Xcel line, do you think you would have had the same success?

**Mark:** I don't believe so. It was awfully nice across rural areas...a lot of times we don't serve the rural areas. Those are where some of the coop's are. So it was nice, in Minnesota, Xcel Energy is maybe seen as the 800 pound gorilla, so people say "they're doing well without my help"...but when you start taking a look across the broad spectrum, some of the municipalities, some of the coops...working for the bigger utility, I would say yes it didn't hurt us to be able to point out that we are benefiting a lot of people from this.

**Marta:** Is there anything else that landowners would bring up that I haven't asked about?

**Mark:** I think the farming issue was a big one, I think some of the people...actually, the farmers were very good. If we had a few people, it was the people who were passionate about having moved out of the city and wanted a scenic vista, and they were there specifically because of the bucolic natural environment. With some of those people, it was an emotionally hard for them to adjust to it. I think farmers understand that there is that interconnection...you're part of the land but you're not the sole owner of it, other things go on around you and impact how your life is lived. I was overall very pleased with the mature way most of the landowners addressed this.

**Marta:** I don't know how much distributed generation comes into your daily discussions, but is that part of the discussion up here?

**Mark:** Yes, it's absolutely on the radar. I believe that we're nimble enough that we will be part of that discussion, and we will play a role because of the expertise that we have. But even with that distributed energy, it's our belief that the grid is what's going to make it possible. We're not at the point yet where, yes, it would be nice to have solar or wind or whatever else they're going to use...without the grid, they'd have a hard time moving forward on those alternative sources. It will be up to us....that was one of the reasons to have a high-tech line like this that really is bringing our equipment up to the point where customers are going to be comfortable enough with our reliability that they aren't looking to replace us with generation on-site. If we have our

customers in power for all but just about an hour a year, is one of the things we quote....and average customer had power for all of the year except maybe that one outage for an hour.

So yes, we hear about it, and that's why we believe we have to have a very reliable cost-competitive product. I do think it's far enough down the road that it was timely to build this line, and it wasn't at the point where distributed generation was enough of a worry that we would pull back from this project. (Marta and Mark laugh....loudly)

**Marta:** That would be something! Well, that exhausts the questions that I have for you. Is there anything I didn't ask about, but should have?

**Mark:** I think the only thing I would say is, spend enough time with...I know it's fun to come out and talk to us, but hopefully you'll get enough of a flavor about what went into hammering out that partnership, and what sort of dynamics were there. I felt like by the time it got to me, they had done a lot of the hard work, and were coming in with a good project that made me pretty pleased to represent it out to the public. It did not have that heartache along with it where I dreaded going out. There were enough good things to talk about that my public appearances were pretty positive.

**Marta:** Well, I think that is a testament to the project.

**Mark:** Also, I imagine Commissioner Kalk shared with you that it wasn't unanimous on the siting even within the regulatory body, so I appreciated....but, they did it in a professional way. They visited with the landowners, they tried to get as much information as they could. They weighed the concept of the benefit to the whole vs the inconvenience. And is it an inconvenience, or was it a safety issue? If it was a safety issue, they erred on the side of changing the route. If it was just the fact that it affects people's morning view while they have a cup of coffee, well, in the end that's maybe one of the sacrifices we all make in a modern world. I was pleased with the effort our regulatory people put into it, as well as the local communities. The county had a role in making sure that if the county commissioners are of the belief that it's a good project and were engaged and interacted, it seemed like it got off on a good start that way. We had attentive county commissioners that understood what we were trying to accomplish.

**Marta:** Thank you so much for your time today, Mark.

**Mark:** My pleasure, thank you.

