

An Interview with
BEN PORATH

Conducted by Marta Monti
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Dairyland Power Cooperative, La Crosse, La Crosse County, Wisconsin

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Marta: Today is March 2, 2016, and I am speaking with Ben Porath at Dairyland Power Cooperative. Let's start from the beginning. Do you remember when you and Dairyland began hearing about the CapX2020 group and the discussions they were having?

Ben: Yes I do. I probably wasn't directly involved until a little later on.

Marta: What do you remember hearing?

Ben: Well, probably before the rumblings of a group getting together, at least for how Dairyland Power started in this, is our transmission planning engineers were looking at the La Crosse area. Western Wisconsin is where most of our customer demand-or load-is, so we were looking at what kind of fixes or reinforcements did we need to do in the La Crosse area to our lower-voltage system.

The way transmission planners work, is you don't work in isolation or a bubble. You talk to your neighboring transmission owners, because if you're going to study something, you want to make sure everybody is looking at the same things, because maybe there is a bigger solution to someone's problems because other people are looking at their area too.

So I know we were looking at the La Crosse area and the 161-volt network and what needed to be done to it. I think at that time we talked to folks over in the Rochester area at Rochester Public (RPU) Utility...so, our transmission planner, Gerry Iverson, talked to RPU's transmission planner, who was Scott Nickles at the time I believe, and found out that RPU was looking at reinforcements in the Rochester area and what was needed. What we talked about was if we do something in our area that is lower-voltage and fix our area, and if they did something that is lower-voltage to fix your problems, that would be good but it wouldn't last very long and then we'll all be doing something later on to fix it. And then the concept came up that maybe we should look at doing a bigger project, and fix both areas. So that was kind of one of the early genesis of the idea...probably Xcel Energy was looking at this issue too, but that was one of the first times when Dairyland was having the conversation with RPU about doing something in the Twin Cities down to Rochester and then down to La Crosse, and maybe even farther, because we could fix a lot more problems. That's how we started to get involved to see the benefits of the CapX project in our area.

Marta: Do you normally build high-voltage lines, or do you mostly construct lower-voltage distribution lines?

Ben: Historically, the highest voltage Dairyland owns and operates is 161 kV, which is mid-level transmission. When you start talking 345 kV like the CapX projects, that's the superhighway of

transmission. We hadn't owned or operated any of that prior to the CapX project. We were just looking at fixing the underlying system, and it came up..."if you put a superhighway in, that might fix everyone's problems for a lot longer time."

Marta: Was that a challenge to change to working on a higher-voltage project?

Ben: Absolutely. We are a relatively small player in the utility industry. If you know anything about coops, we're a rural electric cooperative, so we are serving the rural farmlands and the hinterlands. One of the jokes in the coop world is, "We have all of the territory, but none of the customers." So are trying to get energy out to the dairy farmers in Wisconsin, cabin folks up north, and so to take on a major 345 kV project...those are big projects that are very expensive...we don't have the wherewithal to take on a major regional transmission project on our own. Probably RPU doesn't either, but if we get together and talk about it, well maybe the two of us could, but even then if you're talking about building from the Twin Cities to Rochester-La Crosse, Dairyland and RPU don't have the wherewithal to do it. So then you have to bring in the big Investor Owned Utilities (IOU) and start talking to them about a regional project. So that's one of the major challenges, is do we have the scope by ourselves to do a major project like this? No, we probably don't. We need to work on a regional basis with the other regional utilities.

Marta: Do you remember when Dairyland became a part of the conversations with CapX?

Ben: Probably in that 2004-2006 timeframe when CapX was getting going as a coalition of the Minnesota load-serving utilities. We have a little bit of customer demand in Minnesota, but primarily we are in western Wisconsin, a little bit in Iowa, a little bit in Illinois. So, probably the transmission planners started talking about a bigger initiative going on, do you want to be part of it. Of course we said, well sure we'd like to be part of that because that sounds like a better way to do it than everybody doing their own individual small fixes.

Marta: Did Dairyland work on some of the technical studies--like the Vision Study?

Ben: Dairyland's transmission planners were involved in the planning aspects. We talked with RPU about doing something between Rochester and La Crosse, which then probably led to conversations with Xcel's transmission planning engineers about doing something on a bigger, more regional basis.

Marta: The Vision Study employed a new technique called scenario planning as it looked at the region's needs. What are your thoughts on this new approach?

Ben: Back in the early 2000s when this was getting going we had a major paradigm shift in the industry because the RTO--MISO--was formed. So instead of utilities doing their own planning in their own area working with a couple neighbors, regional transmission organizations acted as the umbrella, looking at things. Then of course you have all of the generation interconnection queue of things, all this renewable generation that is looking to go into different areas. So you have MISO looking at it, but then you have the utilities. MISO top-down planning, utilities bottom-up planning, meeting in the middle somewhere. So with this scenario analysis, we're not just planning for our own small regions, we're looking at a bigger region and what fits into a bigger mix. It was a very unique and innovative way to look at transmission planning, and trying to plan for the whole region and not just individual utility areas.

Marta: You mentioned generation, and I want to stay on this topic while we're here. What do the CapX lines mean to Dairyland's generation mix? Does it open the door for more variety?

Ben: Absolutely. Dairyland being a rural electric cooperative, we are heavily dependent on coal generation. Probably right now 80% or more of our generation mix is from coal. And we realize and we know and we've been working to diversify. We have some wind in the system. In 2016 we just signed some contracts that made the local news for 15 MW of solar generation. All of this new generation, this mix of looking at wind in the Dakota's or maybe wind in Wisconsin is all enabled by high-voltage transmission and the additional capacity. So yes, the CapX project will definitely be able to diversify our portfolio.

Marta: Are you able to meet renewable standards?

Ben: We've met the current standards through our existing renewables, but the renewable portfolio is changing. We had been invested in a biomass project in southern Wisconsin on the river, but that wasn't really...it was renewable, but it wasn't very clean because we are burning wood-waste. So that contract ended in 2015, so we're looking to replace a large chunk of our renewables going forward to 2016 and beyond.

I know we are always looking at wind projects and opportunities to get in on those. Right now we are looking at something in the North Dakota area, and we're looking at something in southern Wisconsin. Beyond that, we'll always need to be looking for more renewable opportunities. Projects like CapX will allow more renewables to get onto the system and provide more options.

Marta: What are some of the other challenges Dairyland faces to bringing more renewables into its mix?

Ben: Besides transmission? [laughing] Well, going back to transmission, one of the big problems that Dairyland has sustained over the years is transmission congestion--the Mississippi River being a major congestion point between the wind rich areas to the west in the Dakotas, Minnesota, Iowa to everything east where a lot of the load centers are. Our small system happens to sit basically up and down the Mississippi river, and transmission congestion has been a huge problem for us. We buy most of the energy that our consumers use, so when there's congestion created at the Mississippi river, we're paying a higher price to serve our customers over here in Wisconsin. Projects like CapX--and we've already seen the benefits of getting the segment from Rochester to the La Crosse area in service--we've already seen that help reduce the congestion impact, and we are able to buy energy on a more economic basis...more hours of the weeks, months, years.

What are our other challenges to renewables besides transmission? Well, price has always been an issue, but the cost of renewables has continued to come down, and that has helped make it more of a viable investment that doesn't impact rates to our end-use customers when we invest in renewables.

Marta: Alright, let's get back to our timeline here. What was your involvement in setting up some of the participation agreements?

Ben: I was Dairyland's Agreements Team Representative, yes, so I sat through all of those meetings up in the Twin Cities back in 2006, 2007, 2008. It was a multi-year process to set up the overall umbrella agreement of how this would all work.

Marta: What were your overall impressions of the process?

Ben: Overall it was very painful to be actually on the working group because there was so much work and it was so voluminous. But stepping back and looking at it from a higher level, it was a very unique opportunity for the utilities to get together and work together.

We did something here in CapX and the Upper Midwest that I don't think has been done probably anywhere else in North America where the major investor-owned utilities--the big utilities--got together with the smaller municipal and cooperatives, all sat down in the same room, and developed a transmission buildout jointly and cooperatively. That was very unique. We were happy to have an opportunity to be at the table and work on that, even though it was very painful to get it set-up and do it, it was a very unique and innovative way to develop transmission. We were really happy to have a seat at the table for it.

Marta: You mentioned you speak with your neighbors when working on new projects. Who had you worked with in the past? And who was new?

Ben: Historically we have always worked with Xcel Energy. We are heavily integrated with them in western Wisconsin. They serve the La Crosse area, Eau Claire, the bigger cities, and we serve the rural cities around them. We've always been heavily integrated with Xcel, and have a very good working relationship with them.

We've worked with the utilities in the Rochester area...Southern Minnesota Municipal Power Agency (SMMPA) and Rochester Public Utilities (RPU). We historically we are always a member of the Midcontinent Area Power Pool (MAPP), which was basically the CapX footprint. So we knew Great River Energy, we knew Otter Tail Power, we knew Missouri River Energy Services (MRES), we knew some of the other players, MN Power, but we really didn't have a lot of joint projects with them, so this was really an opportunity to work jointly with those utilities on the transmission side. We actually did have a joint plant generating unit with Great River Energy, so we worked with them on that, but this was the first time on the transmission side where we are heavily integrated and working together.

Marta: So the process was long.

Ben: [laughing] Arduous.

Marta: Arduous journey to make it through. Someone mentioned that it was a long process, but going down the line as the projects continue to operate, that's where the benefit of the contracts will come into play. What are your thoughts on that?

Ben: I agree with that, for the most part. The group of people who sat at the table to negotiate all this...we were colleagues. We've worked together for years. We could do things on a handshake deal because we know each other, but you turn over two or three generations from now with people that don't know why we did the things we're doing, why we got together to do them, how we did things collaboratively, it will be a good framework for people to work together in the future, and really understand what we did and why.

Marta: Taking the future into consideration, as well as the past, would you have changed anything about the process?

Ben: Yes it was worth it. If I could change things...If Ben Porath was in control of the world, I would simplify the agreements somewhat because, again, they are a good framework, but they are a very detailed framework, and maybe we don't need that much detail as we put in there. That will remain to be seen. The first time somebody gets into trouble, or there's an issue, then we will probably be glad we had detailed agreements.

Engineers and front-line folks that are working on projects, you never appreciate the lawyers and the legal agreements until something bad happens, and then you're glad they are there. As long as everything is going good and everybody is working well together, then you scoff at the legal agreements. But the day something bad happens, we'll be glad they are there.

Marta: How about the voting structure. What did it mean to Dairyland, as a smaller player compared to Xcel, to have been able to set up a structure that did not solely take into account size?

Ben: Of course we always appreciate that. It's never good to be the smallest player in the room and have your interests or concerns run over by others that can veto you at a whim, or take their interests into account over yours. The fact that we set up these sophisticated voting rights so that small players actually had the right to have our voice heard if we had a really concerning issue, it was very important for us, so we really appreciated that.

Marta: Did that prove to be useful?

Ben: Actually, we haven't had to exercise a contentious voting right yet, again because we utilities have worked pretty well together. This is the first time that we've done it in such a formalized structure. In our project, the Hampton-Rochester-La Crosse, the management committee and the voting as all went very well because Xcel has done an excellent job of managing the project. We all know each other, we've all worked well with each other. All the decisions that have been made to date have been very reasonable, logical, intuitive. So we haven't had to exercise any of the tough voting 2-to-1 or 3-to-2 against somebody.

Marta: Something that we skipped over before is the 2005 legislation in Minnesota. I know that Dairyland was not really affected by it, but it was really important to the IOUs to enable them to recovery costs. Do you have any thoughts on how you were tangentially impacted by them?

Ben: Our government relations folks were probably involved in those discussions. We supported it, because the IOUs getting cost recovery helps enable all of this. Dairyland as a cooperative, we don't go to the Public Service Commission and ask for a recovery of rates, we go through our own board of directors. We were cheering from the sidelines for the legislation, but we weren't directly involved.

Marta: Were you involved in the poker chip exercise?

Ben: Yes, I was involved in that. It was a unique deal to try to figure out who got what percentage of what project. In our project, Dairyland turned out to be an 11% owner of the 345 line. We do have do have a lot of customer demand around the Rochester area and around the La

Crosse area and in between, so we could really tie the exercise into that we are about 10% of the load in the region and we got 11% of the project. It really was a tie-in from the old traditional way of load-ratio share and load impact more than a poker, but it was fun to participate in the poker chip exercise. But we tied our poker chips to our load, and it was good for us that way.

Marta: Were there any other projects you were interested in?

Ben: Probably just this one. When you get west of the cities that is too far removed from our customer base. We had an opportunity to invest in the Big Stone South-Brookings. That might have been an interesting one to have an opportunity to invest in because of the MISO MVP status, but not something we would have pushed for unless it was an open subscription, because again, we don't have any load impacted that far west.

Marta: Did it seem like everyone got what they wanted?

Ben: Absolutely. It was a pretty fair process. It turned out to be a logical process. Again, I'm looking at it just from the Hampton-Rochester-La Crosse project standpoint. What happened at the Brookings project or the Fargo project, I'm glad it worked out for those utilities, but we didn't really focus as much on theirs.

But again, it was a fair process. One of the things that surprised me the most in our project is WPPI energy showing up, because traditionally they didn't own or operate transmission. That was a new one for them to be able to get in. They had a lot of load in the region, but they never owned transmission, for them to actually get an opportunity through this fair and open process, it's really a vindication of how well the process worked. At least in our project.

Marta: And that allowed them to become transmission-owning MISO members, correct?

Ben: Yes, because now they actually have transmission ownership.

Marta: I know you weren't the project manager, but what was your involvement in the permitting process, if any?

Ben: As the Dairyland Agreements Team Representative, and then I rolled into the Dairyland Management Committee Representative for our specific project, yeah, I was always tangentially involved in all of these processes. Not so much necessarily the Minnesota Certificate of Need (CON) and routing process because that came really early in CapX, but more the Wisconsin CPCN (Certificate of Public Convenience and Need), *and* the federal permits.

We are a borrower from the Rural Utilities Service (RUS), which is a department of the US Department of Agriculture, so federal government. So when it came to crossing the Mississippi River, there needed to be a federal Environmental Impact Statement (EIS). It so happens that since we borrow from the federal government, and you needed a lead federal agency to help manage the federal EIS process, we were able to leverage our involvement through RUS to be the lead federal agency. So we were heavily involved in that process. It was the first time that something like that had been done, I think, in a joint utility process basis on a transmission line, so it took a while, but I think we developed a really good process for getting the federal EIS done, which was kind of the final link in the chain to get the major project permits in place.

Marta: Yeah, that river crossing and building on an island, that was pretty tricky.

Ben: Absolutely, and had to be done in environmentally sensitive ways, too.

Marta: You said it was slow getting started. What were some of the challenges in the beginning?

Ben: So many. This was really the first time we were working together with other utilities as “tenants in common”--we all own a percentage from end to end. Historically the way we’d do is we’d all discretely own something. One utility would build one end, and another utility would be the other, and we’d meet at the middle or at a substation. So we’d always jointly permitting projects. But this is the first time we did it end to end with one project construction manager and we’d all own a piece of it. And that was part of the Agreements team process that setup how that would work on a legal basis.

One challenge were the three main agencies...Minnesota state, Wisconsin state, and then the federal, which wasn’t just one...you’ve got the RUS as the lead federal agency, but you were also dealing with US Fish and Wildlife, US Corps of Engineers. Trying to wrap all of that together into one cohesive process and make all these different agencies and timelines work together--that was the difficulty of it all.

Marta: But, through changes in design and routing, you gained approval.

Ben: Yes, multiple routes to get to the river on one side, multiple routes to get away from the river on the other side. Making sure the routes actually met in the middle, and you had US Fish and Wildlife agreeable to where we want to cross the river. Fish and Wildlife is very sensitive of their reserve on the Mississippi River, and obviously it is the national migratory bird flyway. Very sensitive about where that powerline could cross.

Dairyland actually happened to own and operate some of the existing Mississippi River crossings, and actually the one that was selected at Alma where we actually crossed the river was a Dairyland existing transmission crossing at one of our coal plants. So, Fish and Wildlife has some very strong opinions on where it would be more feasible to cross than others. So, trying to get them on board to give us an idea of where we could cross so we could make the two state processes with two routes line up on either side of that particular river crossing. And getting all of the timelines to show the need...show the need in Wisconsin, show the need in Minnesota, show the need to the feds...and then get it all routed. Just a logistical nightmare.

A lot of contingencies. If one agency or one person in charge doesn't like it and you can't do it...well. Everyone turned out to be very reasonable on the Minnesota side, Wisconsin, the feds, everyone was very reasonable. We all worked together well in the end, but figuring out how to do it...because it was unique and new, it took a long time.

Marta: And then once you gained approval, there were other logistical nightmares of constructing it.

Ben: Funny thing about this, and I like to say this when I do presentations of the project, construction is always technical and difficult. It's hard work. But we can do it a heck of a lot faster than what it takes to permit all this stuff, and get the permits in place to actually build it. We have a 5-6 year permitting process, and now we'll have it constructed in 2 ½-3 years.

Marta: I read about some of the construction logistics...what was it, two cement trucks per barge?

Ben: Yeah, and up to 100 or 150 load of concrete in one day just to get those foundations poured on the island.

Marta: That must have been some sight.

Ben: It was. Xcel and Grant Stevenson...give them all the credit in the world, because they've done an excellent job of managing this project, keeping it on budget and on schedule...even though we are a little bit behind schedule since we were supposed to have the whole project done by the end of 2015, but we'll have it done by the second or third quarter of 2016. But it's such a big project, and in my book that's pretty much on schedule. Plus or minus a couple months, six months, on a major project like this.

Marta: Okay, so there is a little cushion when talking about being "on time and on budget"?

Ben: We factored in enough contingency into the project that it is still on budget. Really, what happened is there was a lack of probably transmission line workers that didn't allow us to do some things in parallel. So we couldn't be working from the Twin Cities to Rochester at the same time we were building in western Wisconsin. So we budgeted for the total cost of that, it just turned out to be a matter of logistics of getting enough line workers to do both at the same time. So instead of doing it parallel, we were doing it sequentially.

That's why I don't think it really impacted the budget, because it was always all budgeted, it just couldn't be done at the same time, when you really got down to the nitty-gritty of it. There just weren't enough line workers, material, and equipment in the world to do as much as we all wanted to do at the same time.

Marta: And weather, at times, I'm sure impacted work. I get google alerts every time CapX is in the news, and I've been getting alerts lately about helicopter work being on, or being delayed.

Ben: Yup, and knock on wood we've been having a stretch of really good weather this winter, and I think they are making up a lot of the scheduled time between the Twin Cities and Rochester.

Marta: I've driven back and forth a few times recently, and the progress happens real quick.

Ben: Yup, and in the last monthly report Grant Stevensen told us that 100% of the foundations were in, a high percentage of the poles have been set or framed and ready to be set. So it's moving along well.

Marta: So let's talk about landowners and siting these poles.

Ben: Yes, from the reports I've heard, there are always challenges with landowners, but any transmission project is going to have that. Wisconsin seems to have a high percentage of them, I don't know why. Not in my backyard--the NIMBYs. We did get...I won't say lucky, because it was planned and purposeful, but following some of the existing transmission line routes really helped that. We did run into a difficult landowner here and there...there was one just north of the La Crosse area here by Marshland, WI. One gentleman in particular has had a hatred of utilities for a number of years, so we did have some difficulties crossing that property, even though there was an existing Dairyland transmission line across his property. That's an unfortunate situation because you never want to harm a landowner, or really run afoul, but steps had to be taken there.

Marta: Did you attend any of the open houses? What were some of the main issues that were raised?

Ben: I did go to a few, but I'm trying to remember back. There were certain groups that just don't want the line anytime or anywhere, and really wanted to argue the need. Those folks always showed up. They are the vocal minority that don't want any infrastructure anywhere. The No CapX2020's, the SOULs--Save Our Unique Lands. They always has an opportunity to speak, but they didn't want anything anywhere.

Then you'd have the interested landowners, who potentially had a route that might cross their property. Those folks always seemed to be very reasonable, just wanted information. Always wanted to give some input if there was a better place to put a structure on their property, or where there might be an opportunity to go around on a road right-of-way or on a fence line. CapX did an excellent job of having the resources and materials available at the open houses....through GIS, being able to zero in on a landowner's property, show where the potential route was. If there was a structure, show the landowner. Give them the information up front. Here's what might impact your property, do you have suggestions? Do you have some thoughts? I wasn't directly involved in that, but I know from hearing reports from the project manager that they always took that into account. Where it was feasible, where it was logical, where it was cost effective, they did make minor routing changes for landowners.

Dairyland as a cooperative, owned by our members--it's our members out there in the system--we appreciate when the utilities do a good job of working with the landowners and try to keep them happy or impact them as little as possible. There's always going to be impact, but try to minimize it where you can.

Marta: Say it was just Xcel on the project with the line. Do you think it was easier to to sell the project to some of your members because it was more than one utility--more than just Xcel--working on it?

Ben: Oh absolutely, because we could then show the benefit to our ratepayers as well. It's not just an Xcel project where Xcel customers are going to benefit; Dairyland is going to benefit too. This project used some of our existing transmission right-of-way, and we're going to get a new and improved Dairyland line along with the CapX line, so there is benefit to this.

By having us in the project along with Xcel, it gave Xcel another resource to help deal with some of the landowners that were already Dairyland customers, already Dairyland landowners, we already had the easements and the right-of-way. We knew these folks. We could help at times if necessary to deal with landowners to help smooth things out and get things going. It was 100% important that Dairyland was directly involved in the project.

Marta: I have a few other questions for you, but I'm wondering if there is some part of the project that I haven't asked you about that you think is important I know?

Ben: The local reliability benefits of CapX and what it's provided to the La Crosse area here. Dairyland and Xcel are the two main transmission owner's operating in western Wisconsin. We have a control center based here in La Crosse, Xcel has a control center based in the Eau Claire area, and of course their main control area in the Twin Cities, but it's really the Eau Claire control center for Xcel and the Dairyland control center in La Crosse that really worry about western Wisconsin and the reliability in western Wisconsin.

Things were getting hairy here over the years. Between Dairyland and Xcel, we'd built out a 161 kV transmission network back in the 1950s-1970s. And we've been relying on that transmission system for 50, 60 years. It's served its purpose, it did well. But as customer load grew and demand grew, the areas grew...it became so difficult to be able to take outages. In the La Crosse area, for example, there was four 161 kV lines that serve: three owned by Dairyland, one owned by Xcel. All of those lines very much needed almost at all times to serve the La Crosse area, especially in the summer and winter.

To try to get outages on the lines or outages to rebuild the lines without a new source in the area was becoming more difficult every year. By having the Capx line now in service, we can already see the operational benefits of it. We can take other lines out of service for maintenance now. We can withstand an outage due to a storm better than we could of historically.

Just the local reliability impacts of the project--you can't say enough about them. Our operations folks, our operations engineers, our control center...they will all tell you it made their life a heck of a lot easier. Not easier, necessarily, but a little more efficient. Fewer headaches. Because the job is never easy, I don't want to paint that picture.

Another interesting thought here is, going back to the agreements team structure and these umbrella project agreements that were setup to enable this project to work and allowed the utilities to work together. That model has been very important now, as we look at the next round of transmission development. We're building from the Twin Cities through Rochester to La Crosse. But now there's another project that is coming right on the heels of this one getting done, and will go from the La Crosse area to Madison, WI. Xcel Energy is a participant in that project. Dairyland is a minor participant. SMMPA, WPPI Energy are both minor participants. And then our neighbor to the east, American Transmission Company (ATC). This CapX structure that was setup...this template of how you get things done, is being used to get that project enabled. Dairyland is also a participant in a project from Dubuque area to the Madison area that happens to be with ATC and ITC (International Transmission Company)--their Midwest arm. Not necessarily using the CapX structure 100% but, using that knowledge, using that experience we learned from the CapX project.

Especially the Dubuque to Madison project because it is another multi-state project...Iowa and Wisconsin, and you're crossing the Mississippi river. Dairyland is able to use that experience and what we learned on the CapX project about how we learned to have multi-state jurisdictions plus the federal interaction on the federal EIS. We are early in the development of that project, but leveraging off of what we did in CapX and how we set up those structures, how you work together through two states and federal agencies, it's going to hopefully be invaluable to make those projects go better as well.

Marta: One of the things I've been thinking about is what sorts of best practices can be taken away and applied to other projects, and that is a perfect example of it.

Ben: Absolutely, it's how the utilities work together on a joint basis to do a multi-jurisdictional project. Construction standards. I think CapX probably set the bar on the gold standard of how you would build a Mississippi river crossing. What is unique and interesting about the CapX crossing of the Mississippi at Alma, instead of a tall skinny right-of-way, we went low and flat. Why did we go low and flat? To get the conductors all on one plane because you are avoiding migratory bird impacts. I would guess and expect that that same sort of design will be used to get between Dubuque and Madison. Because the US Fish and Wildlife will be concerned about the same things....migratory birds, flyways, bird impacts. Instead of building tall, we are building for the future.

You probably know about this, but when we crossed the Mississippi river, we went from a double-circuit with two powerlines crossing, to three powerlines crossing. The three powerlines that cross, one is a 69 kV line, so relatively small transmission line. A midsize line, a 161 kV line, and then the big line, the 345 kV line. But we didn't build to the construction standards of those lines, we built it as double-circuit 345 kV capable, plus a 161 kV line. So we have future growth built into the Mississippi river, so we don't have to come back at a future date if we need that additional capacity. I hope when we build between Dubuque and Madison that we have the same long-term vision, and that we don't just build what is needed today, but build something that is future-capable.

That's the kind of thing I hope we are getting out of CapX. Precedent was being set, precedent can be used on future projects.

Marta: So do you think that a partnership like CapX could be replicated in a different part of the country?

Ben: Oh absolutely. It could be replicated. The question is will it be replicated. We've got "Midwest nice" going on here in the Upper Midwest. We've always had a traditionally strong

working relationship with Xcel, and that came through in this project. Do they have that in other parts of the country? I don't know, it's hard to judge.

I know that there is still an issue of a TDU. What's a TDU? It's a transmission dependent utility. It's a small municipal or cooperative that has to rely on their bigger IOU neighbor to get the access to transmission for their generation or their customer load. That's not as big an issue here because now all of the municipals and cooperatives...the smaller players....are now part of the ownership structure. That's not happening in other places. In other places they seem to still be fighting about things that we've solved here. Maybe it will spread--hopefully it will spread, because it's a good model, but we'll see.

Marta: Does working with the CapX partners make it easier in the future to work together with them--maybe not just on transmission, but do you see it trickling into other aspects of the business?

Ben: Yes. Definitely trickling into other areas of transmission. Again, CapX was the model of how we worked with ATC and ITC Midwest on the Dubuque-Madison project. They don't want partners. Those companies are transmission only utilities. Their business is transmission. They don't care that Dairyland is a load-serving entity and that we have customers impacted. But for the CapX project showing that we were a good partner with Xcel--we helped enable to get the project done--that helped us in our negotiations to get part of the project with ATC and ITC on Dubuque-Madison. Helped to get us in on Badger-Coulee, which is from the La Crosse area to Madison.

So yes, I think that did spill over. It was used as precedent that, "hey guys, us small players have a part to play in this too. You need to keep us included and involved."

On the other aspects of the business...on the power plant side, probably. Utilities have always jointly owned and operated power plants, much more than we did on the transmission side in the past. What we've learned on the CapX project is going to help us on other potential power plant projects when it's a multi-ownership structure and you have to have a federal EIS. What we learned on the CapX project, we'll hopefully use on those future projects.

Marta: You raised an interesting point, reminding me that companies like ATC are only focused on transmission--I mean, it's in their name.

Ben: Yeah, it's the only thing that they do. They don't want any help doing it, they can do it themselves.

Marta: So it's really a matter of showing a company like ATC or ITC that you are a valuable partner. I think you've hit on one of the key things that needs to be reinforced.

Ben: You think you can do it alone, but you really do need the help of the local municipals, cooperatives. We are transmission owners too. Maybe not to the scale that they are, but we've always done transmission too. We know the landowners. We know the public. You think you can just come in, kick us out, and go across our territory...well, we're what's going to help you get the message to the local landowners. We're the ones that have the existing right-of-way you want to take to build your line. We already have those relationships with the landowners. You probably need us involved to some extent.

And we're reasonable. We're not looking for a 50% share in these. Again, like the poker chip exercise in CapX, we're looking for our reasonable share and opportunity in these projects.

I think this is something that we really need to set expectations and precedent on, because we don't want just one or two companies owning and operating everything. We think we all should have some opportunity to be involved, because we all bring some expertise and unique aspects to the table.

Marta: It also just seems sort of antiquated, for a company to think they can just plow through and be able to do it without the pushback. We've seen the pushback in the 70s in Minnesota.

Ben: And the pushback in Wisconsin through groups like SOUL and No CapX2020 that have been formed to fight these projects. Yeah, it's an interesting dynamic.

My other thought is too, and I think some of these TransCo's have the opinion that they can get through any issue as long as you throw enough resources at it, i.e., we can pay enough people. But is that a good long term strategy? Because at the end of the line, somebody has got to pay for all this investment. So if you can throw enough money at it to get through things, that may work, but there are going to be ratepayers having to pay those rates. So if you can get the local utilities involved, do things right, but maybe not have to pay as much to do it, that's a benefit to society overall because it keeps the overall rates down.

It is a benefit, and it is something that Dairyland looks at for our members because our members are our regulators. They set our rates, and their interest--especially in the rural communities, which are not as economically as prosperous typically as the big cities and the suburbs--rates, rates, rates. We have people on fixed incomes, people running small businesses....don't raise rates, keep rates reasonable because that helps everyone prosper in the rural communities. That's a big focus for Dairyland Power.

Marta: Well, this seems like a good spot to wrap up. Are there any concluding thoughts you'd like to share?

Ben: No, I think we talk about a lot of things there. This was a really interesting conversation, and I appreciate it.

Marta: And see, you remembered more than you thought! Thank you so much for your time.

Ben: My pleasure, thank you.