



1414 West Hamilton Avenue, PO Box 8
Eau Claire, WI 54702-0008
Telephone (715) 839-1305

Public Service Commission of Wisconsin
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September 12, 2012

Public Service Commission of Wisconsin
Attn: Ms. Sandra J. Paske
610 N. Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

RE: Application of Northern States Power Company,
a Wisconsin Corporation, for a Certificate of Authority
to Install Particulate Matter and Mercury Emission
Reduction Equipment on Boilers 1 and 2 at the
Bay Front Generating Plant

Docket No. 4220- CE-180

Dear Ms. Paske:

Pursuant to Wisconsin Statute Section 196.49 and Wisconsin Administrative Code Chapter PSC 112, Northern States Power Company, a Wisconsin corporation and wholly owned subsidiary of Xcel Energy Inc., hereby makes application to the Public Service Commission of Wisconsin (PSCW) for a Certificate of Authority to install particulate matter and mercury emission reduction equipment at its Bay Front Generating Plant.

We are filing this application according to the PSCW's Electronic Regulatory Filing system. If there are any questions regarding this filing, please contact David Donovan at (608) 280-7308 or at david.d.donovan@xcelenergy.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Stoering'.

Mark E. Stoering
President and CEO
NSP Wisconsin

Enc.

c: D. Donovan, w/o attachment
D. Fulweber, w/o attachment
W. Zawacki, w/o attachment
M. Koeller, w/o attachment

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company,)	
a Wisconsin Corporation, for a Certificate of)	Docket No. 4220- CE-180
Authority to Install Particulate Matter and Mercury)	
Emission Reduction Equipment on Boilers 1 and 2)	
at the Bay Front Generating Plant)	

Pursuant to Wisconsin Statute Section 196.49 and Wisconsin Administrative Code Chapter PSC 112, Northern States Power Company, a Wisconsin corporation and wholly owned subsidiary of Xcel Energy Inc. (NSPW or the Company), hereby makes application to the Public Service Commission of Wisconsin (PSCW or Commission) for a Certificate of Authority to install fabric filter dust collection (baghouse) and activated carbon injection systems on boilers #1 and #2 at its Bay Front generating plant in Ashland, WI. The estimated total cost of the project is \$18.5 million.

NSPW is a public utility as defined by Section 196.01, Wisconsin Statutes, with its principal office and place of business at 1414 West Hamilton Avenue in Eau Claire, Wisconsin. Xcel Energy Inc., (Xcel Energy) whose principal office is located at 414 Nicollet Mall, Minneapolis, Minnesota 55401, owns all of the common stock of the Company.

The Company is engaged in the production, transmission, distribution, and sale of electricity to approximately 250,000 electric customers in northwestern Wisconsin and the western tip of the Upper Peninsula of Michigan and the purchase, transportation, distribution and sale of natural gas to approximately 100,000 customers in the same general geographic region.

1.0 Introduction

By this Certificate of Authority (CA) application, NSPW requests authorization to install equipment to reduce particulate matter and mercury emissions from boilers #1 and #2 at its Bay Front Power plant in Ashland, WI. Installation of this equipment will ensure NSPW achieves compliance with the U.S. Environmental Protection Agency's (EPA's or Agency's) National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial and Institutional Boilers and Process Heaters, more commonly referred to as the "Industrial Boiler MACT" Regulation (IBMACT). The IBMACT requires affected sources to reduce emissions of several pollutants including particulate matter and mercury.

1.1 Industrial Boiler MACT Compliance Requirements

The final IBMACT can be found at 40 CFR part 63, subpart DDDDD and was officially issued on March 21, 2011.¹ The IBMACT applies to 15 different subcategories of boilers and process heaters that consume natural gas, oil, coal, biomass, refinery gas, or other gas, including boilers #1 and #2 at the Bay Front plant². Each subcategory has specific emission requirements.

The IBMACT boiler subcategories are based on unit design and with specific numeric emission limits for the following pollutants:

¹ National Emissions Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial and Institutional Boilers and Process Heaters; Final Rule, 76 Fed. Reg. 15608 (Mar 21, 2011).

² Due to their size, Boilers #1 and #2 at Bay Front are impacted by the IBMACT rather than the National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-fired Electric Utility Steam Generating Units (commonly referred to as the EGU MACT or MATS rule). Boiler #5 at Bay Front, however, is subject to MATS rule. This CA application has no applicability to Boiler #5 or the MATS rule.

- 1) mercury;
- 2) particulate matter (PM) as a surrogate for non-mercury metals;
- 3) hydrogen chloride (HCl) as a surrogate for acid gases;
- 4) carbon monoxide (CO) as a surrogate for organic toxic gases; and
- 5) dioxins/furans.

In addition, the IBMACT establishes work practice standards for periods of start up and shut down and requires a one-time energy assessment for existing boilers to identify cost-effective energy conservation measures that can be implemented to reduce the facility energy demand. As of the date of filing this CA application, boilers #1 and #2 will have to meet the emission limits in the IBMACT no later than March 21, 2014. The installation and operation of the proposed baghouses and mercury control equipment will ensure boilers #1 and #2 achieve compliance with the IBMACT by this date.

On March 21, 2011, the same day EPA issued the final IBMACT, the Agency also published notice that it intended to reconsider the IBMACT in an effort to address a number of related technical issues that the EPA believed would benefit from additional public involvement.³ On December 2, 2011, EPA issued proposed amendments to the IBMACT as part of its reconsideration.⁴ The amendments proposed on December 2, 2011 are more stringent than those issued in the March 21, 2011 final IBMACT. Specifically, the December 2, 2011 proposed rule sets new emission limits for PM based on the fuel being combusted in the boiler, sets new emission limits for carbon monoxide based on boiler type, allows an alternative “total selective metals” emission limit instead of a total PM

³ National Emissions Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial and Institutional Boilers and Process Heaters; Notice of Reconsideration, 76 Fed. Reg. 15266 (Mar 21, 2011).

⁴ National Emissions Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial and Institutional Boilers and Process Heaters, 76 Fed. Reg. 80598 (Dec. 23, 2011).

emission limit and replaces the numeric dioxin/furan emission limit with work practice standards, among other changes.

EPA intended to finalize the reconsideration of the proposed amendments in spring of 2012. Nothing has been published to date, however. As such, the Company is moving forward to install necessary equipment to comply with the March 2011 final rule by its effective date of March 21, 2014. The installation of the equipment proposed by the Company, as part of this CA application, will ensure boilers #1 and #2 meet the emission limits contained in the March 21, 2011 final rule, as well as the December 2, 2011 proposed amendments. NSPW therefore believes it is appropriate for the Commission to approve this project despite the uncertainty about the IBMACT.

1.2 Compliance Evaluation

Using a combination of stack test data and continuous emissions monitoring data, the Company has determined that boilers #1 and #2 will not be able to meet the new IBMACT emissions limits with the current particulate matter control devices (electrified filter beds). The installation of the baghouses and the activated carbon injection systems, however, will ensure compliance with the emission limits in the March 21, 2011 IBMACT and those in the December 2, 2011 proposed rule including HCl, PM, mercury CO and dioxins/furans. The existing electrified filter bed particulate control systems on both boilers will be retired and partially removed as part of the construction project.

It's important to note that our evaluation of the new emission limits and the expected performance of the baghouses show the boilers may be able to meet the mercury limit in the IBMACT with only the new baghouses; but, the revised mercury limit in the December

2, 2011 proposal would be difficult, if not impossible, to meet without the addition of activated carbon injected into the flue gas stream.

NSPW recognizes the uncertainty surrounding the revisions proposed by the Agency on December 2, 2011. Nevertheless, based on past experience, NSPW believes the additional cost of the activated carbon injection systems is far out weighed by the certainty of compliance regardless of the emission limits and the increased operational flexibility these systems will provide. While boilers #1 and #2 could be compliant with the IBMACT under certain operating conditions, the activated carbon injection systems will ensure compliance and will allow the boilers to operate under a much wider range of scenarios. As a result, the proposed project described in this CA application includes the installation of baghouses and activated carbon injection systems on boilers #1 and #2 to ensure compliance with both the final and the proposed emission limits.

2.0 Facility Background

NSPW's Bay Front Plant (Figure 1) is located on approximately 50 acres of land on the shores of Chequamegon Bay of Lake Superior in Ashland, WI. Its legal description is the NW 1/4, NW 1/4 of section 5 T47N – R4W. Immediately to the north, east, and west of the plant are the waters of Chequamegon Bay.

To the southeast is a public boat landing and fishing area adjacent to the discharge point for condenser cooling water. U.S Highway 2 and a city center business district are located immediately to the south of the plant site. A mixed residential/commercial business district is located further to the south as depicted in the City of Ashland Zoning Map included in Attachment A or that can be found at this link <http://www.ci.ashland.wi.us/node/411>.

The plant was originally constructed and began operation in 1916. By 1960, it operated five boilers and six turbines. Two of the boilers and three of the turbines have since been retired. The three remaining boilers feed into a combined steam header system that can support three turbine-generator sets. These boilers, referred to as boilers # 1, #2, and #5, burn a variety of fuels including coal, waste wood, railroad ties, tire-derived fuel, and natural gas to produce steam that drives the three turbine-generators to produce electricity. Of the remaining turbine/generator sets, #4 can



Figure 1. Aerial photo of the Bay Front Power Plant in Ashland, WI. The open water to the east of the plant is known as the hot pond and is the discharge point for the condensate cooling water.

produce 22 MW and came into service in 1949, #5 can produce 22 MW and came into service in 1952, and #6 can produce 30 MW and was placed in service in 1957.

3.0 Project Description

NSPW proposes the installation of baghouse and activated carbon injection systems on boilers #1 and #2 to meet the March 21, 2014 final rule and the December 2, 2011 proposed revisions to the ILMACT. Boilers #1 and #2 are Babcock and Wilcox spreader stoker, traveling grate boilers rated at 200,000 lbs/hr at 650 psig at 900°F. Boiler #1 was installed in 1954 and boiler #2 was installed in 1952. Both boilers are capable of burning coal, natural gas, waste wood, railroad ties and tire-derived fuel. Biomass is currently the primary fuel used in boilers #1 and #2.

The project will involve the design, engineering, manufacturing, and installation of a pulse jet baghouse on boiler s #1 and #2, as well as a compressed air system, ductwork and supports, and fly ash handling equipment. The activated carbon injection system will consist of a material storage silo, bin vent, rotary discharge valve and associated piping. Installation of this equipment and achievement of these emission rates contained in the ILMACT will have negligible impact on net electricity generated at the plant. A more complete description of the project is contained in Attachment B. Figure 3 in Attachment B contains a representation of the equipment layout, also. By installing the equipment on boilers #1 and #2 NSPW will be able to continue to use biomass fuel as the primary fuel in these boilers. The vast majority of the biomass consumed in these boilers is obtained from local mills and harvesters within an 80-mile radius of the plant. This project will not impact the current consumption levels of biomass at the plant.

4.0 Schedule

Installation activities are scheduled for winter 2012 - 2013 with completion in March 2014.

System testing and tuning will take place January – February 2014. A detailed project schedule can be found in Attachment C.

5.0 Cost and Proposed Method of Financing

Table 1 presents general work categories and associated costs related to installing the baghouses, compressed air system, ductwork and supports, fly ash handling equipment and activated carbon injection system. Total estimated cost of the project is \$18.5 million. The Company intends to finance this project as part of its ongoing construction program through a combination of internally-generated funds and external financing as proposed in NSPW's latest rate case, Docket No. 4220-UR-118.

Table 1 Total project estimated costs, by general work category, for installation of the baghouse and activated carbon equipment.

General Work Category	Current Project Estimate
Direct Expenses	
Materials	\$7,559,469
Miscellaneous Materials	126,824
Labor	3,206,831
Contingencies	751,250
Allowance for Cost Overruns	<u>876,458</u>
Total Direct Expenses and Contingencies	<u>\$12,520,832</u>
Indirect Expenses	
Construction Management, Site Services, Owners Engineer	\$ 3,341,875
Performance Testing	100,000
Contingencies	<u>299,293</u>
Total Indirect Costs	<u>\$3,741,168</u>
Reserve/ Allowances	<u>\$1,038,000</u>
AFUDC	<u>\$1,206,741</u>
Total Project Cost	<u>\$18,506,741</u>

6.0 Purpose and Necessity

As stated earlier, the ILMACT, published on March 21, 2011, establishes the maximum emission rates for a variety of pollutants including particulate matter and mercury from boilers #1 and #2 starting March 21, 2014. The proposed revisions to the ILMACT, issued on December 2, 2011, could extend the compliance deadline, however. Regardless of the compliance deadline, all of the proposed equipment will be needed to assure compliance with the existing or proposed ILMACT requirements. If compliance is not achieved, NSPW will have to switch fuel used in boilers #1 and #2 to keep them operating. As described in more detail in section 9.0, this reduces significantly each boiler's rated capacity.

In addition to ensuring NSPW meets the ILMACT requirements, the installation of the baghouse and activated carbon injection systems will allow the plant to continue to provide needed transmission voltage and system support in northern Wisconsin. The Bay Front plant, at its current rated and operating capacities, is needed to ensure transmission reliability for at least the next five to nine years, i.e., through the current expected life of the plant⁵. The capacities of boilers #1 and #2 can not be reduced significantly, nor can the boilers be retired until adequate transmission reinforcements are built. Moreover, it is unlikely that MISO will allow the retirement of these boilers until the reliability concerns in the area are resolved or until other factors are addressed, including potential load growth expectations from the addition of sand mines and pipeline pumping station and transfer capabilities of the existing transmission system.

⁵ The current life expectancy of the Bay Front plant is through 2021. The Company is in the process of planning for a 15 year life extension analysis of the plant, i.e., through 2036.

Currently, NSPW has received approval from the PSCW for, or has applied for approval from the PSCW of, \$90 to \$140 million in transmission upgrades that will address some of the reliability issues. These upgrades will also help meet North American Electric Reliability Corporation (NERC) standards if any of the boilers at Bay Front were to be retired. An additional \$80 to \$100 million of long term transmission investments will be needed, however, if load growth expectations continue to increase and to further ensure compliance with NERC standards if boilers #1 and #2 are retired, or more generally, if the Bay Front plant is retired.

Construction of these transmission projects is necessary to address any significant reduction in capacity of boilers #1 and #2 and the increase in projected load growth. These projects could be constructed as early as 2018. However, due to recent experience with transmission projects that have been approved and constructed in western Wisconsin and the massive shifting of work forces that would be required to achieve the 2018 time frame, it is unlikely that all of the necessary projects could be built until the early to mid-2020s.

Unrelated to compliance with the IBMACT and the need for transmission support, is the contribution made by boilers #1 and #2 toward Wisconsin's Renewable Portfolio Standard (RPS). Under current law, NSPW was required to establish a baseline percentage of retail sales generated from renewable energy resources based on the three-year average, from 2001 through 2003. By 2010, NSPW was required to and did increase its renewable component in retail sales by two percent. By 2015, NSPW is required to increase its renewable component of retail sales by an additional four percent. NSPW currently

estimates that it will need to provide 12.89 percent of its retail sales from renewable energy to achieve compliance with the 2015 mandated threshold.

NSPW is not allowed to fall below the baseline, interim, or final RPS levels once the deadlines have passed. Thus, for example, between 2006 and 2010 NSPW could not fall below its baseline level of 6.89 percent, and between 2010 and 2015 NSPW cannot fall below the interim threshold of 8.89 percent. In addition, if NSPW retires or mothballs a boiler or plant that contributed to the renewable baseline, the Company must replace the related lost renewable generation (in MWH) with other qualifying renewable generation before it could satisfy the 2006 through 2010 requirement, 2010 threshold, or work toward satisfying the 2015 mandated standard. Thus, if NSPW reduces the amount of renewable generation from the Bay Front plant below the baseline level or below that level used to satisfy the 2010 threshold, NSPW must make up that lost generation before it can work towards meeting the next RPS threshold. In 2011, Bay Front accounted for approximately 16 percent of the renewable generation reported in the Company's annual renewable portfolio standard report. The most likely replacement renewable generation will be wind-based and located outside of Wisconsin due to access to better wind resources in the service territory of Northern States Power Company, a Minnesota corporation.

As a result of the unique operating characteristics of the Bay Front plant and Wisconsin's RPS law, the installation of the proposed baghouse and activated carbon injection equipment will not only ensure NSPW satisfies the mandates of the IBMACT and transmission support function, but will also allow NSPW to more easily satisfy Wisconsin's RPS with renewable generation located in Wisconsin. Furthermore, using biomass fuel

produced from within an 80-mile radius of Bay Front will support the local and rural economy of northern Wisconsin.

7.0 Cost of Operation and Impact on Service Quality and Reliability

Installation of the emission control equipment will not impact the overall capacity rating of the power plant, i.e., it will remain at approximately 74 MW. However, there may be a negligible reduction in the overall net generation from the plant due to installation of the additional baghouse support and activated carbon injection systems. No changes to the availability of the plant are anticipated due to installation of this equipment.

The only increase in chemical use at the plant will be the activated carbon used for control of mercury emissions. Some of the increased cost of the activated carbon is offset with the avoided cost of the filter material in the old electrified filter bed systems. The modest incremental increase in operation and maintenance (O&M) costs for the baghouses and activated carbon injection systems is approximately \$15,000 per year. The remaining O&M costs are not expected to increase significantly. The modest increase has been included in the revenue requirements analysis contained in Attachment D.

Existing staffing levels at the plant will allow the absorption of monitoring and maintenance activities. In addition, many of the equipment maintenance activities are expected to be sporadic in nature due to the type of equipment being installed, i.e., maintenance may not occur on an annual basis, but will occur as the equipment is used over many years.

In summary, NSPW believes the ability to meet the IBMACT, whether the final rule or the amendments proposed by the agency; support transmission function and to continue to

use biomass fuel at the plant far outweighs the minor impacts caused by the installation of the emission control equipment. Even with the slight increase in O&M costs, NSPW does not anticipate any impact on service quality or reliability.

8.0 Description and Cost of Property Being Replaced

The baghouse and activated carbon injection systems will replace the existing electrified filter beds (EFBs), which were installed in 1989. The salvage value of the EFBs is largely comprised of recyclable metals which has been included in the revenue requirements analysis in Attachment D. As stated earlier, the total cost of the project is estimated to be \$18.5 million.

9.0 Cost of Alternatives

Alternatives considered for this project include: 1) installation of the baghouses and activated carbon injection systems; 2) no build option with fuel switching to 100 percent natural gas and make up of renewables generation from wind facilities in Minnesota or the Dakotas; and 3) no build option with fuel switching to 100 percent natural gas and make up of renewables generation from Wisconsin-based wind generation facilities.

Scenario One - Install the Baghouse and Activated Carbon Injection Systems

As indicated above, the installation of the baghouses and activated carbon injection equipment will ensure boilers #1 and #2 comply with the existing IBMACT, provide voltage and system support to the transmission and electric system in northern Wisconsin and help the Company continue to meet its RPS requirement in Wisconsin through at least 2021. In addition, the installation of this equipment will continue to foster an estimated \$20 million contribution to the local economy in terms of fuel purchases, wages, and ancillary services.

Scenario Two – No Build Option with Fuel Switch and Renewable Replacement from Minnesota

Boilers #1 and #2 have the capacity to burn natural gas to generate electricity. It is possible to fuel switch to burning 100 percent natural gas in both boilers. When burning 100 percent natural gas, however, each boiler's rated capacity decreases significantly; from approximately 22 MW to approximately 6 MW. In addition, the Company does not have the ability to cost effectively contract for firm natural gas deliveries to Bay Front.

The ability to burn natural gas was added to the boilers several years ago to help with boiler start-up and to increase generating capacity when burning another fuel such as coal or biomass. It is not possible to operate the boilers on natural gas at maximum load. As a result, it is very likely that when consuming 100 percent natural gas for extended periods, even at the lower capacity levels, the Company's O&M expenditures will increase because the natural gas burners were not designed to operate at the maximum feed rates for continuous operations. These burners were designed to 'top off' the other fuels fed into the boilers on an intermittent basis.

Under this scenario, the Company will also need to obtain additional renewable generation from Minnesota-based wind facilities. While a qualifying renewable resource, wind generation is not dispatchable and would have to be shipped to Wisconsin through the transmission system.

The loss of approximately 32 MW of boiler capacity at the plant when switching to 100 percent natural gas will put the reliability of the northern Wisconsin at risk. There will not be enough generation or transmission capability in northern Wisconsin to maintain voltage support especially during the winter months when natural gas is often curtailed, i.e., during

the coldest periods of winter. In addition, switching to 100 percent natural gas would significantly reduce the contribution the plant makes to the local economy by eliminating the locally-sourced biomass fuel, equipment purchases, and related-ancillary services.

Scenario Three – No Build Option with Fuel Switch and Renewable Replacement from Wisconsin

Similar to Scenario Two, the Company would implement a fuel switch process to burn 100 percent natural gas. In this case, however, the replacement renewable energy would come from wind generation located in Wisconsin. The capacity impacts at the boiler and the need to transmit the energy from other locations in Wisconsin to the Ashland area are still needed in this Scenario. In addition, the potential adverse impacts on system reliability due to the loss of voltage support remains, as does the loss of a dispatchable generation source and the adverse impact on the local economy due to the elimination of the locally-sourced renewable fuel, equipment purchases and ancillary services.

In summary, the installation of the baghouses and the activated carbon injection equipment, Scenario 1, will allow NSPW to operate boilers #1 and #2 through 2021 or possibly longer providing the Company with additional flexibility to cost effectively construct the necessary transmission facilities to address the needs of northern Wisconsin. In addition, installation of this equipment will allow the Company to continue to operate a dispatchable renewable energy facility through at least 2021 or longer, consuming approximately 250,000 tons of biomass annually and providing a significant contribution to the local economy.

10.0 Environmental

As part of installing the baghouse and activated carbon injection equipment, NSPW will need to obtain a construction permit and subsequently modify its existing air quality operating permit from the WDNR. We do not anticipate any significant issues with these permitting processes and are in communication with the WDNR regional staff regarding the permitting requirements.

Ash produced at the Bay Front plant has been and continues to be used beneficially as fill material in a number of different construction projects. The beneficial use of the ash has been approved through the WDNR's NR 538 Beneficial Use program. With the injection of activated carbon in the emission control system, the characteristics of the ash may change slightly. Nevertheless, the presence of the spent activated carbon in the ash will not adversely impact the current and potential beneficial use of the related-ash material. The Company anticipates the continued use of the ash as fill material.

We do not anticipate any other environmental or cultural issues arising. The plant site is comprised largely of fill material and has been disturbed on a periodic basis since construction of the original boilers in 1916. As a result, we are not aware of any endangered or threatened species at the site nor are we aware of any cultural or historic artifacts at the site.

There will likely be some minor changes to the exterior lighting after construction due to changes in parking surrounding the plant. We do not anticipate these changes to be significant and they will be implemented pursuant to the City of Ashland's ordinances covering external lighting. Similarly, we do not anticipate any changes to the noise regime

at the plant since we are utilizing the existing air movement devices as part of these proposed emission control systems.

The Company will be required to obtain a building permit from the City of Ashland and a storm water management permit from the WDNR. Preliminary contacts have already been made regarding these permits and no significant issues have been identified.

Installation of the baghouse and activated carbon injection equipment will have minimal impacts on aesthetics at the project site. While the work will be largely on the eastern exterior of the plant (Figure 2), the equipment will be located in an area between the existing plant and a storage warehouse.

The presence of maintenance and construction equipment at the site during installation of the equipment should not be a concern as the site is adjacent to a major U.S. highway and is just north of a city center business district. Staging of construction activities along with material and equipment delivery will occur at the plant site. These additional activities should not noticeably change traffic patterns or levels at the site.

Attachment E contains several maps and figures that can be used to facilitate evaluation of this project.

- ◆ Figure 4 contains a diagram of the project site with current magnetic field measurements. These are not expected to change as a result of the addition of the new units and will not impact off-site levels after the installation of the new equipment. There are several licensed and certified daycare facilities within one-half mile of the plant, but there are no schools or hospitals within one-half mile of the plant. There will be no adverse impacts to these businesses or their consumers



Figure 2. Eastern view of the Bay Front Power Plant in Ashland, WI. The baghouses and activated carbon injection systems will be located in the area of the existing ash storage hopper and enclosed ash unloading area (inside black rectangular box).

since the emissions profile of the Bay Front plant will be improved as a result of the installed equipment.

- ◆ Figure 5 contains the Flood Insurance Rate Map and legend for the immediate area surrounding the Bay Front plant. The site is not in the flood plain of Lake Superior. There will be no adverse impact to the recreational opportunities that currently exist adjacent to the plant in the area known as the hot pond, i.e., the discharge location for the condenser cooling water.
- ◆ Figure 6 contains an aerial photo for the area within a one-half mile radius of the Bay Front plant.
- ◆ Figure 7 is a topographic map of the area.

6. Other Parties Involved

There are no other utilities involved with this project. NSPW is the sole owner and operator of the Bay Front Plant, and is solely responsible for its compliance with the IBMACT and Wisconsin's RPS.

7. Conclusion

All correspondence, pleadings and notices related to this Application are to be sent to the following:

David D. Donovan
Manager, Regulatory Policy
Xcel Energy
10 E. Doty Street
Ste. 511
Madison, WI 53703

Mara N. Koeller
Associate Attorney
Xcel Energy
P.O. Box 8
Eau Claire, WI 54702-0008

NSPW requests that the Public Service Commission of Wisconsin (a) grant the Company a Certificate of Authority to install the fabric filter dust collection (baghouse) and activated carbon equipment on boilers #1 and #2 at the Bay Front plant, and (b) expedite its review of this application so project construction can begin by the middle of February 2013.

Respectfully submitted this 12th day of September, 2012.

NORTHERN STATES POWER COMPANY
a Wisconsin corporation, and wholly owned
subsidiary of Xcel Energy Inc.

By: /s/ David D. Donovan
David D. Donovan,
Manager, Regulatory Policy

By: /s/ Mara N. Koeller
Mara N. Koeller
Associate Attorney
State Bar No. 1078879

10 E. Doty Street, Ste. 511
Madison, WI 53703
(608) 280-7308

414 Nicollet Ave., 5th Floor
Minneapolis, MN 55401
(612) 215-4605
Fax: (612) 215-4544