

December 5, 2019

Daniel P. Wolf, Executive Secretary
Minnesota Public Utilities Commission
127 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: Minor Alteration Application
Cottage Grove 115 kV Transmission Line
Docket No. E002/MC-19-697

Dear Mr. Wolf:

Attached are the review and comments of the Minnesota Department of Commerce Energy Environmental Review and Analysis (EERA) staff in the following matter:

In the Matter of an Application for a Minor Alteration of Xcel Energy's 115 kV Transmission Line 0881 in Cottage Grove, Minnesota

Xcel Energy has submitted a Minor Alteration Application pursuant to Minnesota Rule 7850.4800 to construct a 0.58 mile extension of an existing 115 kV transmission line (0881) and a new distribution substation in Cottage Grove in Dakota County.

This filing was made on November 4, 2019, by:

Matt Langan, Senior Permitting Analyst
Xcel Energy
414 Nicollet Mall, MP-7B
Minneapolis, MN 55401

The proposed action is consistent with EERA's interpretation of Minn. Rule 7850.4800. In EERA's opinion, this is a minor alteration of an existing high voltage transmission line that does not result in significant changes in the human or environmental impact of the facility. Therefore, EERA recommends the Minor Alteration Application be approved, and is available to answer any questions the Commission may have.

Sincerely,



David Birkholz, Environmental Review Manager
Energy Environmental Review and Analysis
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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS AND RECOMMENDATIONS OF THE MINNESOTA DEPARTMENT OF COMMERCE ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS

DOCKET NO. E002/MC-19-697

Date.....December 5, 2019
EERA Staff.....David Birkholz (651) 539-1838

**In the Matter of an Application for a Minor Alteration of Xcel Energy's 115 kV Transmission Line 0881
in Cottage Grove, Minnesota**

Issues Addressed: *These comments and recommendations address:*

1. *The definition of a minor alteration;*
2. *Whether the requested modifications are minor; and*
3. *Whether conditions need be applied in granting the Minor Alteration.*

Additional documents and information can be found on eDockets at:

<http://www.edockets.state.mn.us/EFiling/search.jsp> (Year "19" and Number "697").

This document can be made available in alternative formats; e.g., large print or audio tape by calling (651) 539-1530.

INTRODUCTION AND BACKGROUND

Xcel Energy, Inc. (Xcel Energy or Applicant) filed an Application¹ with the Public Utilities Commission (Commission) for a Minor Alteration (MA) on November 4, 2019 to build an approximately 0.58-mile 115 kilovolt (kV) in-and-out tap line and a proposed distribution substation. The tap line would connect the existing Line #0881 to the new substation. Xcel Energy states the project is needed to serve a new industrial gas manufacturing facility (Airgas, LLC).

REGULATORY PROCESS AND PROCEDURE

Xcel Energy has filed the Application under Minnesota Rule 7850.4800.

In Subp. 1, the rule states that a minor alteration is a change in a large electric power generating plant or high voltage transmission line that does not result in significant changes in the human or environmental impact of the facility.

¹ Application for a Minor Alteration (Application), Xcel Energy, November 4, 2019, eDocket no. [201911-157225-01](#)

Subp. 2 states that an application shall be in writing and shall describe the alteration in the large electric power generating plant or high voltage transmission line to be made and the explanation why the alteration is minor.

Subp. 3 explains the Commission's role in the proceeding is to determine whether or not the requested changes are minor, whether or not to authorize the alteration and whether or not to apply reasonable conditions on the action. The Commission may also determine the alteration is not minor and needs to be considered under the full permitting process.

PROJECT DESCRIPTION

The proposed minor alteration would be an in-and-out tap line comprising one line extending 3,045 linear feet (0.58 miles) from Line #0881 to a new distribution substation serving the new gas facility, and another parallel line returning to the existing transmission line. These lines together would have a total 125-foot wide right-of-way (ROW). The proposed lines are to be located on 3M property directly along 100th Street in Cottage Grove; the proposed substation would be located on row crop land currently owned by Airgas, LLC. Xcel Energy has designed the lines to be built on six pairs of 75-foot poles, crossing 100th Street once directly across from the new substation (see Application, Map 1).

EERA ANALYSIS AND COMMENTS

EERA staff met with Xcel Energy on September 26, 2019. Staff reviewed with the Applicant the standards for qualifying for a minor alteration and the process to make that application. Staff also reviewed and commented on a draft application. EERA staff has since reviewed Xcel Energy's Application and agency comments to date. Based on this record, EERA staff believes that the proposed project is an alteration of an existing facility, would not result in significant changes in the human or environmental impacts of that facility and is eligible for authorization as a minor alteration.

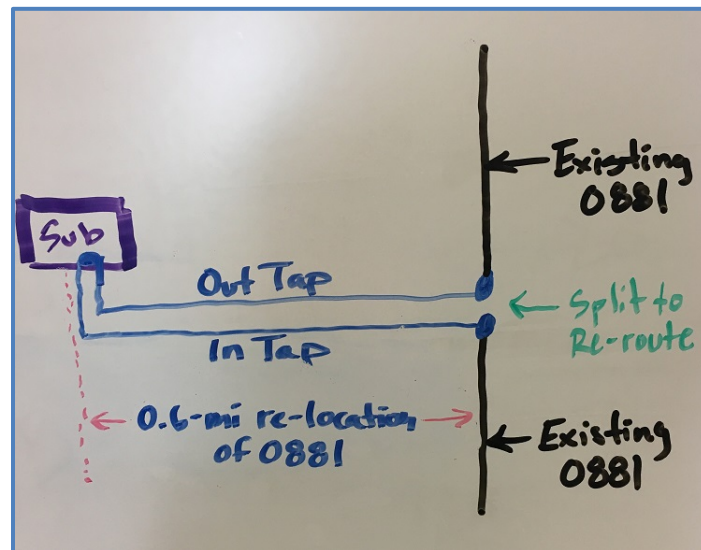
Minor Alteration

The first step in authorizing a minor alteration is determining that it is an alteration of an existing facility, rather than a new transmission line requiring review under the alternative review permitting process. The rule is clear that a minor alteration is a change in an existing facility. It is not clear as to the parameters; the nature or extent of that change.

This Project closely resembles an earlier Minor Alteration for an in-and-out tap of a 345 kV line at the Scott County Substation, authorized by the Commission in March 2014.² In this new proposal, the in-and-out taps complete a circuit that has been designed to feed the new substation while providing for operational reliability, redundancy and flexibility of the facility. Below is a rudimentary drawing supplied by Xcel after EERA requested further information on how the Project was designed and would operate.

EERA understands this Project to be an alteration of an existing line because it 1) adds associated facilities while 2) maintaining the existing circuit and function, and 3) does not result in significant changes in the human or environmental impact of the facility; therefore it does not require review under the Alternative Process in [Minn. Statute 216E](#). For the benefit of reviewers, EERA recommends that Xcel Energy file somewhat more sophisticated schematics along with their reply comments.

² <https://www.edockets.state.mn.us/EFiling/search.jsp> (Year "14" and Number "163")



Significance of Impacts

Minnesota Rule 7850.4800 provides a rather succinct standard for evaluating minor alteration applications – whether the changes to the facility will result in significant changes in the human and environment impacts of the existing facility. To flesh out this standard, EERA staff uses the routing factors of Minn. Rule 7850.4100. These are the issues considered by the Commission in permitting a new high voltage transmission line. These factors provide appropriate detail for evaluating the significance of potential human and environmental impacts. For example, Minn. Rule 7850.4100 A. notes that an evaluation of impacts to human settlements should include impacts related to displacement, noise, aesthetics, cultural values, recreation, and public services.³

The Minor Alteration Application contains tables summarizing the anticipated impacts of the proposed project, assessing the human and environmental impacts of the project based on analysis of the factors in Minn. Rule 7850.4100 (see Application, Table 1). These data and analysis provide EERA, and eventually the Commission, with the information necessary to evaluate if the modifications requested result in significant changes to the impacts of the facility.

The addition of associated facilities does change the overall impacts of the facility. However, these would be similar impacts to those of the existing facility. The net result is no significant change to local human and environmental resources. The Applicant's descriptions of these changes explain how factors were considered and how impacts would be avoided, minimized or mitigated.

Factors to Consider

EERA staff believes that for the factors in Minn. Rule 7850.4100, the anticipated change in impacts of Xcel Energy's proposed project will be minimal. These factors address impacts related to:

³ Minn. Rule 7850.4100, <https://www.revisor.mn.gov/rules/?id=7850.4100>

- Human settlements (displacement, noise, cultural values, recreation, public services),
- Public health and safety,
- Land-based economies (agriculture, forestry, tourism, and mining),
- Archaeological and historic resources,
- Natural environment (air quality, flora, fauna, wetlands), and
- Rare and unique natural resources.

Additionally, EERA staff believes that there are factors in Minn. Rule 7850.4100 that are well met by the proposed project. These criteria are:

- Use or paralleling or existing rights-of-way, survey lines, natural division lines, and agricultural field boundaries, and
- Use of existing transportation, pipeline, and electrical transmission systems or rights-of-way.

A primary consideration that shows the impacts of Xcel Energy's proposed construction are not a significant change is that the entire .58 mile tap line parallels and shares existing road right-of-way with Cottage Grove's 100th Street South. The majority of the rest of the line lies within the substation parcel boundary. Thus, incremental impacts will be minimal and temporary (related primarily to construction).

Second, Xcel Energy indicates that it has met with landowners and is not aware of any landowner objections to the project. The only landowners are 3M, which owns the property along the entire line, Cottage Grove, which owns the land for the road crossing, and Airgas, the benefactor of the project, which owns the land where the substation would be built. This lack of objection may be considered an indication of how the landowners perceive the significance of the change in impacts of the project. Landowners have received copies of this application and notice period. If no landowner objections are received during the comment period, it lends support to a conclusion that the impacts of the project are not significantly changed.

State Agencies

The only state agency comments on the project to date came from the Department of Natural Resources (DNR). The Application includes a letter from DNR noting its opinion that Xcel Energy has done well in avoiding sensitive resources. DNR also responded to an Xcel Energy letter stating that they concurred with Xcel Energy's assessment "that impacts to known occurrences of rare features are not anticipated." EERA suggests Xcel Energy should efile their NHIS request for concurrence along with the DNR response when filing reply comments.

Conditions

Even though the overall impacts should be minimal, Xcel Energy is proposing a 115 kV construction project, including large high voltage transmission structures. Accordingly, EERA staff believes it would be appropriate to include conditions on an authorization of the minor alteration request. Specifically, EERA recommends imposing the same conditions⁴ the Commission imposed on the Scott County project mentioned above:

⁴ Order Authorizing a Minor Alteration, Commission, April 2, 2014, eDocket no. [20144-97888-01](#)

1. **Best Management Practices.** Xcel Energy shall take precautions to avoid the spread of invasive plants by heavy equipment during construction and maintenance activities; use wildlife-friendly erosion control materials (<http://files.dnr.state.mn.us/eco/nongame/wildlife-friendly-erosion-control.pdf>) to reduce mortality to small nongame species; work with landowners to preserve, wherever possible, low-growing shrub species that can provide wildlife habitat; and use only native seed mixes where reseeding of vegetated areas is needed.
2. **Complaint Procedures.** Prior to the start of construction, Xcel Energy shall submit to the Commission the procedure that will be used to receive and respond to complaints. The procedure shall be in accordance with the requirements set forth in the Commission's standard complaint handling procedures.
3. **Notification to Landowners.** Xcel Energy shall provide all affected landowners with a copy of the Commission's order authorizing a minor alteration. Xcel Energy shall also provide all affected landowners with a copy of the complaint procedure upon contacting landowners to begin construction.
4. **Notification to Commission.** At least three days before the line is to be placed into service, Xcel Energy shall notify the Commission of the date on which the line will be placed into service and the date on which construction was complete. Within 60 days after completion of construction, Xcel Energy shall submit to the Commission geo-spatial information for all above ground structures associated with the project.
5. **Plan and Profile.** At least 30 calendar days before right-of-way preparation for construction begins on any segment or portion of the project, Xcel Energy shall provide the Commission with a plan and profile of the right-of-way and the specifications and drawings for right-of-way preparation, construction, structure specifications and locations, cleanup, and restoration for the transmission line. The documentation shall include maps depicting the plan and profile including the right-of-way, alignment, and structures in relation to the route and alignment approved. Xcel Energy may not commence construction until ~~the 30 days has expired or until~~⁵ the Commission has advised Xcel Energy in writing that it has completed its review of the documents and determined that the planned construction is consistent with the authorized minor alteration. If Xcel Energy intends to make any significant changes in its plan and profile or the specifications and drawings after submission to the Commission, it shall notify the Commission at least five days before implementing the changes.
6. **Field Representative.** At least 14 days prior to commencing construction, Xcel Energy shall advise the Commission in writing of the person or persons designated to be the field representative. The field representative's address, phone number, emergency phone number, and email shall be provided to the Commission and shall be made available to affected landowners, residents, public officials and other interested persons.

⁵ EERA has edited this provision to match expectations delineated in current permits being issued.

EERA CONCLUSIONS AND RECOMMENDATION

EERA concludes the MA Application requests alterations to an existing facility that do not significantly change the human or environmental impact of the facility and therefore meets the impact threshold of the Minor Alteration Rule.

EERA recommends the Commission approve Xcel Energy's request to build the new distribution substation and construct an in-and-out tap line connecting the existing #0881 115 kV transmission line to the substation, with the above conditions.