

May 8, 2025

Executive Secretary Will Seuffert
Minnesota Public Utilities Commission
121 7th Place East
Suite 350
Saint Paul, MN 55101-2147

RE: Snowshoe Energy Storage Project
 PUC Docket Number: IP-7138/ESS-24-279
 OAH Docket Number: 21-2500-40522

Dear Secretary Seuffert:

Background

MDA has historically had a role in the permitting process for energy projects overseen by the Public Utility Commission. MN Stat 216B.243, Subd. 7(b) and MN Stat 216E.10 Subd. 3(b) both specifically reference the role of the Commissioner of MDA to advise the PUC in granting certificates of need and site/route permits. MDA is also charged as the lead agency in working with project proposers to develop any agricultural mitigation plan required for the project. (Citation for these responsibilities will change in FY2026 when MN Stat 216I, created by the MN Energy Infrastructure Permitting Act of 2024, takes effect, however, the responsibilities remain the same).

Battery Energy Storage Systems (BESS) are a comparatively new project type that has come before the PUC. Currently there are two types of BESS projects:

- storage systems integrated into energy production projects, typically solar energy production projects,
- stand-alone storage systems, typically located adjacent to existing transmission line substations.

Impacts to Agricultural

The two types of projects impose impacts to agriculture that are different in nature and scope. The anticipated impacts are identified below:

- Integrated BESS Projects – the agricultural impacts of this type of project are, for the most part, ancillary to rather than additional to the impacts of the larger energy production project.
- Stand-alone BESS Projects – as currently understood, these projects have some unique characteristics:
 - they are comparatively small, typically 40 acres or less,
 - generally, they are densely developed with a large amount of infrastructure and equipment leading to significant land disturbance, very similar to other types of industrial development,
 - they are proposed to be sited very close or adjacent to an existing transmission line substations.
 - current proposed projects are all within the 2-mile zoning buffer allowed to municipalities allowing some control over development in areas that will eventually be annexed. They all have indicated that they have development agreements with the adjacent municipality.

Currently, the PUC permits these projects for a 30-year lifespan and requires a decommissioning plan for the facility. However, the facility owner can apply for a new permit to extend the lifespan of the facility or sell the property for a different non-agricultural use. Due to the industrial nature of the facility and the extent of soil disturbance involved, it is very unlikely that the facility site would be returned to productive agricultural use.

Agricultural Impact Mitigation Plan Requirements

At this time, MDA recognizes the variable nature of BESS projects and the need for differing AIMP requirements based on this variability. However, MDA retains the right to modify these requirements as the knowledge of and experience with these projects increases. Project proposers will still be required to consult with MDA to identify potential impacts to agriculture and define appropriate mitigative practices. Currently, MDA requires the following mitigation planning for BESS projects:

- Integrated BESS Projects – Currently, integrated projects usually combine solar energy production with battery energy storage. Despite the requirement for a separate site permit application for the BESS component of integrated project, MDA will accept a single AIMP that covers all components of a proposed project that are intended to be built concurrently in the same location. A separate section that describes the BESS component, any potential additional agricultural impacts, and any additional mitigative actions should be included in the AIMP for the total project. This approach applies to any business structure that is held by a single corporate owner. This approach is contingent on meeting all requirements of the PUC permitting process.
- Stand-alone BESS Projects – Based on the comparatively small spatial scale of these projects, the industrial nature of disturbance to the site, and the unlikelihood that these project sites will be returned to productive agricultural use, mitigation of impacts to soils on the developed portion of the project site will not be required. MDA has determined that mitigation planning for these projects should focus on potential impacts external to the site. At a minimum, any surface and sub-surface drainage system impacts need to be identified, and mitigation practices outlined since drainage systems frequently cross property boundaries. MDA has identified two mitigation planning approaches to address concerns over impacts to agriculture - these would be developed after an initial consultation:
 - Reduced-scope Agricultural Impact Mitigation Plan – after consultation with MDA to identify potential impacts and develop appropriate mitigation practices, the project proposer will develop an AIMP that addresses the identified concerns.
 - Mitigative Actions as PUC Site Permit Conditions – after consultation with MDA necessary mitigation practices would be included as site permit conditions by the PUC.

150 MW Snowshoe Energy Storage Project proposed by Snowshoe BESS, LLC

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As a stand-alone BESS project, MDA has determined that the Snowshoe Energy Storage Project would qualify for Mitigative Actions as PUC Site Permit Conditions. Representatives from Snowshoe BESS have consulted with staff from MDA to collaboratively develop site permit application language that adequately addresses our concerns for the protection of any onsite and adjoining agricultural infrastructure that provides service to adjacent farmlands.

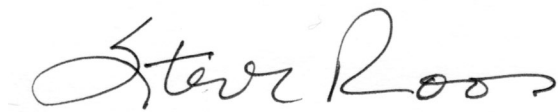
In addition, MDA has had discussions with PUC (EERA) staff about the appropriateness of the language within standard permit conditions to identify the mitigative actions needed to address our concerns. Specifically, MDA finds the language pertaining to:

- the treatment of soils described in General Conditions 4.3.9 through 4.3.11 adequate for protecting neighboring agricultural lands and soils from impacts.
- the treatment of existing and planned future surface and subsurface drainage systems described in General Conditions 4.3.19, 4.3.22, 4.3.26, and 4.4 adequate for protecting local and regional drainage networks.

Considering our findings, MDA does support the removal of Special Condition 5.5, Agricultural Impact Mitigation Plan, from the site permit for this project.

If you have any questions about MDA's comments, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Stephan Roos". The signature is fluid and cursive, with the first name "Stephan" and last name "Roos" clearly distinguishable.

Stephan Roos
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cc: Commissioner Thom Petersen, MDA
Bret Eknes, Minnesota Public Utilities Commission
Ray Kirsch, Minnesota Department of Commerce
Suzanne Steinhauer, Minnesota Department of Commerce