

Appendix A
Environmental Assessment Scoping Decision



In the Matter of the Application of
Hayward Solar LLC for a Certificate of Need
for the up to 150 MW Hayward Solar
Project in Freeborn County

**ENVIRONMENTAL ASSESSMENT
SCOPING DECISION**

In the Matter of the Application of
Hayward Solar, LLC for a Site Permit under
the Alternative Permitting Process for the
up to 150 MW Hayward Solar Project in
Freeborn County

**DOCKET NOS. IP7053/CN-21-112
IP7053/GS-21-113**

The above matters have come before the Commissioner of the Department of Commerce (Department) for a decision on the scope of the environmental assessment (EA) to be prepared for Hayward Solar LLC's proposed 150 megawatt (MW) solar farm in Freeborn County, Minnesota.

Project Description

Hayward Solar, LLC (Hayward Solar) proposes to construct an up to 150 MW solar farm in Hayward Township, Freeborn County, Minnesota. The project will occupy approximately 1,272 acres east of the city of Hayward and just south of Interstate 90. The project will use photovoltaic solar panels mounted on linear tracking systems. Underground collection lines will gather the electric power to a project substation. The project will interconnect with the electrical grid via a switching station on the existing Hayward – Murphy Creek 161 kV transmission line. The switching station would be constructed, owned, and operated by the Southern Minnesota Municipal Power Agency (SMMPA).

Hayward Solar indicates that the project is in the Midcontinent Independent System Operator (MISO) interconnection queue. Hayward Solar anticipates executing a generator interconnection agreement (GIA) with MISO in early 2022. Project construction is anticipated to begin in 2022 with completion and operation in 2023.

Project Purpose

Hayward Solar indicates that the proposed solar project will assist the State of Minnesota in meeting its renewable energy objectives. Hayward Solar also indicates that the project will meet consumers' growing demand for renewable energy. Hayward Solar is working to secure a power purchase agreement with wholesale customers (e.g., Minnesota utilities and cooperatives) or commercial and industrial customers to sell the electric power produced by the project.

Regulatory Background

Hayward Solar's proposed project requires two separate approvals from the Minnesota Public Utilities Commission (Commission) – a certificate of need (CN) and site permit. Hayward Solar submitted applications for these approvals on May 5, 2021.

On October 14, 2021, Hayward Solar amended its CN and site permit applications to reflect a new interconnection point for the project.

Department of Commerce, Energy Environmental Review and Analysis (EERA) staff is responsible for conducting environmental review for CN and site permit applications submitted to the Commission.¹ As two concurrent environmental reviews are required – one for the CN application and one for the site permit application – the Commission has authorized EERA staff to combine the environmental review for the two applications.² An environmental assessment (EA) will be prepared to meet the requirements of both review processes.

Scoping Process

Scoping is the first step in the development of the EA for the project. The scoping process has two primary purposes: (1) to gather public input as to the impacts and mitigation measures to study in the EA and (2) to focus the EA on those impacts and mitigation measures that will aid in the Commission's decisions on the CN and site permit applications.

EERA staff gathered input on the scope of the EA through public meetings and an associated comment period. This scoping decision identifies the impacts and mitigation measures that will be analyzed in the EA; additionally, it identifies alternatives to the project itself that will be analyzed in the EA.

Public Scoping Meetings

Commission and EERA staff held a public meeting regarding the Hayward Solar Project on August 11, 2021, in Albert Lea, Minnesota. Approximately 25 persons attended this meeting; two attendees provided public comments.³ Both commenters expressed support for the project. The following evening, August 12, 2021, Commission and EERA staff held a remote-access public meeting. Nine persons attended this meeting; two attendees provided public comments.⁴ Both commenters expressed support for the project, noting its economic and environmental benefits.

Written Public Comments

A comment period, ending on August 26, 2021, provided the public an opportunity to submit comments to EERA staff on potential impacts and mitigation measures for consideration in the

¹ Minnesota Rule 7849.1200; Minnesota Rule 7850.3700.

² Commission Order, June 29, 2021, eDockets Number [20216-175529-01](#).

³ Public Meeting Oral Comments, eDockets Number [20218-177535-01](#).

⁴ Id.

scope of the EA. Comments were received from three state agencies, one local unit of government, one labor union, and five citizens.⁵

The Minnesota Department of Natural Resources (DNR) noted that the proposed Hayward site has poorly drained soils and recommended that the EA discuss measures to mitigate impacts to these soils. DNR also recommended the use of wildlife-friendly erosion control netting for the project. The Minnesota Pollution Control Agency (MPCA) provided guidance on permits for the project and on stormwater management for solar panels. MPCA also encouraged Hayward Solar to work with landowners regarding any noise impacts and to minimize construction impacts to waters in county ditches. The Minnesota Department of Transportation (MnDOT) provided guidance on MnDOT permits and encouraged early coordination with MnDOT staff regarding permits for the project.

Freeborn County noted its support for the project, particularly its economic and environmental benefits. The International Union of Operating Engineers, Local 49, noted its support for the project, especially as regards Hayward Solar's commitment to use local labor for the project. All five citizens noted their support for the project, citing the environmental benefits associated with perennial vegetation on the solar farm.

No commenters suggested an alternative site for the project. No commenters suggested a system alternative – i.e., a different type or size of project.

Commission Review

After close of the public comment period, and after Hayward Solar's filing of an amendment application, EERA staff provided the Commission with a summary of the EA scoping process.⁶ The summary discussed the comments received on the scope of the EA and EERA staff's recommendation to study only the applicant's proposed site, as amended, in the EA. Further, EERA staff recommended that a public comment period was not required for Hayward Solar's amendment application. On November 18, 2021, the Commission met to consider what action it should take regarding alternative sites to be studied in the EA. The Commission took no action.

System Alternatives

No system alternatives were suggested during scoping. Minnesota Rule 7849.1500 lists system alternatives that should be examined during environmental review.⁷ These alternatives include, among others, the no-build alternative, purchased power, and transmission in lieu of generation.⁸

⁵ Written Public Comments on Scope of Environmental Assessment, eDockets Numbers [20218-177535-03](#), [20219-177774-01](#).

⁶ Department of Commerce, Comments and Recommendations on Scoping Process, October 26, 2021, eDockets Number [20186-143985-01](#).

⁷ Minnesota Rule 7840.1500.

⁸ Id.

In its order of March 24, 2021, the Commission approved exemptions requested by Hayward Solar for certain CN alternatives.⁹ The Commission required, in part, that Hayward Solar provide CN information solely regarding “alternative generating facilities that are of the same size as the project and that use a renewable energy source.”¹⁰ Consistent with the Commission’s order, the EA will analyze system alternatives that are the same size as the project that use a renewable energy source.

Having reviewed the matter, consulted with EERA staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The issues outlined below will be analyzed in the EA for the proposed Hayward Solar Project. The EA will describe the project and the human and environmental resources of the project area. It will provide information on the potential impacts of the project as they relate to the topics outlined in this scoping decision and possible mitigation measures. It will identify impacts that cannot be avoided and irretrievable commitments of resources, as well as permits from other government entities that may be required for the project. The EA will discuss the relative merits of the proposed project site with respect to the siting factors in Minnesota Rule 7850.4100.

The EA will include a description and analysis of the human and environmental impacts of the proposed project and alternatives to the project that would have otherwise been required by Minnesota Rule 7849.1500 in an environmental report.

I. GENERAL DESCRIPTION OF THE PROJECT

- A. Project Description
- B. Project Purpose
- C. Project Costs

II. REGULATORY FRAMEWORK

- A. Certificate of Need
- B. Site Permit
- C. Environmental Review
- D. Other Permits and Approvals

⁹ Commission Order (Approving Requested Exemptions with Modifications), March 24, 2021, eDockets Number [20213-172146-01](#).

¹⁰ Id.

III. ENGINEERING, DESIGN, AND CONSTRUCTION

- A. Solar Arrays
- B. Electrical Collection Systems
- C. Substation and Switching Station
- D. Associated Facilities

IV. OPERATION AND DECOMMISSIONING

- A. Maintenance
- B. Vegetation Management
- C. Repowering and Decommissioning

V. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEASURES

The EA will include a discussion of the human and environmental resources potentially impacted by the project. Potential impacts of the project will be described and characterized. Based on the impacts identified, the EA will describe mitigation measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EA will describe any unavoidable impacts resulting from implementation of the project.

Data and analysis in the EA will be commensurate with the importance of potential impacts and the relevance of the information to consideration of the need for mitigation measures.¹¹ EERA staff will consider the relationship between the cost of data and analyses and the relevance and importance of the information in determining the level of detail of information to be prepared for the EA. Less important material may be summarized, consolidated, or simply referenced.

If relevant information cannot be obtained within timelines prescribed by statute and rule, or if the costs of obtaining such information is excessive, or the means to obtain it is not known, EERA staff will include in the EA a statement that such information is incomplete or unavailable and the relevance of the information in evaluating potential impacts.¹²

- A. Environmental Setting
- B. Socioeconomics
 - 1. Environmental Justice
- C. Human Settlements
 - 1. Noise
 - 2. Aesthetics
 - 3. Displacement
 - 4. Property Values

¹¹ Minnesota Rule 4410.2300.

¹² Minnesota Rule 4410.2500.

5. Zoning and Land Use Compatibility
6. Public Services
7. Electronic Interference
- D. Public Health and Safety
 1. Electric and Magnetic Fields
 2. Worker and Public Safety
- E. Land Based Economies
 1. Agriculture
 2. Forestry
 3. Mining
 4. Recreation and Tourism
- F. Archaeological and Historic Resources
- G. Natural Environment
 1. Water Resources
 2. Soils
 3. Flora
 4. Fauna
 5. Climate Change
- H. Threatened / Endangered / Rare and Unique Natural Resources
- I. Electric System Reliability
- J. Operation and Maintenance Costs that are Design Dependent
- K. Adverse Impacts that Cannot be Avoided
- L. Irreversible and Irretrievable Commitments of Resources

VI. ALTERNATIVES TO THE PROPOSED SOLAR FARM

The EA will analyze the availability and feasibility of the following system alternatives, and the human and environmental impacts and potential mitigation measures associated with each:

- A. No-build Alternative
- B. Generic 150 MW Solar Farm
- C. Generic 150 MW Wind Farm

ISSUES OUTSIDE THE SCOPE OF THE EA

The EA will not address the following topics:

- A. Any project site other than the site proposed by Hayward Solar.
- B. Any system alternative (an alternative to the proposed solar farm) not specifically identified for study in this scoping decision.
- C. The manner in which landowners are compensated for the project.

SCHEDULE

The EA is anticipated to be completed and available in March 2022. Upon completion, it will be noticed and made available for review. A public hearing will be held in the project area after the EA has been issued. Comments on the EA may be submitted into the hearing record.

Signed this 30th day of November, 2021

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE



Katherine Blauvelt, Assistant Commissioner

