STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger Chair
David C. Boyd Commissioner
Nancy Lange Commissioner
Dan Lipschultz Commissioner
Betsy Wergin Commissioner

In the Matter of the Application of Great River Energy for a Route Permit for the Elko New Market and Cleary Lake Area 115 kV Transmission Project in Scott and Rice Counties PUC Docket no. ET2/TL-12-1245

OAH Docket no. 48-2500-31007

DOC EERA'S EXCEPTIONS TO ADMINISTRATIVE LAW JUDGE'S REPORT

I. INTRODUCTION

The Department of Commerce, Energy Environmental Review and Analysis (EERA), respectfully submits the following exceptions to the Findings of Fact, Conclusions, and Recommendation (Report) issued by Administrative Law Judge Steve Mihalchick (ALJ) for the proposed Elko New Market and Cleary Lake Area 115 kV Transmission Project (Project). Overall, the report provides a comprehensive analysis of the record evidence. EERA offers the following comments to address certain technical points in the Report and to support approval of the ALJ's recommended route. Specifically, EERA recommends that the Minnesota Public Utilities Commission (Commission) approve a Route Permit for the Project authorizing the Proposed Route with the "Existing Line" option in the north area and the "West" option in the south area, ¹ including the ALJ's recommended Permit Conditions.

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¹ ALJ Report at 33, ALJ Steve Mihalchick, May 14, 2014, eDocket no. <u>20145-99487-01</u>

II. PROPOSED MODIFICATIONS TO ALJ REPORT

EERA respectfully suggests the following changes to the ALJ's report.

FINDINGS OF FACT

EERA does not recommend any exceptions to the ALJ's Findings of Fact.

CONCLUSIONS OF LAW

EERA staff notes Conclusion (5) should be edited to exclude the references in Minn. R. 7850.2500 for preparation of an Environmental Impact Statement. The subparts in Minn. R. 7850.3700 are properly referenced for preparation of an Environmental Assessment. The ALJ also properly included references back to the full process where they were indicated in the statute and rule for the alternative process. However, Minn. R. 7850.3700 does not reference back to 7850.2500, so those subparts are not necessary or applicable in this Conclusion.

5. Notice was provided by EERA and the Commission as required by applicable statutes and rules, namely, Minn. Stat. §§ 216E.03, subd. 6; 216E.04, subd. 6; and Minn. R. 7850.2300, subp. 2; 7850.2500, subps. 2, 7, 8 and 9; 7850.3500, subp 1; 7850.3700, subps. 2, 3, and 6; and 7850.3800.

EERA notes the inaccuracy in Conclusion (11) that the "The East Option is somewhat shorter." The East Option is approximately one mile *longer* than the West Option. There is, however, ambiguity in the proper way to correct that inaccuracy. The question is if "East" should be changed to "West" or if "shorter" should be changed to "longer." Although the West Option has arguably greater potential environmental impacts, EERA believes the following reading is most likely closest to the ALJ's intent, given his final Recommendation.

11. In the southern area, the West Option is generally superior to the East Option. The East Option is somewhat shorter longer, but and has negative impacts upon planned road projects, parkland, and possible other environmental impacts. The City of Elko New Market opposes the East Option.

RECOMMENDATION

As noted above, EERA concurs with the ALJ's Recommendation for a route. EERA also concurs with the ALJ's Conclusions (12, 20) that the general Route Permit conditions are appropriate for the Project. EERA also concurs with the ALJ's recommendations concerning special permit conditions conveyed in Conclusions (13-19). In its Comments and Recommendations to the ALJ, EERA recommended specific language for those Special Conditions,² which further develops the conditions described in the above Conclusions.

EERA staff appreciates the opportunity to submit these exceptions.

Dated: May 29, 2014

Respectfully submitted,

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² Comments and Recommendations at 8-10, EERA, April 14, 2014, eDocket no. 20144-98284-02

CERTIFICATE OF SERVICE

I, Jan Mottaz, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Response of the Minnesota Department of Commerce, Division of Energy Environmental Review & Anayisis

Docket no. ET2/TL-12-1245

Dated this 29th day of May2014

/s/Jan Mottaz

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