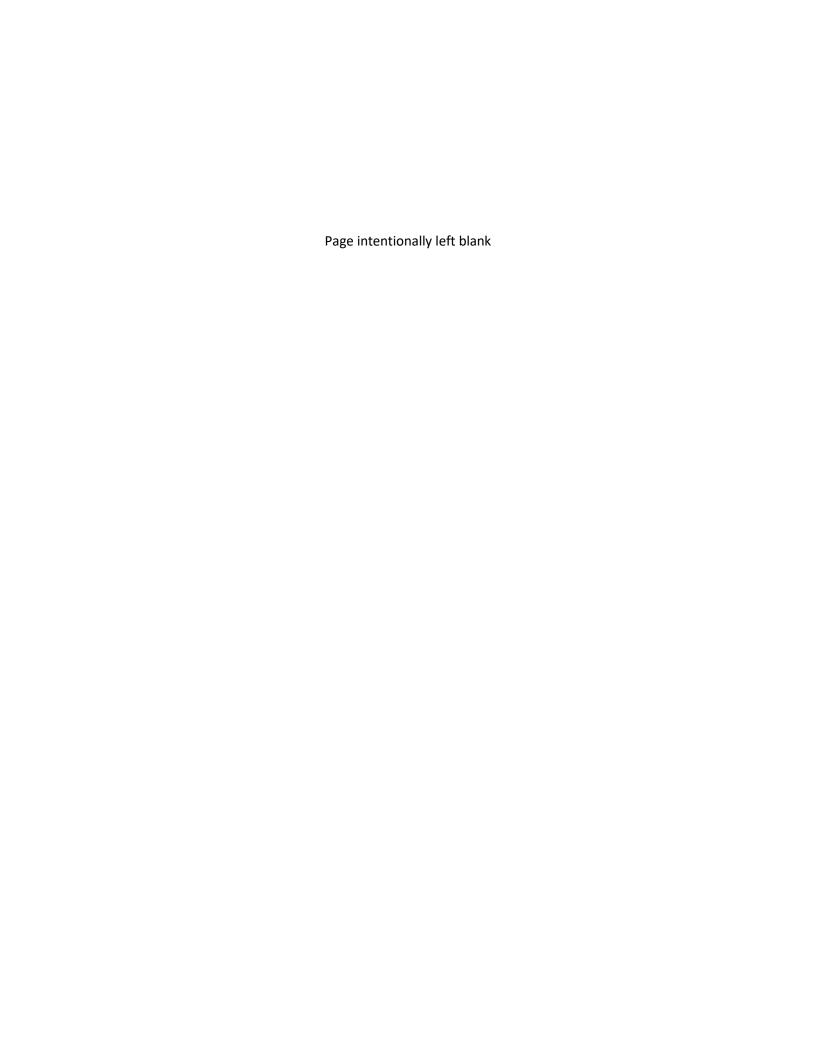
Appendix A

Scoping Decision





In the Matter of the Application for a Certificate of Need for the Proposed 345 kV Brookings County – Lyon County and Helena – Hampton Second Circuit Project

ENVIRONMENTAL REPORT SCOPING DECISION

DOCKET NO. E-002/CN-23-200

The above matter has come before the Commissioner of the Department of Commerce (Department) for a decision on the scope of the environmental report (ER) to be prepared for certificate of need application filed by Xcel Energy, Central Minnesota Municipal Power Agency; Great River Energy; Otter Tail Power Company; and Western Minnesota Municipal Power Agency (Applicants) for the Brookings County – Lyon County and Helena – Hampton Second-Circuit Project (Brookings 2nd Circuit Project or Project).

Project Description

The Applicants propose to install separate second 345 kV circuits on double-circuit-capable structures on the Minnesota portion of the Brookings County to Lyon County (Western Segment) and Helena to Hampton Minnesota (Eastern Segment) segments of the Original Brookings Line (see Commission Docket 08-1474).

The Original Brookings Line was constructed in phases and was fully energized in 2015. The Lyon County – Helena segment was originally constructed with the second circuit installed. The Commission approved construction of double-circuit capable structures for the Minnesota portion of the Brookings County – Lyon County and Helena – Hampton segments but required the utilities to obtain a Certificate of Need (CN) to add second circuits to the Brookings County – Lyon County and Helena – Hampton segments.

The Western and Eastern Segments of the Project will, collectively, be approximately 98.5 miles long. The Western Segment is approximately 59.5 miles and will require reconfiguring an existing line at the Steep Bank Lake Substation to avoid the second circuit crossing the existing transmission line. This reconfiguration will involve adding one structure outside of the Steep Bank Lake Substation but within the existing right-of-way. The Eastern Segment is approximately 39 miles and will require rerouting around the Chub Lake Substation. The Applicants will construct two new dead-end structures on foundations on the south side of the Chub Lake Substation to avoid the second circuit having to go over the top of the Chub Lake Substation. The Applicants will also install eight new poles in the Eastern Segment to maintain the transmission line's low profile near the Air Lake Airport in Lakeville.

The Applicants indicated that the Project is needed to relieve current transmission congestion in this area. The Applicants plan to place the Western Segment in service by September 1, 2024, and the Eastern Segment in service by September 15, 2025.

Regulatory Background

The proposed project requires two approvals from the Minnesota Public Utilities Commission (Commission) – a certificate of need (CN) and a minor alteration to the existing route permit for the Brookings – Hampton 345 kV transmission line issued by the Commission in 2010.

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The Applicants filed an application for a certificate of need on August 15, 2023. The Commission accepted the application as substantially complete and approved the Applicants' variance request in its order dated October 10, 2023. The Applicants filed an application for a Minor Alteration to the existing route permit on November 13, 2023.

The Department's Energy Environmental Review and Analysis (EERA) staff is responsible for conducting environmental review for CN applications submitted to the Commission.⁴ An ER will be prepared to meet the environmental review requirements for the CN. The request for a minor alteration does not require preparation of an environmental review document.

Scoping Process

Scoping is the first step in the development of the ER 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 ER and (2) to focus the ER on those impacts and mitigation measures that will aid in the Commission's decisions on the CN.

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

Public Scoping Comments

Commission and EERA staff held three public information and scoping meetings in December 2023. Approximately seven persons attended the meeting held December 11, 2023, in Lakeville, Minnesota and four attendees provided public comments. Comments addressed construction impacts on local roads, easements with individual landowners, noise during construction and operation, public health and safety related to electromagnetic fields, project cost and impact on rates, and tree clearing outside the transmission right-of-way.

In addition to the Lakeville meeting, a remote access was held the evening of December 11, 2023, and a meeting attended by seven people was held in Marshall, Minnesota on December 12, 2023. There were no public comments at either of those meetings.⁶

¹ Applicants, Application to the Minnesota Public Utilities Commission for a Certificate of Need for the Proposed 345 kV Brookings County – Lyon County and Helena – Hampton Second Circuit Project. August 15, 2023, eDocket ID: 20238-198271-01, 20238-198271-02, 20238-198271-03, 20238-198271-05, and 20238-198271-06...

² Commission, *Order*, October 10, 2023, eDocket ID: <u>202310-199478-01</u>

³ Applicants, *Application for a Minor Alteration of CaxX2020 Brookings Hampton Route Permit to Add the Brookings County – Lyon County and Helena – Hampton Second Circuit Project*, November 13, 2023, eDocket ID: <u>202311-200430-01</u>, <u>202311-200430-02</u>, <u>202311-200430-03</u>, <u>202311-200430-04</u>, <u>202311-200430-05</u> <u>202311-200430-06</u>, <u>202311-200430-07</u>, and <u>202311-200430-08</u>

⁴ Minnesota Rule 7849.1200.

⁵ Oral Comments, Public Scoping and Information Meeting, Lakeville, Minnesota, December 11, 2023 eDocket ID: 20241-202040-01

⁶ Oral Comments, Public Scoping and Information Meeting, Virtual, , December 11 2023 eDocket ID: <u>20241-202040-03;</u> Oral Comments, Public Scoping and Information Meeting, Marshall, Minnesota, December 12, 2023, eDocket ID: <u>20241-202040-05</u>

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In addition to the oral comments received at the in public information and scoping meetings, written comments were received from the two members of the public, the Minnesota Department of Agriculture, the Minnesota Department of Transportation (MnDOT), the Minnesota Department of Natural Resources (DNR), and the Applicants by the close of the comment period on January 3, 2024.

Mark Henry, a supervisor from Castle Rock Township provided the township's *Ordinance Regulating Township Road Right-of-Ways and Large Utility Projects Impacting Township Right-of Ways.* Geraldine Klaus identified impacts on the environment, specifically on the Vermillion River, health impacts, and impacts to property values as concerns.

The Minnesota Department of Agriculture (MDA) commented that it had reviewed and approved the agricultural impact mitigation plan submitted by the applicant.⁸

The Minnesota Department of Transportation (MnDOT) provided comments on the minor alteration application and identified potential issues and impacts related to construction within and near MnDOT ROWs along with recommended mitigation measures.⁹

The Minnesota Department of Natural Resources (DNR) provided comments on the minor alteration application. ¹⁰ The DNR recommended mitigation measures to minimize impact to wetlands and Blanding's turtles, and the use of wildlife-friendly erosion control methods to minimize impact to wildlife. DNR also provided guidance on the threshold for water use permits.

None of the comments proposed additional system alternatives to be evaluated in the ER.

Applicant Comments

Xcel Energy filed comments on January 3, 2024. ¹¹ In its comments Xcel Energy corrected information on the electric and magnetic fields and clarified information from its existing easement agreements with respect to trimming or removing trees adjacent to the easement that may interfere with the transmission line.

Having reviewed the matter, consulted with EERA staff, and in accordance with Minnesota Rule 7849.1400 and 7849.1500, I hereby make the following scoping decision:

⁷ Mark Henry, Castle Rock Township Ordinance Regulating Township Road Right-of-Ways and Large Utility Projects Impacting Township Right-of Ways, eDocket ID: 20241-202043-02

⁸ Minnesota Department of Agriculture, November 15, 2023, eDocket ID: 202311-200525-01

⁹ MnDOT Comment, January 3, 2024, eDocket ID: <u>20241-201789-01</u>

¹⁰ DNR, December 27, 2023, eDocket ID: 202312-201580-01

¹¹ Xcel Energy, Comments, January 3, 2024, eDockets: <u>20241-201814-01</u>

MATTERS TO BE ADDRESSED

The ER for the proposed Brookings 2nd Circuit Project will include a description and analysis of the human and environmental impacts of the proposed project and alternatives to the project required by Minnesota Rule 7849.

GENERAL DESCRIPTION OF THE PROJECT

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

REGULATORY FRAMEWORK

- A. Certificate of Need
- B. Route permit Minor alteration
- C. Environmental Review
- D. Other Permits and Approvals

PROJECT DESIGN, CONSTRUCTION, & OPERATION

- A. Structures
- B. ROW Requirements
- C. Substation Improvements
- D. Associated Facilities
- E. Operation & Maintenance

ALTERNATIVES TO THE PROPOSED PROJECT

The ER will analyze the availability and feasibility of the following system alternatives:

- A. No-Build Alternative
- B. New Generation or Upgrades to Existing Generation Facilities Instead of Transmission
- C. Transmission of a Different Voltage (includes different voltages, different conductors, direct current (DC), underground transmission)
- D. Transmission with Different Endpoints (includes construction of only one segment of proposed project)

AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEASURES

The ER will analyze the human and environmental impacts and potential mitigation measures associated with the proposed project and the identified system alternatives to the proposed project:

- A. Impacts to the Natural Environment
 - 1. Air quality and greenhouse gases
 - 2. Climate change and design for resilience
 - 3. Vegetation
 - 4. Wildlife
 - 5. Geology and soils

- 6. Water resources (surface water, groundwater, wetlands)
- 7. Rare and unique natural resources
- B. Impacts to Human Settlements
 - 1. Noise
 - 2. Aesthetics
 - 3. Displacement
 - 4. Socioeconomic impacts
 - 5. Cultural resources
 - 6. Zoning and land use compatibility
 - 7. Public services
 - 8. Communication and electronic interference
 - 9. Public health and safety (electric and magnetic fields, worker and public safety)
 - 10. Environmental justice
- C. Impacts to Land Based Economies
 - 1. Agriculture
 - 2. Forestry
 - 3. Mining
 - 4. Recreation and tourism

ISSUES OUTSIDE THE SCOPE OF THE ER

The ER will not address the following topics:

- A. Any system alternative (an alternative to the proposed addition of a second circuit) not specifically identified for study in this scoping decision.
- B. The manner in which landowners are compensated for the project.

SCHEDULE

The ER is anticipated to be completed and available in March 2024. Upon completion, it will be noticed and made available for review. A public hearing will be held after the ER has been issued. Comments on the ER may be submitted into the hearing record.

Signed this 22nd day of January 2024

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

Michelle Gransee, Deputy Commissioner

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