

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben  
Hwikwon Ham  
Audrey C. Partridge  
Joseph K. Sullivan  
John A. Tuma

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of the Application of North Star Energy Storage, LLC, for an up to 80-megawatt Battery Energy Storage System Site Permit for the North Star Storage Project in Chisago County, Minnesota

SERVICE DATE: April 15, 2025

DOCKET NO. IP-7155/ESS-25-123

The above-entitled matter has been considered by the Commission and the following disposition made:

- 1. Accepted North Star Energy Storage, LLC's site permit application as complete.**
- 2. Declined to appoint an advisory task force at this time.**
- 3. Requested a full Administrative Law Judge's report with findings of fact, conclusions of law, and recommendations for the project's public hearing in accordance with Minn. Stat. § 216E.04, subd. 6 and Minnesota Rules 7850.3800.**
- 4. Delegated authority to the Executive Secretary to issue an authorization to the applicant to initiate consultation with the Minnesota State Historic Preservation Office (SHPO).**

**This decision is issued by the Commission's consent calendar subcommittee, under a delegation of authority granted under Minn. Stat. § 216A.03, subd. 8 (a). Unless a party, a participant, or a Commissioner files an objection to this decision within ten days of receiving it, it will become the Order of the full Commission under Minn. Stat. § 216A.03, subd. 8 (b).**

The Commission agrees with and adopts the recommendations of the Department of Commerce, which are attached and hereby incorporated into the Order.



BY ORDER OF THE COMMISSION

A handwritten signature in black ink, appearing to read "Will Seuffert".

Will Seuffert  
Executive Secretary

To request this document in another format such as large print or audio, call 651.296.0406 (voice). Persons with a hearing or speech impairment may call using their preferred Telecommunications Relay Service or email [consumer.puc@state.mn.us](mailto:consumer.puc@state.mn.us) for assistance.

March 19, 2025

Mr. Will Seuffert, Executive Secretary  
Minnesota Public Utilities Commission  
127 7th Place East, Suite 350  
Saint Paul, MN 55101-2147

RE: EERA Comments and Recommendations on Application Completeness  
North Star Battery Energy Storage System  
Docket No. IP-7155/ESS-25-123

Dear Mr. Seuffert:

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

In the Matter of the Application of North Star Energy Storage, LLC for a Site Permit for the up to 80 MW North Star Battery Energy Storage System Project in Chisago County, Minnesota.

The authorized representatives for the project are:

Joel Puritz  
Project Developer  
DESRI Renewables, L.L.C.  
575 Fifth Avenue, 24th Floor  
New York, NY 10017  
email: [Joel.Puritz@deshaw.com](mailto:Joel.Puritz@deshaw.com)

Jeremy Duehr  
Fredrikson & Byron, P.A.  
60 South Sixth Street, Suite 1500  
Minneapolis, MN 55402  
Telephone: 612-492-7000  
email: [jduehr@fredlaw.com](mailto:jduehr@fredlaw.com)

EERA staff recommends that the Commission accept the application as substantially complete.

EERA staff is available to answer any questions the Commission may have.

Sincerely,



Sam Weaver  
Environmental Review Manager  
Energy Environmental Review and Analysis



## BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

### ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS COMMENTS AND RECOMMENDATIONS

### NORTH STAR BATTERY ENERGY STORAGE SYSTEM

DOCKET NO. IP-7155/ESS-25-123

---

**Date:** March 19, 2025

**EERA Staff:** Sam Weaver | 651-539-1531 | sam.weaver@state.mn.us

**In the Matter of the Application of North Star Energy Storage, LLC for a Site Permit for the up to 80 MW North Star Battery Energy Storage System Project in Chisago County, Minnesota.**

**Issues Addressed:** These comments and recommendations address the completeness of the site permit application, the presence of contested issues of fact, the need for an advisory task force, and consideration of procedural requirements.

Documents Attached:

- (1) Project Overview Map
- (2) Table 1. Application Completeness Requirements
- (3) Table 2. Draft Permitting and Environmental Review Schedule

Additional documents and information can be found on eDockets: <https://www.edockets.state.mn.us/documents> (25-123), and on the Department of Commerce's website: <https://apps.commerce.state.mn.us/web/project/16143>.

This document can be made available in alternative formats (i.e., large print or audio) by calling 651-539-1530. Persons with a hearing or speech impairment may call using their preferred telecommunications relay service.

---

## Introduction and Background

On February 28, 2025, North Star BESS, LLC (North Star BESS) filed a site permit application to construct and operate an up to 80 megawatt (MW) energy storage facility in Chisago County, Minnesota.<sup>1</sup>

---

<sup>1</sup> North Star BESS, LLC, *Site Permit Application to the Minnesota Public Utilities Commission for the North Star Battery Energy Storage System Project*, February 28, 2025, eDockets Numbers [20252-215915-01 to -10](#) [herein after Site Permit Application or SPA].

On March 7, 2025, the Commission issued a notice soliciting comments on the completeness of the site permit application, the presence of contested issues of fact, the need for an advisory task force, consideration of procedural requirements, and whether the Executive Secretary should authorize the applicant to initiate consultation with Minnesota State Historic Preservation Office (SHPO).<sup>2</sup>

## Project Purpose

North Star BESS indicates that the project will help meet the growing demand for renewable energy and will assist Minnesota in reaching its Renewable Energy Objectives by allowing the adjacent North Star Solar Facility, in addition to other energy generating resources, to continue producing energy at times when they would otherwise be curtailed due to low demand.

North Star BESS anticipates entering into an energy storage agreement with Xcel Energy. Under a capacity payment structure, the Project will be available for Xcel Energy to charge and discharge at its discretion to support the transmission system. It is also possible the Project could operate under a different revenue structure after the expiration of the energy storage agreement's initial term. For example, the Project could provide energy, capacity, and ancillary services on the wholesale power market on a merchant basis.<sup>3</sup>

## Project Description

North Star BESS proposes to construct and operate a battery energy storage system (BESS) with a nominal power rating of up to 80 MW alternating current (AC) with approximately 320 megawatt-hours (MWh) of energy capacity on a site of approximately 26.6 acres in the City of North Branch, Chisago County, Minnesota. In addition to battery energy storage enclosures, the facility will also include inverters and transformers, an emergency management system, a battery management system, underground electrical collection and communication lines, interconnection to an existing electrical substation, a stormwater drainage basin, storage and parking areas, and fencing surrounding the perimeter of the facility. The Project will connect to the existing North Star Solar facility via buried 34.5 kilovolt collection lines, and will then be connected to the grid via existing infrastructure that connects the North Star Solar facility to the Chisago County Substation. The Chisago County Substation, which is owned and operated by Xcel Energy, is the point of interconnection (POI) for the solar facility and will be the POI for the North Star BESS Project. No new gen-tie line is required for the Project.

The Project is currently undergoing a Midcontinent Independent System Operator surplus interconnection study, the results of which are anticipated in the first quarter of 2025. A surplus large generator interconnection agreement will be executed specific to the Project following conclusion of the study and prior to construction.<sup>4</sup> North Star BESS anticipates that construction on the Project will begin in early 2026 and be completed in time to begin operating in the 1st quarter of 2027.<sup>5</sup> Total Project cost

---

<sup>2</sup> Commission, Notice of Comment Period on Application Completeness, March 7, 2025, eDockets Number. [20253-216148-01](#)

<sup>3</sup> SPA Section 1.1

<sup>4</sup> SPA Section 2.2

<sup>5</sup> SPA Section 1.3

is expected to be approximately \$172 million, and annual operating costs are anticipated to be approximately \$1.5 million.<sup>6</sup>

## Regulatory Process and Procedures

In Minnesota, no person may construct an energy storage system (ESS), defined as a facility capable of operating at a capacity of 10 MW or more<sup>7</sup> without a site permit from the Commission.<sup>8</sup> North Star BESS's proposed project will have a nominal power rating of up to 80 MW AC and therefore requires a site permit from the Commission. As an ESS facility, the site permit application qualifies for Commission review under the alternative permitting process described in Minnesota Statute 216E.04.<sup>9</sup>

The project does not require a certificate of need from the Commission because the Project is exempt under Minn. Stat. 216B.243, subd. 8(9).

## Site Permit Application Acceptance

Site permit applications for energy storage systems must provide information about the applicant, a description of the project, and discussion of potential environmental impacts and mitigation measures.<sup>10</sup> Review under the alternative permitting process does not require an applicant to propose alternative sites in their permit application. However, if the applicant has evaluated and rejected alternative sites they must describe these rejected alternatives and the reasons for rejecting them in their application.<sup>11</sup>

The Commission may accept an application as complete, reject an application and require additional information to be submitted, or accept an application as complete upon filing of supplemental information.<sup>12</sup> The environmental review and permitting process begins when the Commission determines that a permit application is complete; the Commission has six months (or nine months, with just cause) from the date of this determination to reach a permit decision.<sup>13</sup>

## Environmental Review

Site permit applications are subject to environmental review conducted by EERA staff. Projects proceeding under the alternative permitting process require the preparation of an environmental assessment (EA).<sup>14</sup> An EA is a document which describes the potential human and environmental impacts of a proposed project and possible mitigation measures. The EA will evaluate the site proposed

---

<sup>6</sup> SPA Section 2.4

<sup>7</sup> Minnesota Statute 216E.01, subd. 3a.

<sup>8</sup> Minnesota Statute 216E.03, subd. 1.

<sup>9</sup> Minnesota Statute 216E.04, Subd. 2 (noting those projects that are eligible to proceed under an alternative permitting process).

<sup>10</sup> Minnesota Rules 7850.1900 and 7850.3100.

<sup>11</sup> Minnesota Rule 7850.3100.

<sup>12</sup> Minnesota Rule 7850.3200.

<sup>13</sup> Minnesota Statute 216E.04, Subd. 7.

<sup>14</sup> Minnesota Rule 7850.3700.

by the applicant and any other site identified by the Commission.<sup>15</sup> A public information and scoping meeting is held to solicit comments on the scope of the EA. An EA is the only state environmental review document required for energy storage system site permit applications.

### Advisory Task Force

The Commission may appoint an advisory task force to aid the environmental review process. An advisory task force must include representatives of local governmental units in the project area. A task force assists EERA staff with identifying impacts and mitigation measures to be evaluated in the EA and expires upon issuance of the EA scoping decision.<sup>16</sup>

The Commission is not required to appoint an advisory task force for every project. If the Commission does not appoint a task force, citizens may request that one be appointed. If such a request is made, the Commission must determine at a subsequent meeting if a task force should be appointed or not. The decision whether to appoint an advisory task force does not need to be made at the time of application acceptance; however, it should be made as soon as practicable to ensure its charge can be completed prior to issuance of the EA scoping decision.

### Public Hearing

Site permit applications under the alternative permitting process require that a public hearing be held in the project area after the EA for the project has been completed and released.<sup>17</sup> The hearing is typically presided over by an administrative law judge (ALJ) from the Office of Administrative Hearings. The Commission may request that the ALJ provide solely a summary of public testimony. Alternately, the Commission may request that the ALJ provide a full report with findings of fact, conclusions of law, and recommendations regarding the project.

### EERA Staff Analysis and Comments

EERA staff provides the following analysis and comments in response to the Commission's notice requesting comments on completeness and other issues related to North Star BESS's site permit application.

### Application Completeness

EERA staff previously reviewed a draft of the application and believes that its comments on the draft application and supporting materials were substantially addressed in the application filed on February 28, 2025. EERA staff evaluated the application against the completeness requirements of Minnesota Rule 7850.3100 (Table 1). The application contains information with respect to these requirements. Accordingly, staff recommends the Commission accept the application as substantially complete and require North Star BESS to continue to work with EERA staff and provide supplemental information as necessary throughout the environmental review and permitting process.

---

<sup>15</sup> Minnesota Statute 216E.04, subd. 5

<sup>16</sup> Minnesota Rule 7850.3600.

<sup>17</sup> Minnesota Rule 7850.3800.

## Advisory Task Force

EERA staff has analyzed the merits of establishing an advisory task force for the North Star BESS project. Based on the information known at this time, staff believes that an advisory task force is not warranted for the project.

In analyzing the need for an advisory task force for the project, EERA staff considered four characteristics: project size, project complexity, known or anticipated controversy, and sensitive resources.

- **Project Size.** The project will utilize a relatively small area of land – approximately 27 acres – available through negotiated agreements with landowners. This project-size factor weighs against a task force.
- **Project Complexity.** With respect to the storage technology and land use, the project is not complex. Land use in the project area is agricultural and industrial, and the topography is relatively flat. There are no special construction techniques or operational features that make the project complex. This project-complexity factor weighs against a task force.
- **Known or Anticipated Controversy.** To date, EERA staff has received no specific comments concerning the project, and there are currently no public comments in the record. Although the stand-alone energy storage facility is a relatively novel proposal in Minnesota, EERA staff is not aware of any controversy associated with the Project at this time.

North Star BESS has located and developed the project through agreements with local landowners. North Star BESS reports outreach to local governments, state and federal agencies, and tribes. The public will have opportunities to raise concerns and issues during scoping and the public hearing. As it has previously, EERA will assist citizens and governmental units in understanding the environmental review process and how to best identify issues to be addressed in the EA.

- **Sensitive Natural Resources.** The BESS site is approximately 88 percent agricultural land.<sup>18</sup> The site is within the potential range of one federally listed species (gray wolf), bald and golden eagles, a federally designated non-essential experimental population of whooping crane, and two proposed listed species (salamander mussel and monarch butterfly). In addition to these federally listed species, the site is also within the range of two state listed species – the Blanding’s turtle and the toothcup. There are no native plant communities within or adjacent to the site.<sup>19</sup> While there is potential for sensitive natural resources to occur within or near the Project, the record on the location of these resources and potential mitigation measures will be developed in consultation with natural resource agencies and no impacts to these species or resources are anticipated at this time. On the whole, potential impacts to sensitive natural resources weigh neither for nor against a task force.

---

<sup>18</sup> SPA Section 6.2.8.1

<sup>19</sup> SPA Section 6.5.8

Based on the above analysis, EERA staff believes that an advisory task force is not warranted for the project.

### Contested Issue of Fact

Based on its review of North Star BESS's application and the record to date, EERA staff has not identified any contested issues of fact. Staff is unaware of any issues or concerns associated with the application or project that require a contested case hearing.

### Procedural Requirements

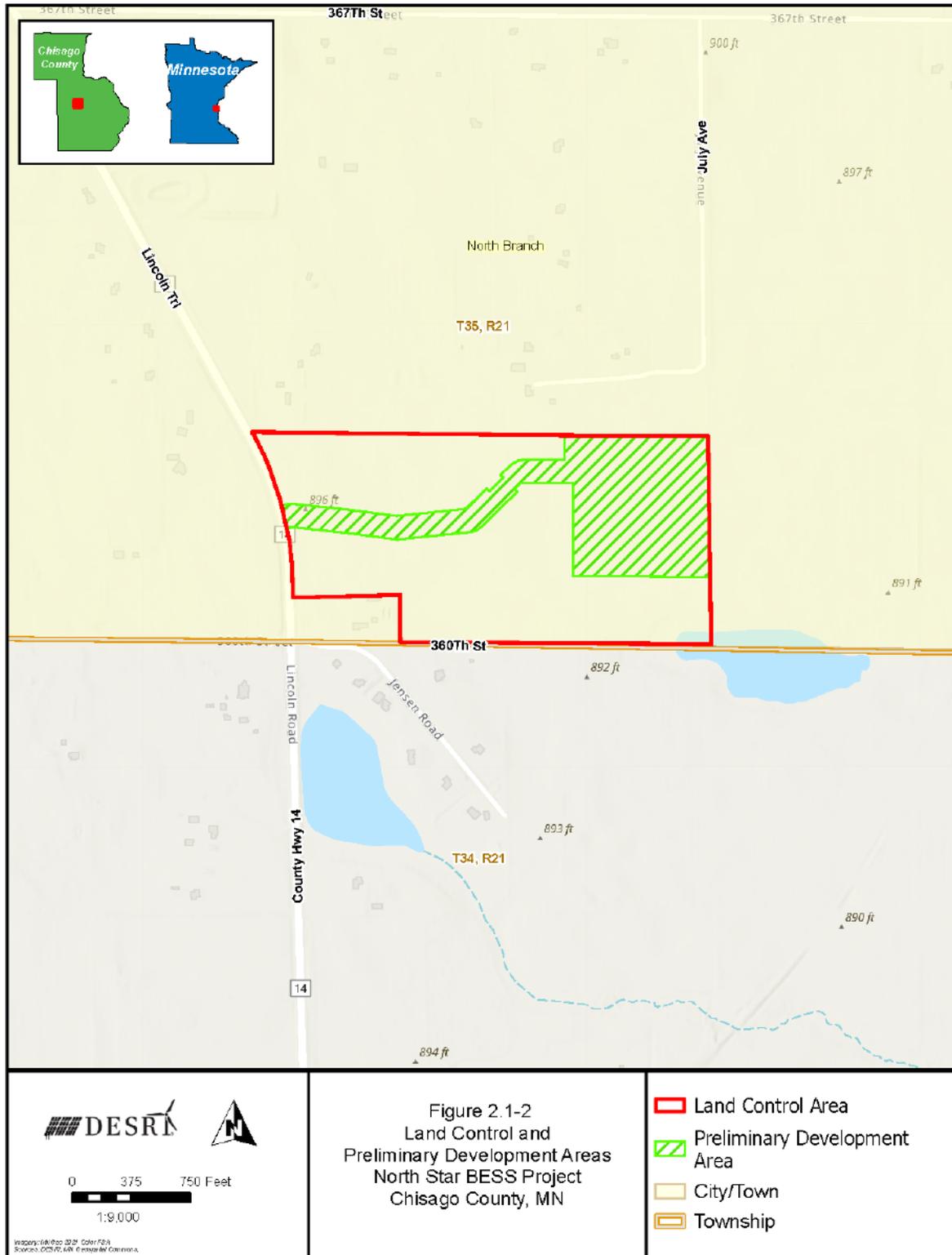
EERA staff recommends that the Commission request a full ALJ report for the project's public hearing. Although EERA staff does not believe that the novel nature of the project as a stand-alone energy storage system requires a contested case hearing, EERA staff believes that a full ALJ report with recommendations provides an unbiased, efficient, and transparent method to air and resolve any issues that may emerge as the record is developed. Requiring a full ALJ report reduces the burden on Commission staff and helps to ensure that the Commission has a robust record on which to base its decision. EERA staff has provided a draft schedule concept for the North Star BESS permitting process, which includes a full ALJ report with findings, conclusions, and recommendations (see [Table 2](#)).

### EERA Staff Recommendations

EERA staff recommends that:

- The Commission accept North Star BESS's site permit application as substantially complete.
- The Commission not appoint an advisory task force for the site permit application at this time.
- The Commission request a full ALJ report with findings, conclusions, and recommendations for the project's public hearing.

**Figure 1. North Star BESS Project**



**Table 1. Site Permit Application Completeness Requirements**

Minnesota Rule 7850.1900, Subpart 1	Location in Site Permit Application	EERA Staff Comments
A. a statement of proposed ownership of the facility at the time of filing the application and after commercial operation;	1.2.2 and 1.2.3	Satisfactory. North Star Energy Storage, LLC is the owner of the project.
B. the precise name of any person or organization to be initially named as permittee or permittees and the name of any other person to whom the permit may be transferred if transfer of the permit is contemplated;	1.2.1	Satisfactory. North Star Energy Storage, LLC will be the permittee.
C. at least two proposed sites for the proposed large electric power generating plant and identification of the applicant's preferred site and the reasons for the preference;	3.0	The project can use the alternative permitting process of Minnesota Statute 216E.04, which does not require providing this information via Minnesota Rule 7850.3100.
D. a description of the proposed large electric power generating plant and all associated facilities, including the size and type of the facility;	2.0	Satisfactory.
E. the environmental information required under subpart 3;	See Minnesota Rule 7850.1900, subpart 3 below.	
F. the names of the owners of the property for each proposed site;	2.1	Satisfactory. North Star or an affiliate owns or has a lease agreement for the land required to construct the Project.
G. the engineering and operational design for the large electric power generating plant at each of the proposed sites;	4.0; Site Permit Maps	Satisfactory.
H. a cost analysis of the large electric power generating plant at each proposed site, including the costs of constructing and operating the facility that are dependent on design and site;	2.4	Satisfactory.

Minnesota Rule 7850.1900, Subpart 1	Location in Site Permit Application	EERA Staff Comments
I. an engineering analysis of each of the proposed sites, including how each site could accommodate expansion of generating capacity in the future;	2.5 and 4.0	Satisfactory. No expansion is planned, and location of battery enclosure augmentation is clearly defined.
J. identification of transportation, pipeline, and electrical transmission systems that will be required to construct, maintain, and operate the facility;	4.1.4	Satisfactory.
K. a listing and brief description of federal, state, and local permits that may be required for the project at each proposed site; and	1.4	Satisfactory.
L. a copy of the certificate of need for the project from the Commission or documentation that an application for a certificate of need has been submitted or is not required;	1.4.1	Satisfactory. A certificate of need is not required for the project.

Minnesota Rule 7850.1900, Subpart 3	Location in Site Permit Application	EERA Staff Comments
A. a description of the environmental setting for each site or route;	6.1	Satisfactory.
B. a description of the effects of construction and operation of the facility on human settlement, including, but not limited to, public health and safety, displacement, noise, aesthetics, socioeconomic impacts, cultural values, recreation, and public services;	6.2	Satisfactory.
C. a description of the effects of the facility on land-based economies, including, but not limited to, agriculture, forestry, tourism, and mining;	6.3	Satisfactory.
D. a description of the effects of the facility on archaeological and historic resources;	6.4	Satisfactory.
E. a description of the effects of the facility on the natural environment, including effects on air and water quality resources and flora and fauna;	6.5	Satisfactory.
F. a description of the effects of the facility on rare and unique natural resources;	6.5.8	Satisfactory.
G. identification of human and natural environmental effects that cannot be avoided if the facility is approved at a specific site or route; and	6.6	Satisfactory.
H. a description of measures that might be implemented to mitigate the potential human and environmental impacts identified in items A to G and the estimated costs of such mitigative measures.	6.2 – 6.5	Satisfactory. Generally discussed throughout the section by resource.

**Table 2. Draft Permitting Process Concept Schedule**

<b>Permitting Day*</b>	<b>Process Step</b>	<b>Responsible Party</b>
<b>Application Filed to Application Acceptance</b>		
-	Site Permit Application Filed	Applicant
	Comment Period on Application Completeness	EERA/Agencies/Public
	Reply Comment Period	Applicant
	Supplemental Comments	EERA/Agencies/Public
	Consideration of Application Acceptance	PUC
<b>Acceptance to Permit Decision</b>		
1	Application Acceptance Order	PUC
5	Public Information and Scoping Meeting Notice	PUC
30	Public Information and Scoping Meeting	EERA/PUC
40	Scoping Comment Period Closes	EERA
60	Scoping Decision Issued	Commerce
170	EA Issued   Notice of EA Availability and Public Hearing	EERA
190	Public Hearing	PUC/ OAH/ Applicant/EERA
200	Public Hearing Comment Period Closes	PUC
210	Responses to Hearing Comments	EERA/Applicant
220	Proposed Findings of Fact (FOF)	Applicant
230	Reply Comments/Technical Analysis	EERA
260	FOF, Conclusions of Law, and Recommendations	OAH
275	Exceptions to ALJ Report	Applicant/EERA
310	Consideration of Site Permit	PUC

\*All timeframes are hypothetical and will change. Meetings and hearings will occur over multiple days.

## **CERTIFICATE OF SERVICE**

I, Hannah Olson, hereby certify that I have this day, served a true and correct copy of the following document to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States mail at St. Paul, Minnesota.

### **Minnesota Public Utilities Commission ORDER**

Docket Number IP-7155/ESS-25-123  
Dated this 15th day of April, 2025

/s/ Hannah Olson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	Official 25-123
2	Ryan	Cox	rcox@fredlaw.com	Fredrikson & Byron, P.A.		60 S Sixth St Ste 1500 Minneapolis MN, 55402-4400 United States	Electronic Service		No	Official 25-123
3	Monika	Davis	monika.davis@merjent.com			1 Main Street Suite 300 Minneapolis MN, 55414 United States	Electronic Service		No	Official 25-123
4	Jeremy	Duehr	jduehr@fredlaw.com	Fredrikson & Byron, P.A.		60 S Sixth St Ste 1500 Minneapolis MN, 55402-4400 United States	Electronic Service		No	Official 25-123
5	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	Official 25-123
6	Breann	Jurek	bjurek@fredlaw.com	Fredrikson & Byron PA		60 S Sixth St Ste 1500 Minneapolis MN, 55402 United States	Electronic Service		No	Official 25-123
7	Joel	Puritz	joel.puritz@deshaw.com	D. E. Shaw Renewable Investments		4949 Syracuse Street Suite 570 Denver CO, 80237 United States	Electronic Service		No	Official 25-123
8	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		No	Official 25-123
9	Nathaniel	Runke	nrunke@local49.org			611 28th St. NW Rochester MN, 55901 United States	Electronic Service		No	Official 25-123
10	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		No	Official 25-123