MINNESOTA DEPARTMENT OF NATURAL RESOURCES
CENTRAL OFFICE
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MNDNR

May 16, 2016

Michael Kaluzniak
Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Re: Palisade 115 kV Project Environmental Assessment
Public Utilities Commission (PUC) Docket Numbers: ET2/TL-15-423
Office of Administrative Hearings (OAH) Docket Number: 5-2500-32920

Dear Mr. Kaluzniak:

The Minnesota Department of Natural Resources (DNR) has reviewed the Environmental Assessment (EA) and Application for a Route Permit for the proposed Palisade 115 kV Transmission Line Project near the city of Palisade, Minnesota. Please consider the following comments regarding the project.

The DNR previously submitted the attached comment letter regarding the Route Permit Application. As discussed in this previous letter, the DNR recommends the use of bird diverters and border zone/wire zone vegetation management practices. These topics are discussed generally in the EA. We also recommend permit conditions requiring coordination with the DNR regarding avian mitigation and vegetation management details once a route is selected.

Also, the DNR recommends a permit condition requiring the use of wildlife – friendly erosion control in or near wetlands, water crossings, and Minnesota Biological Survey Sites of Biodiversity Significance, and areas with rare species susceptible to entanglement in erosion control mesh. An example permit condition is included in Appendix C of the EA for the Palisade Transmission Project but does not appear to be included in draft permit for the Palisade Project.

The EA compares the effects of various routing alternatives. Route A appears to reduce natural resource impacts the most overall based on a combination of data in EA Table 5 and the best practice of following existing infrastructure at river crossings and avoiding paralleling rivers that could be avian flyways. For these reasons, Route A (rather than the routes referred to as "Pipeline Alternative," "West River Crossing," or "Chute Gardens Alternative") should be considered for reducing natural resource impacts. Specifically, Routes B and C would include cross-country crossings of the Mississippi River rather than paralleling existing infrastructure. Also, Routes B and C would parallel the Mississippi River more and may increase the risk of

avian collision. The "Pipeline Alternative" variation of Routes A, B, and C is identified in EA Table 5 as having more forest and wetland impacts than staying along Highway 169.

Thank you for the opportunity to provide comments. Please contact me with any questions.

Sincerely,

Jamie Schrenzel

Jamie Schrenzel
Principal Planner
Environmental Review Unit
(651) 259-5115

Enclosures: 1

cc: Judge James Mortenson, Office of Administrative Hearings
Suzanne Steinhauer, Department of Commerce
Dan Lesher, Great River Energy

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11/10/2015

Suzanne Steinhauer
Environmental Review Manager
Minnesota Department of Commerce
85, 7th Place East, Suite 500
St. Paul, MN 55101

RE: Scoping for Environmental Assessment and Route Permit for Palisade 115 kV Project
PUC Docket Number ET-2/TL-15-423

Dear Ms. Steinhauer,

The Minnesota Department of Natural Resources has reviewed the proposed Transmission Line Scoping for Environmental Assessment (EA) and Route Permit Application by Great River Energy. We provide the following comments to for your consideration.

Process

The Palisade Transmission Project is located near the Preferred Route Alternative for the proposed Line 3 Pipeline Replacement Project and the Sandpiper Pipeline Project. The Line 3 Pipeline Replacement Project is currently under review, with alternative routes proposed by the public and state agencies also under review. The Sandpiper Pipeline Project is also in the midst of an alternatives analysis. The location and purpose of the Palisade Transmission Project is dependent on the outcome of ongoing alternatives analyses for Line 3 and Sandpiper Projects. Review of all three projects and any other dependent project proposals should include a cumulative impacts analysis reflecting these related projects and associated impacts. The timeline and date of decisions for these three projects, and any other closely related projects, should reflect these dependencies.

Topics for EA Inclusion

The EA should include the topic of avian mitigation measures. Because of potential for avian collision with power lines, the DNR asks that bird diverters be placed at the Mississippi River and Rice River crossings, and within the area that bisects the State Wildlife Management Area in T47N R26W S3 up to the proposed breaker station. Bird diverters should also be placed in locations that parallel the Mississippi River and locations where rare bird species use may be concentrated.

The EA should include a discussion of using seasonal (winter) construction and maintenance activities as a mitigation measure for impacts to wetland, forest, and rare species such as the Northern Long-eared Bat.

The EA should discuss proposed maintenance methods. The wire zone/border zone method should be discussed as a mitigation measure for right-of-way (ROW) forest impacts and habitat encroachment. The wire zone/border zone concept allows for different types and heights of vegetation in the ROW. The concept differentiates between the wire zone directly under the conductors and the remaining border zone within the ROW and generally allows for different, yet compatible, vegetation types in these separate zones. Types and heights of site vegetation and topography should be discussed as part of this analysis.

> Wire Zone: Area directly underneath the conductors, including potential conductor sway. Vegetation in this zone consists of low-growing forbs and grasses.
>
> Border Zone: Area that begins at the outside edge of the wire zone and extends to the edge of the easement or other right of way. This zone may contain additional low-growing woody plants and trees.

Vegetation management at public water crossings should be discussed in the EA.

Please see the attached Natural Heritage Information System letter for the project record.

The DNR looks forward to continued coordination as the project proceeds. Please feel free to call or email me with any questions you have.

Sincerely,

Jamie Schrenzel
Principal Planner
Environmental Review Unit
(651) 259-5115

Enclosures: 1

cc: Michael Kaluzniak, Minnesota Public Utilities Commission
Lori Dowling-Hanson, DNR Northeast Regional Director
Rian Reed, DNR Regional Environmental Assessment Ecologist
Dan Lesher, Great River Energy

Minnesota Department of Natural Resources
Division of Ecological and Water Resources, Box 25
500 Lafayette Road
St. Paul, Minnesota 55155-4025
Phone: (651) 259-5091 E-mail: samantha.bump@state.mn.us

August 7, 2015 **Correspondence # ERDB 20160019**

Mr. Mark Strohfus
Great River Energy
12300 Elm Creek Boulevard
Maple Grove, MN 55369-4718

RE: Natural Heritage Review of the proposed Palisade 115 kV Project, Aitkin County

Township (N)	Range (W)	Section(s)
47	26	3,9,10
48	26	2,3,10,11,14,15,22,23,26,27,34,35
49	26	11,14,23,26,35

Dear Mr. Strohfus,

As requested, the Minnesota Natural Heritage Information System has been queried to determine if any rare species or other significant natural features are known to occur within an approximate one-mile radius of the proposed project. Based on this query, rare features have been documented within the search area (see the enclosed database report; please visit the Rare Species Guide at http://www.dnr.state.mn.us/rsg/index.html for more information on the biology, habitat use, and conservation measures of these rare species). Please note that the following **rare features *may* be adversely affected** by the proposed project:

- The Minnesota Biological Survey (MBS) has identified two Sites of Biodiversity Significance adjacent to the proposed project. Sites of Biodiversity Significance have varying levels of native biodiversity and are ranked based on the relative significance of this biodiversity at a statewide level. Factors taken into account during the ranking process include the number of rare species documented within the site, the quality of the native plant communities in the site, the size of the site, and the context of the site within the landscape (See enclosed map; GIS shapefiles of MBS Sites of Biodiversity Significance and MBS Native Plant Communities can be downloaded from the MN Geospatial Commons at https://gisdata.mn.gov/). In particular, there is a Sedge Meadow, an uncommon but not rare native plant community in Minnesota, adjacent to the proposed project.

  Given that activities in road rights-of-way can negatively affect adjacent native plant communities, especially through the introduction of invasive plant species, disturbance near these ecologically significant areas should be minimized. Actions to minimize disturbance may include, but are not limited to, the following recommendations:

  - Confine construction activities to the opposite side of the road from the Sites of Biodiversity. If this is not feasible, confine construction activities to the existing road rights-of-way;
  - As much as possible, operate within already-disturbed areas;
  - Minimize vehicular disturbance in the area (allow only vehicles necessary for the proposed work);
  - Do not park equipment or stockpile supplies in the area;
  - Do not place spoil within MBS Sites or other sensitive areas;

- Inspect and clean all equipment prior to bringing it to the site to prevent the introduction and spread of invasive species;
- If possible, conduct the work under frozen ground conditions;
- Use effective erosion prevention and sediment control measures;
- Revegetate disturbed soil with native species suitable to the local habitat as soon after construction as possible; and
- Use only weed-free mulches, topsoils, and seed mixes. Of particular concern are birdsfoot trefoil (*Lotus corniculatus*) and crown vetch (*Coronilla varia*), two invasive species that are sold commercially and are problematic in prairies and disturbed open areas, such as roadsides.

- There are several breeding records of rare birds in the vicinity of the proposed project. Potential impacts include disturbance due to construction during the nesting season and fatalities due to collisions or electrocutions. Consideration should be given to timing of construction and the use of bird diverters.

- The northern long-eared bat (*Myotis septentrionalis*), a state-listed species of special concern, can be found throughout Minnesota and is known to occur in the vicinity of the proposed project. During the winter this species hibernates in caves and mines, and during the active season (approximately April-October) it roosts underneath bark, in cavities, or in crevices of both live and dead trees. Activities that may impact this species include, but are not limited to, wind farm operation, any disturbance to hibernacula, and destruction/degradation of habitat (including tree removal).

  Effective May 4, 2015, the U.S. Fish and Wildlife Service (USFWS) listed the northern long-eared bat as threatened under the Endangered Species Act (ESA) and implemented an interim 4(d) rule. If you believe that your project may adversely affect ("take") the northern long-eared bat, you should determine whether the "take" is exempt under the interim 4(d) rule or whether you need a Federal permit. To make this determination, please refer to the USFWS Key to the Interim 4(d) Rule available at http://www.fws.gov/midwest/endangered/mammals/nleb/Interim4dRuleKeyNLEB.html. **Please note that the NHIS contains two known occurrences of northern long-eared bat tree roosts that may be within ¼ mile of the proposed project.**

- The creek heelsplitter (*Lasmigona compressa*) and the black sandshell (*Ligumia recta*), both state-listed mussels of special concern, have been documented in the Mississippi River in the vicinity of the proposed overhead crossing. As mussels are particularly vulnerable to deterioration in water quality, especially increased siltation, it is important that effective erosion and sediment control practices be implemented and maintained near the river.

- Please note that the proposed project is within the Leech Lake Reservation 1855 Treaty Area. Under federal treaties, Bands reserved rights to many resources, some of which might be identified in this review. To determine if this is the case in this review, I recommend that you contact the Band's Natural Resources Program. Failure to do so, and address the issues identified, could result in complications or delays in your project. The current contact at the Band is Steve Mortensen, Fish, Wildlife, and Plant Resources Program Director, Division of Resource Management (218-335-7421 or smortensen@lldrm.org).

- Please include a copy of this letter in any DNR license or permit application.

The Natural Heritage Information System (NHIS), a collection of databases that contains information about Minnesota's rare natural features, is maintained by the Division of Ecological and Water Resources, Department of Natural Resources. The NHIS is continually updated as new information becomes available, and is the most complete source of data on Minnesota's rare or otherwise significant species, native plant communities, and other natural features. However, the NHIS is not an exhaustive inventory and thus does not represent all of the occurrences of rare features within the state. Therefore, ecologically significant features for which we have no records may exist within the project area. **If additional information becomes available regarding rare features in the vicinity of the project, further review may be necessary.**

The enclosed results include an Index Report of records in the Rare Features Database, the main database of the NHIS. To control the release of specific location data, the report is copyrighted and only provides rare features locations to the nearest section. The Index Report may be reprinted, unaltered, in any environmental review document (e.g., EAW or EIS), municipal natural resource plan, or report compiled by your company for the project listed above. If you wish to reproduce the Index Report for any other purpose, please contact me to request written permission.

For environmental review purposes, the results of this Natural Heritage Review are valid for one year; the results are only valid for the project location (noted above) and the project description provided on the NHIS Data Request Form. Please contact me if project details change or for an updated review if construction has not occurred within one year.

The Natural Heritage Review does not constitute review or approval by the Department of Natural Resources as a whole. Instead, it identifies issues regarding known occurrences of rare features and potential effects to these rare features. To determine whether there are other natural resource concerns associated with the proposed project, please contact your DNR Regional Environmental Assessment Ecologist (contact information available at http://www.dnr.state.mn.us/eco/ereview/erp_regioncontacts.html). Please be aware that additional site assessments or review may be required.

Thank you for consulting us on this matter, and for your interest in preserving Minnesota's rare natural resources. An invoice will be mailed to you under separate cover.

Sincerely,

Samantha Bump

Samantha Bump
Natural Heritage Review Specialist

enc: Rare Features Database: Index Report
Map

Links: MBS Sites of Biodiversity Significance
http://www.dnr.state.mn.us/eco/mcbs/biodiversity_guidelines.html
DNR Native Plant Communities
http://www.dnr.state.mn.us/npc/index.html
USFWS Northern Long-eared Bat Website
http://www.fws.gov/midwest/endangered/mammals/nleb/index.html
USFWS Northern Long-eared Bat Fact Sheet
http://www.fws.gov/midwest/endangered/mammals/nleb/nlebFactSheet.html

cc: Rian Reed
Joe Rokala