COMMERCE DEPARTMENT

In the Matter of the Application of Buffalo Ridge Wind, LLC Project for a Certificate of Need for a 109.2 MW Wind Project in Lincoln and Pipestone Counties PUC Docket No. IP-7006/CN-19-309

ENVIRONMENTAL REPORT SCOPING DECISION

The above matter has come before the assistant commissioner of the Department of Commerce (DOC) for a decision on the scope of the Environmental Report (ER) to be prepared in consideration of the Buffalo Ridge Wind, LLC (BRW) Application for a Certificate of Need (CN) for the proposed 109.2 Megawatt (MW) Buffalo Ridge Wind Project (BRWP) in the Minnesota counties of Lincoln and Pipestone. BRW is a wholly-owned indirect subsidiary of NextEra Energy Resources, LLC (NEER).

The project requires a CN and a Site Permit (SP) for the wind farm from the Minnesota Public Utilities Commission (Commission) before construction and operation. The CN (CN-19-309) and the SP (WS-19-394) are being considered by the Commission in separate dockets.

Statute and rule requires that an ER be prepared in a CN docket. The Department of Commerce's Energy Environmental Review and Analysis (EERA) staff is responsible for preparing the ER. The ER will be prepared per Minnesota Rules 7849.1100-2100, and is part of the record which the Commission will consider in making a decision on issuance of a CN for the BRWP.

On July 12, 2019, BRW, LLC filed a CN Application with the Commission for the BRWP.¹ On August 9, 2019, the Applicant submitted a revised CN Application.² On July 17, 2019, BRW submitted a Site Permit Application and on August 12, 2019, the Applicant submitted a revised SPA.³ The revisions provided information regarding certain changes to the Project; these changes were necessary, in part, to bring projected noise levels in line with Minnesota Pollution Control Agency (MPCA) state noise standards.

On November 12, 2019, the Commission issued an order accepting the Application as substantially complete and authorizing an informal review process.⁴

¹ Application for a Certificate of Need – Buffalo Ridge Wind, July 12, 2019, eDocket No. <u>20197-154343-01</u>, <u>20197-154346-01</u>, <u>154345-01</u>, and <u>20197-154346-01</u>

² Revised Application for a Certificate of Need – Buffalo Ridge Wind, August 9, 2019, eDockets No. 20198-155093-01

³ See eDockets No. <u>20198-155166-01</u>, <u>20198-155124-01</u>, <u>20198-155124-02</u>, <u>20198-155124-03</u> and <u>20198-155124-</u> <u>04</u>

⁴ Order –Accepting Application Directing Use of Informal Review Process, November 12, 2019, eDocket No. 201911-157439-01

The proposed project encompasses approximately 17,610 acres. The Applicant has proposed 45 wind turbines sites (40 proposed turbines plus five alternate sites) with a combination of three turbine sizes for the project: 31 General Electric (GE) 2.82 MW wind turbine generators (WTGs), five GE 2.52 MW WTGs, and four GE 2. 3 MW WTGs. The turbine towers at hub height will be 292 feet for the two larger turbines and 262.5 feet for the smaller turbine size. The proposed Project collector substation will connect to the existing Buffalo Ridge Substation via a short transmission jumper (less than 1,500 feet in length) that will cross existing transmission lines owned by NSP. The Project will also include installation of one (1) permanent meteorological tower (MET) tower.

A Public Meeting was held on December 5, 2019, in Lake Benton to receive comments on the scope of the ER.⁵ Approximately 35 to 40 persons attended the meeting. A public comment period following the meeting closed on December 27, 2019. Several members of the public commented during the Public Meeting.⁶ The speakers and their comments are summarized as follows:

<u>Bob Worth</u>: commented as a farmer and as the mayor of the city of Lake Benton. As a farmer, Mr. Worth noted that the turbine access roads were helpful in getting his commodities out of the fields, presented no problems in farming around them and expressed support for the project. As the mayor of Lake Benton, his comments noted that this project is an opportunity for the community to benefit the businesses and jobs it will provide.⁷

<u>Mike Appel</u>: commented about the purpose of the project boundary extending into Fountain Prairie Township in Pipestone County.⁸ EERA staff and NextEra identified this extension as an access buffer.⁹

<u>Will Thomssen</u>: commenting as a union rep for local 49, expressed full support for the proposed project.¹⁰

<u>Jim Nichols</u>: commented about the benefits of wind energy development to Lincoln County as the industry provides more than 50 permanent jobs that provide for good wages and benefits, how the production taxes benefit everyone in the community, annual payments to landowners and road development agreements. Mr. Nichols also noted that wind energy is a crop we can produce out here, transport instantaneously, and is an incredible deal for the consumers because of the cheap cost of power produced by wind. Mr. Nichols commented (later in the meeting) about the role the Federal Energy Regulatory Commission (FERC) and the Midwest Independent

⁵ Notice Public Information and Scoping Meeting, November 2, 2019, eDocket No. <u>201911-157565-01</u>

⁶ Public Comments – Public Scoping & information Meeting, eDocket No. 201912-158427-02 or 201912-158427-01

⁷ *Id.*, eDocket No. <u>201912-158427-01</u>, p. 27-28

⁸ *Id.*, eDocket No. <u>201912-158427-01</u>, p. 30-31

⁹ *Id.*, eDocket No. <u>201912-158427-01</u>, p. 30-31

¹⁰ *Id.*, eDocket No. <u>201912-158427-01, p</u>. 32

System Operator (MISO) and the influence they have on determining additional transmission line costs, transmission line upgrades and interconnections. ¹¹

<u>Nate O'Reilly</u>: commented as a member of the Ironworkers who erect and build the turbines and spoke in support of the project. Mr. O'Reilly thanked NextEra for their commitment to hiring local Minnesota workers and selecting contractors that will pay the established area wages and benefits.¹²

<u>Dale Johnson</u>: wanted to know if there are going to be transmission lines.¹³ NextEra responded by indicating that there will no transmission lines on the project and further stated that a parcel of land was purchased for a substation immediately adjacent to the Lake Benton substation and that all of the collector lines will be routed underground to the proposed substation.

Written Comments

<u>Mike Czech</u>: comments addressed three different topics: 1) how interference with TV and radio signals is tested before the towers are built; 2) who can attend the pre-construction meeting and if there will be a web page for comment and progress reports; and 3) how will issues be communicated to residents, townships, etc.¹⁴

<u>Leslie Wigton</u>: through his counsel, commented as follows: Presently the proposed connection lines marked in yellow on the ATWELL maps and in red on the Pictometry map will cross diagonally from the Northeast to the Southwest of Mr. Wigton's property. Crossing in this manner poses two (2) problems for Mr. Wigton.

First, the proposed crossing will potentially interfere with existing clay drainage tiles and hamper future tile maintenance because the connection lines cross directly through tiled areas of Mr. Wigton's property.

Second, the proposed connection lines cross directly through area that Mr. Wigton has developed for wildlife habitat including planting numerous and native grasses. This area has been maintained in that manner for over twenty years (20) years. Mr. Wigton is concerned that the directional boring of the lines could physically damage his trees by destroying the root system.

In closing, Mr. Wigton noted that these impacts can be avoided by simply moving the proposed collection lines further to the east, preferably parallel to his fence line and outside of the wildlife area located in the Southwest corner of his property. As Mr. Wigton has been advised that he

¹¹ *Id.*, eDocket No. <u>201912-158427-01</u>, p. 33-35 and 41

¹² *Id.*, eDocket No. <u>201912-158427-01</u>, p. 37

¹³ *Id.*, eDocket No. <u>201912-158427-01</u>, p.40

¹⁴ See, eDocket No.<u>201912-158646-01</u> or <u>201912-158644-01</u>

will not receive a tower, he would prefer that the project would impact his property as little as possible.¹⁵

<u>MnDOT</u>: The Minnesota Department of Transportation (MnDOT) stated in its comments that wind farm construction work, including delivery/storage of structures, materials and/or equipment that may affect MNDOT right of way is of concern such that MNDOT should be involved in planning and coordinating such activities. Additionally, MNDOT stated that the site permit should include language specifying that the Permittee shall obtain all relevant permits from road authorities relating to the transport of oversize materials and equipment related to the project over public roads, as well as installation of facilities that may be proposed to occupy portions of public road rights of way.

Additionally, for the site permit, MnDOT recommended the following:

- 1. MnDOT prefers that the proposed access road for turbine number 11 be from County Road 6 versus US 14 or for the Applicant to utilize an existing access road from US 14.
- 2. MnDOT requests the following be submitted in a timely manner for proper review:
 - a. Submittal of a crossing plan for the crane path affecting US 14
 - b. Submittal of a Traffic Control Plan
 - c. Submittal of a detour plan for temporary closures of any trunk highway. ¹⁶

These comments deal with site specific construction issues and will be addressed in the LWECS site permit application process (Docket IP-7006/WS-19-394).

<u>MN DNR</u>: The Minnesota Department of Natural Resources (DNR) indicated in its comments that turbine locations should be reviewed to ensure they comply with the wind access buffer associated with DNR administered lands as a non-participating landowner. DNR also recommended that turbines be located an additional 200 feet beyond the existing wind access buffer from DNR administered lands to allow for future repowering because DNR does not support future exemptions to wind access buffers adjacent to their administered lands in order to avoid extending the rotor swept zone to minimize increasing potential avian and bat fatalities. ¹⁷ The DNR comments also included an April 5, 2019 letter from the DNR Natural heritage Review regarding impacts to rare species identified in the vicinity of the proposed project. This letter was included in the site permit application.¹⁸

<u>Alternatives to the Project</u>:

¹⁷ Public Comment- MN NDR, eDocket No. <u>201912-158605-01</u> or <u>201912-158647-01</u>

¹⁵ See, eDocket No. <u>201912-158647-01</u> or <u>201912-158645-01</u>

¹⁶ Public Comment – MNDOT, eDocket No. <u>201912-158512-01</u> or <u>201912-158512-01</u>

¹⁸ Public Comment- MN NDR, eDocket No. <u>201912-158605-02</u> or <u>201912-158649-01</u>

None of the comments received from members of the public or any state agency recommended system or project alternatives to be considered in the ER.

The proposed project is intended to produce renewable energy in furtherance of Minnesota's renewable energy objectives. Because of this objective, Buffalo Ridge Wind on May 12, 2019, requested that the Commission grant exemptions for certain CN information requirements not applicable to independent power producers ("IPPs").¹⁹ On May 16, 2019, the Commission issued "Notice on Comment Period on Certificate of Need Exemption Requests. ²⁰ On May 28, 2019, comments were received from the Laborers International Union of North America (LIUNA)²¹ and the DOC, Division of Energy Resources (DER)²² in support of the requests for exemptions from BRW. On July 3, 2019, a Commission order granted the requested exemptions with conditions (see order for details of exemptions granted).²³

Accordingly, alternatives examined in the ER will be limited to "eligible energy technologies" that support Minnesota's renewable energy objectives (Minnesota Statute 216B.1691). These alternatives will include: (1) a generic 109 MW wind generation project sited elsewhere in Minnesota, (2) a 109 MW solar farm, (3) a "no-build" option, and other possible renewable alternatives. An ER provides a high level environmental analysis of the proposed project and system alternatives, and reviews environmental impacts associated with named and alternative projects. It is a part of a larger Commission investigation of the CN Application. The Commission in its overall review will address all the issues and alternatives required by rule, except the exemptions granted on July 3, 2019.

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

MATTERS TO BE ADDRESSED

Buffalo Ridge Wind Project

Abstract

- 1 Introduction
- 2 Regulatory Framework
 - 2.1 Environmental Report

¹⁹ Petition for Exemption from Certain Certificate of Need Application Requirements of Buffalo Ridge Wind Energy, LLC, see Dockets No. <u>20195-152773-01</u>

²⁰ Commission Notice of Comment period on Certificate of Need Exemption Requests, see eDockets No. <u>20195-</u> <u>152961-01</u>

²¹ Comments from Laborers International Union of North America, see eDockets No. 20195-153161-01

²² Comments from the Minnesota Department of Commerce, Division of Energy Resources, see eDockets No. <u>20195-153161-01</u>

²³ Commission Order, July 3, 2019, see eDockets No. <u>20197-154183-01</u>

- 2.2 Permitting Authority and Additional Permits
- 2.3 Public Participation

3 Description of the Proposed Project [Minn. Rule 7849.1500, subp. 1, A]

- 3.1 Project Description
- 3.2 Project Location
- 3.3 Project Cost and Schedule

4 Description of Project Alternatives [Minn. Rule 7849.1500, subp. 1, B]

- 4.1 109 MW LWECS
- 4.2 109 MW Solar Farm
- 4.3 No Build Alternative

5 The No Build Alternative

- 5.1 Impacts
- 5.2 Benefits

6 Human and Environmental Impacts [Minn. Rule 7849.1500, subp. 1, C, D, E]

- 6.1 Air Quality [Minn. Rule 7849.1500, subp. 2,]
 - 6.1.1 Criteria Pollutants
 - 6.1.2 Hazardous Air Pollutants and Volatile Organic Compounds
 - 6.1.3 Ozone
- 6.2 Water Resources
 - 6.2.1 Water Appropriations [Minn. Rule 7849.1500, subp. 2, G]
 - 6.2.2 Wastewater [Minn. Rule 7849.1500, subp. 2, H]
 - 6.2.3 Groundwater
 - 6.2.4 Surface Water
 - 6.2.5 Wetlands
- 6.3 Solid and Hazardous Wastes [Minn. Rule 7849.1500, subp. 2, I]
- 6.4 Natural Resources
 - 6.4.1 Environmental Setting
 - 6.4.2 Wildlife
 - 6.4.3 Vegetation
 - 6.4.4 Rare and Unique Natural Resources
- 6.5 Human and Social Environment
 - 6.5.1 Demographics
 - 6.5.2 Aesthetic Impact and Visibility Impairment
 - 6.5.3 Shadow Flicker
 - 6.5.4 Facility and Turbine lighting Aircraft detection lighting systems (ADLS)
 - 6.5.5 Noise [Minn. Rule 7849.1500, subp. 2, J]
 - 6.5.6 Property values
 - 6.5.7 Local Economy
 - 6.5.8 Public Health and Safety
- 6.6 Associated Electrical Facilities and Existing Infrastructure

- 6.6.1 Associated Electrical Facilities [Minn. Rule 7849.1500, subp. 2, F]
- 6.6.2 Existing Infrastructure
- 6.7 Fuel Availability [Minn. Rule 7849.1500, subp. 2, E]
- 6.8 Agriculture
 - 6.8.1 Cropland
 - 6.8.2 Livestock

7 Availability and Feasibility of Alternatives [Minn. Rule 7849.1500, subp. 1, F]

- 7.1 Buffalo Ridge Wind Project
- 7.2 109 MW LWECS
- 7.3 109 MW Solar Farm
- 7.4 No-build Alternative
- 7.5 Additional Renewable Alternatives

8 Permits [Minn. Rule 7849.1500, subp. 1, G]

The above outline is not intended to serve as a "Table of Contents" for the ER document, and as such, the organization (i.e., structure of the document) of the information and the data may not be similar to that appearing in the ER.

ISSUES OUTSIDE OF THE ENVIRONMENTAL REPORT

The ER will not consider the following matters:

- 1. Impacts or mitigative measures associated with specific sites, including specific tower or road locations for the proposed project and alternatives.
- 2. The negotiation and content of easement agreements by which land owners are paid for property rights, including wind rights.
- 3. Any alternatives not specifically described in this scoping decision.

SCHEDULE

The Environmental Report will be completed no later than March 6, 2020. A public hearing will be held in the Project Area before an Administrative Law Judge after the ER has been issued and notice served.

Signed this <u>10</u> day of January 2020

STATE OF MINNESOTA DEPARTMENT OF COMMERCE DIVISION OF ENERGY RESOURCES

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Katherine Blauvelt, Assistant Commissioner