



117 South First Street • Montevideo, MN 56265

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Submitted via eDockets

Emily Johnson
Environmental Review Manager
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: In the Matter of the Application of Minnesota Power and American Transmission Company, LLC for a Certificate of Need and Route Permit for the Iron Range – St. Louis County – Arrowhead 345 kV Transmission Project. Docket Numbers: E015/CN-25-111; E015/TL-25-112

Ms. Johnson:

CURE is a rurally based, non-profit organization dedicated to protecting and restoring resilient communities and landscapes by harnessing the power of the people who care about them. We appreciate the opportunity to provide the Public Utilities Commission (Commission) with scoping comments for the environmental review of the Iron Range – St. Louis County – Arrowhead 345 kilovolt (kV) Transmission Project (Project), consistent with the Commission’s notice for comment.¹

As the Commission considers an ever-expanding portfolio of regional and long-range transmission projects, this is an opportunity to reconsider our approach to grid planning and implementation in a way that takes local impacts and concerns seriously, improves community health, provides financial benefits for the whole of impacted communities, and avoids additional burdens. Transmission development can and should be done equitably, with the support of communities and for their benefit.²

¹ Notice of Complete Application and Rescheduled Public Information and Scoping Meetings, *In the Matter of the Application of Minnesota Power and American Transmission Company, LLC for a Certificate of Need and Route Permit for the Iron Range – St. Louis County – Arrowhead 345 kV Transmission Project*, PUC Docket Nos. E015/CN-25-111; E015/TL-25-112, March 12, 2026, eDockets No. [20263-229168-01](#).

² See generally UNION OF CONCERNED SCIENTISTS ET AL., *EQUITABLE GRID PRINCIPLES GUIDANCE FOR ELECTRIC GRID INFRASTRUCTURE DECISIONMAKERS AND STAKEHOLDERS IN THE MISO REGION* (May 2023), available at <https://www.ucs.org/sites/default/files/2023-06/Equitable-Grid-Principles-00.pdf> (Included in this filing as Attachment A).

I. Need

It is not clear that this Project directly serves the needs of existing utility customers in the Arrowhead, and should therefore be more critically assessed. As the applicants have repeatedly stated in the application and public hearings, this Project is part of MISO's already approved Long-Range Transmission Plan Tranche 2.1 portfolio—which, by definition, means that the primary purpose is to address regional energy needs and increase “regional transfer capability” across the whole of the Upper Midwest region.³ To the extent that there are potential customers seeking to benefit from these expansions and upgrades to the existing line, it does not appear to be the local residential and small business customers, nor the communities who will be most directly affected, who are driving this demand. As noted by many public commenters at public hearings, immediately following this Project's completion, Minnesota Power appears to plan to utilize the additional capacity got from this Project to serve new very large customers, including data centers in Minnesota, in addition to exported energy to Wisconsin and other states.

Need is also intimately related to the issue of fair cost allocation. Rather than stating that Minnesota Power would have asked for this Project no matter what in order to dismiss concerns that it is tied to any one data center's demand, the Commission should seriously ask: but for this Project, would there be data center proposals at the end of this line? If the answer is no, that without this line these foreseeable large load customers would not be proposed, then this Project is indeed linked to that class of customer. If that is the case, then cost allocation should appropriately put the majority of the cost on these new large load customers, and should recoup the costs as rapidly as possible so that other customers are not left with a bill should the data center project not materialize or not expand as projected.

The analysis of need for this Project must also assess the value of the Project to impacted tribal resources and the tribes that retain legal rights to these resources. Since this Project crosses both 1854 and 1855 treaty territories, the relevant treaty organizations and the tribes who are parties to each treaty should be given sufficient time and opportunity to give their opinions on their impacted resources, as well as whether or not they feel this Project is needed.

II. Cost

The applicants currently estimate this single Project to cost between \$444.1 million to \$519.3 million, which represents a potential 15 percent increase over MISO's original estimate of \$370.1 million. This is also likely an underestimate, as transmission line costs continue to swell due to

³ Combined Certificate of Need and Route Permit Application, *In the Matter of the Application of Minnesota Power and American Transmission Company, LLC for a Certificate of Need and Route Permit for the Iron Range – St. Louis County – Arrowhead 345 kV Transmission Project*, PUC Docket Nos. E015/CN-25-111; E015/TL-25-112, Jan. 5, 2026, eDockets No. [20261-226460-03](https://www.puc.state.mn.us/eDockets/eDockets.asp?DocketNo=E015%2FCN-25-111); and MISO, Long Range Transmission Planning, <https://www.misoenergy.org/planning/long-range-transmission-planning/> (providing information on tranches 1 and 2.1) (last visited April 23, 2026).

supply chain, manufacturing, and labor shortages, now further exacerbated by increased data center energy demand.⁴ To the extent that the Project will not serve existing customers and their needs, and will instead divert large amounts of utility resources to very large customers or out of state, Minnesota Power’s residential and small business customers should not be required bear the financial burden.

As the Commission knows, affordability in the northern part of the state is a major concern, and has been mentioned repeatedly in comments on Minnesota Power dockets before the Commission in recent months and years. Without a strong justification of public benefit, it should not be automatic that this upgraded line’s costs are allocated to all customer classes, and instead these substantial costs could be allocated mostly to the very large customer class that is yet to be defined by the Commission in docket 26-126.⁵ As noted above, the questions of need and who pays for this line are closely related and should be parsed carefully by Commission staff.

III. Scope of Environmental Review

The applicants’ submission describes outreach to tribes,⁶ but that outreach was completed in 2025 and did not appear to include issues such as alternatives analysis, environmental impacts, and tribal energy planning or community needs. Also, regardless of their outreach efforts, the applicants and their consultants are not a government, and therefore cannot fulfil the duties of a state agency in terms of consultation.

It is possible that this Project has unique environmental impacts on treaty-protected resources, such as local populations of flora and fauna that are familiar to area tribes but not well documented in state data or maps available to the Project proposers’ consultants. Because this is a long linear infrastructure project that cuts across diverse habitats, having the input of expert staff from treaty organizations and tribes⁷ would only improve the environmental review, and would help to find unknown unknowns that may not yet appear in the documentation supplied by the applicants.

Following consultation with impacted tribes, the Commission can prepare an addendum to the utility’s proffered environmental review. In doing so, the Commission should request impacted

⁴ Morningstar DBRS, *Beyond Power Demand: How AI-Driven Metals Inflation Is Testing Utility Regulation*, February 4, 2026, <https://dbrs.morningstar.com/research/473377>.

⁵ *In the Matter of Minnesota Power’s Petition for Approval of Modifications to its Large Power Tariff*, PUC Docket No. E-015 /M-26-126.

⁶ See Combined Certificate of Need and Route Permit Application, *supra* note 3, at 127 (7.2).

⁷ In addition to including staff of all impacted tribes, it would also make sense, at minimum, to discuss impacts with the 1854 Treaty Authority and the Great Lakes Indian Fish & Wildlife Commission, both of which have significant expertise in the biological and other resources of the impacted region.

tribes' participation in the supplemental environmental review as cooperating agencies.⁸ Rather than treating tribes as only one among many “stakeholders,” the Commission can garner much more information and expertise through direct government-to-government exchange of information, which would only improve the quality of environmental review and agency decision making.

IV. Permit Conditions

If this Project is in fact needed, its route permit should be conditioned upon significant local and regional benefits for the people and tribes most impacted by the Project.⁹ For the community this could mean a Community Benefit Agreement that provides significant investment in services and housing upkeep for people within the Project area. For tribes this could mean co-ownership of the Project, or at least a contractual commitment to provide a significant percentage of profits from this Project to impacted tribes.

⁸ In December of 2015 the White Earth Band of Ojibwe filed two motions seeking cooperating agency status in the preparation of what would eventually be the Line 3 Environmental Impact Statement. *See*, Order Denying Motions and Referring Intervention Petition to OAH, *In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need/Pipeline Routing Permit for the Sandpiper Pipeline Project in Minnesota*, PUC Docket Nos. PL-6668/CN-13-473 & PL-6668/PPL-13-474, at 1, March 31, 2016, eDockets No. [20163-119624-01](#). The Leech Lake Band of Ojibwe has also reminded the Commission of the importance of including tribes and federal trustees in the scoping process as cooperating agencies. *See* Leech Lake Band of Ojibwe Comments, PUC Docket Nos. 14-916 (CN) & 15-137 (PPL), Jan. 18, 2017, eDockets No. [20171-128208-01](#). Including tribes in the environmental review at the scoping phase in this manner allows them to fully share their experience with the state agency Responsible Governmental Unit. *See* U.S. EPA, National Environmental Policy Act (NEPA) Overview and Tribes as Cooperating Agencies, July 21, 2021, <https://www.epa.gov/system/files/documents/2021-08/final-nepa-tribes-as-cas-7-21-2021-pdf.pdf>. Because cooperating agency work is resource intensive, it may also be necessary for the Commission to enter into a Memorandum of Understanding (or similar agreement) with interested tribes and potentially share resources to compensate for tribal staff time.

⁹ “Community benefits frameworks (CBFs) are emerging as a powerful tool to de-risk transmission projects, offset local impacts, and help secure the trust and support needed to build critical energy infrastructure at scale. When developers engage communities early and tailor benefits to local needs, they can reduce opposition, avoid costly delays, and accelerate project delivery.” ENVIRONMENTAL DEFENSE FUND & CLEAN AIR TASK FORCE, BEYOND THE WIRES: LESSONS FROM TRANSMISSION LINES BUILT WITH COMMUNITY BENEFITS (Nov. 2025), *available at* https://cdn.catf.us/wp-content/uploads/2025/11/07155050/final-EDF-CATF_WrapAround-Report.pdf (Included in this filing as Attachment B). Additional case studies regarding transmission lines and CBFs can be accessed at <https://www.catf.us/resource/beyond-the-wires-community-benefits-from-transmission-projects/>.

Both the community and tribal governments should be directly consulted to assess what kind of benefits would be most appropriate; it should not be left to the utility to choose winners and losers without informed agreement from the community that is meant to benefit.

To the extent that the cost of this Project is not allocated to the largest customers it is also important to note that community benefit cost should not be borne by ratepayers, and any such funding should be taken out of shareholder profits attributable to the Project.

V. Conclusion

CURE encourages the Commission to look closely at the need for this Project, and to allocate any costs from the Project appropriately to assure that ratepayers with little need for this upgraded line are not stuck with the bill. We also would like to see the Commission meaningfully consult with tribes regarding impacts, potential conflicts or co-benefits with tribal renewable energy projects, and the best way to assure community benefits. Community benefits should also be considered as permit conditions to serve impacted communities hosting this Project, and permit conditions should assure that host communities and tribes do not only bear the physical and financial cost of this Project without having some stake in its ownership, and concrete, observable benefits.

Sincerely,

/s/ Hudson Kingston

Hudson B. Kingston

Legal Director

Sarah Mooradian

Government Relations & Policy Director

CURE

117 S 1st Street

Montevideo, MN 56265

(320) 269-2984

HUDSON@CUREMN.ORG