

Appendix A

Scoping Decision

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In the Matter of the Application of Castle Rock Solar, LLC for a Site Permit for the up to 150 MW Castle Rock Solar Project in Dakota County, Minnesota

**ENVIRONMENTAL ASSESSMENT
SCOPING DECISION**

DOCKET NO. IP-7137/GS-24-267

The above matter has come before the Executive Secretary of the Minnesota Public Utilities Commission (Commission) for a decision on the scope of the environmental assessment (EA) to be prepared for Castle Rock Solar, LLC's (Castle Rock Solar) proposed 150 megawatt (MW) solar energy project in Castle Rock Township in Dakota County, Minnesota. The Commission is reviewing this application under [Minnesota Statute 216E \(2023\)](#).

Project Description

On January 16, 2025, Castle Rock Solar submitted a site permit application to the Commission to construct the Castle Rock Solar Project – an up to 150 MW alternating current photovoltaic solar energy generating facility.¹ The site permit application presented two facility design options, the Preferred Option and the Alternate Option; these options were largely the same save for minor deviations based on the configuration of the project substation and other facilities.² Castle Rock Solar has since determined that they are considering only the Preferred Option project design and will not pursue the Alternate Option project design.^{3,4} As such, the EA will only discuss the Preferred Option project design.

The site permit application states that the project will occupy approximately 934 acres in Castle Rock Township, Dakota County, Minnesota. Since the site permit application was filed, Castle Rock Solar has signed lease agreements with two additional landowners and added an additional 77 acres of land to the project.⁵ Castle Rock Solar has not completed a revised layout utilizing this area, but has indicated that any additional development would be on a subset of the additional 77 acres and would be done in a manner consistent with the adjacent parcels, including the same setbacks to wetlands. Currently, it is estimated that the project will occupy 934 – 1,011 acres in Castle Rock Township, Minnesota. Once Castle Rock Solar has identified the subset of the additional 77 acres they propose to develop, they will complete a revised layout and update this estimate.

The project will use photovoltaic solar panels mounted on single axis tracking systems. Underground collection cables will gather and send the electric power generated by the solar panels to a project substation. The substation will interconnect with the electrical grid through the existing Xcel Energy

¹ Castle Rock Solar Project, Application to the Minnesota Public Utilities Commission for a Site Permit for a Large Electric Generating Facility, January 16th, 2025, eDockets Numbers [20251-214065-01](#) (through -19).

² Site Permit Application, Section 1.0.

³ Castle Rock Solar Project, Oral Comments on the Scope of Environmental Assessment, eDockets Number [20255-218652-01](#), Oral Transcript of the Farmington Meeting dated 4/17/2025, page 27, lines 11-12, Castle Rock Solar states that the plan shown in the presentation, the Preferred Project Design, is the plan they will be pursuing.

⁴ Castle Rock Solar Project, Scoping Meeting Presentation, eDockets Number [20254-218207-01](#), slide 10, the Preliminary Project Layout presented is the Preferred Project Design.

⁵ Castle Rock Solar, Update on Project Area Description, April 22, 2025, eDockets Number [20254-218004-01](#).

Chub Lake to Hampton Corners 345 kV transmission line that runs along 230th Street West, bisecting the project area, via a short (approximately 200 ft) aboveground 345 kV transmission line.⁶

Castle Rock Solar indicates that a generator interconnection agreement (GIA) for the project has been filed with the Midcontinent Independent System Operator. Castle Rock Solar expects to sign a GIA by the second quarter of 2026. Construction is anticipated to begin in 2027 with completion and operation anticipated in 2028.⁷

Project Purpose

Castle Rock Solar states that the project will satisfy consumers' growing demand for renewable energy and meet utility renewable requirements and sustainability goals.⁸ Castle Rock Solar is marketing the proposed project to a variety of potential customers (e.g., Minnesota utilities and cooperatives, commercial and industrial customers) to sell the electric power generated by the project through a power purchase agreement or similar contract.

Regulatory Background

In Minnesota, no person may construct a large electric power generating plant without a site permit from the Commission.⁹ A large electric power generating plant is defined as a facility capable of operating at a capacity of 50 MW or more.¹⁰ The Castle Rock Solar project will be capable of producing up to 150 MW and therefore requires a site permit from the Commission. Because the project is powered by solar energy, the site permit application qualifies for Commission review under the alternative permitting process described in Minnesota Statute 216E.04, Subd. 2.¹¹

As Castle Rock Solar is an independent power producer, a certificate of need (CN) is not required for the project. The project is exempt under Minnesota Statute 216B.243, subd. 8(a)(8), which provides that a CN is not required for a "solar energy generating system, as defined in section 216E.01, subdivision 9a, for which a site permit application is submitted by an independent power producer under chapter 216E."¹²

Commission Energy Infrastructure Permitting (EIP) staff will prepare an EA for the project. An EA contains an overview of the resources affected by the project. It also discusses potential human and environmental impacts and possible mitigation measures.¹³ Under the alternative permitting process, an EA is the only required state environmental review document.

⁶ Site Permit Application, Section 1.0.

⁷ Site Permit Application, Section 1.3.

⁸ Site Permit Application, Section 1.1.

⁹ Minnesota Statute 216E.03, Edition Year 2023

¹⁰ Minnesota Statute 216E.01, Edition Year 2023

¹¹ The Agriculture and Energy Omnibus Bill passed in Minnesota's 2024 legislative session reformed state energy permitting policy. Effective July 1, 2025, environmental review and permitting of solar farms by the Commission will be conducted in accordance with Minnesota Statute 216I. Site permit applications for solar farms submitted prior to July 1, 2025, will be reviewed in accordance with Minnesota Statute 216E. Castle Rock Solar submitted a site permit application before July 1, 2025; as such, the permitting process will continue pursuant to Minnesota Statute 216E.

¹² Minnesota Statute 216B.243, Subd. 8(a)(8), Edition Year 2023

¹³ Minnesota Statute 216E.04, subd. 5, Edition Year 2023; Minn. Rule 7850.3700, subp. 4, Published 2024.

Scoping Process

Scoping is the first step in the environmental review process. The scoping process has two primary purposes: (1) to gather public input as to the impacts and mitigation measures to study in the EA and (2) to focus the EA on those impacts and mitigation measures that will aid in the Commission's decision on the site permit application.

Staff use the information gathered during scoping to inform the content of the EA. EIP staff gathered input on the scope of the EA through public meetings and an associated comment period. This scoping decision identifies the impacts and mitigation measures that will be analyzed in the EA.

Public Information and Scoping Meetings

On April 16, 2025, staff held a remote-access public meeting. Six individuals from the public attended this meeting, and two attendees provided comments. Potential impacts and concerns related to the project that were raised included the use of local labor and wetland protection. The following evening, April 17, 2025, staff held a public meeting in Farmington, Minnesota. Approximately 13 people attended this meeting, and four attendees provided comments. Several potential human impacts and concerns related to the project were raised including employment opportunities for local labor; aesthetics; road use and trucking routes; financial surety for decommissioning; organic farming practices and buffer zones; land classification and tax revenue; and recreation. In addition, potential environmental impacts and concerns related to the project were raised including water, soil, and air quality; EMF; wildlife; land classification and tax revenue; and recreation.¹⁴

Written Public Comments

A comment period ending on May 2, 2025, provided the public with an opportunity to provide input on the scope of the EA. Written comments were received from two members of the public, one state agency, one tribe, one watershed organization, and the applicant.¹⁵

The two members of the public addressed several potential impacts and concerns related to the project including: conservation of prime farmland, the project's proximity to the South Branch of the Vermillion River, impacts to the environment and wildlife, and the potential for environmental contamination resulting from panel-damaging scenarios, such as hailstorms.

Agency Comments

The Minnesota Department of Natural Resources (DNR) provided comments on the potential impacts of the proposed fencing design, potential Karst features and pollution, the Loggerhead Shrike, dust control methods, lighting design, tree removal, wildlife-friendly erosion control, native plant communities, panel height, and the use of native seed mixes in the project's vegetation management plan.¹⁶ DNR also provided the Natural Heritage Review of the project, which identified several rare features that may be impacted by the Project including a Site of Biodiversity Significance with a Moderate ranking and several state and federally listed species, including the Loggerhead Shrike, bats, and the Rusty Patched Bumblebee.¹⁷

¹⁴ Castle Rock Solar Project, Oral Comments on the Scope of Environmental Assessment, eDockets Number [20255-218652-01](#).

¹⁵ Castle Rock Solar Project, Written Comments on the Scope of Environmental Assessment, eDockets Number [20255-218653-01](#), page 4.

¹⁶ MNDNR comment, May 2, 2025, eDockets Number [20255-218560-01](#).

¹⁷ MNDNR comment, May 2, 2025, eDockets Number [20255-218560-02](#).

Leech Lake Band of Ojibwe

The Leech Lake Band of Ojibwe determined that they do not have any recorded historic properties within the area, noting that this does not mean there are no cultural resources present. The Tribal Historic Preservation Officer described the appropriate protocol to follow and personnel to contact in the event that human remains or suspected human remains are encountered.¹⁸

Vermillion River Watershed Joint Powers Organization

The Vermillion River Watershed Joint Powers Organization (VRWJPO) commented on the impacts to farmed wetlands resulting from the proposed project layout. VRWJPO noted that impacts to wetlands should be avoided and minimized before seeking approval to impact wetlands and mitigate said impacts.¹⁹

Applicant Comments

Castle Rock Solar filed comments on April 22, 2025, that provided a project update relevant for the preparation of the EA. As discussed above, lease agreements signed with two additional landowners on April 16, 2025, resulted in the addition of 77 acres of land to the project. The Project Area now encompasses approximately 1,384 acres under lease or easement agreement.²⁰

HAVING REVIEWED THE MATTER, consulted with EIP staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The EA will describe the project and the human and environmental resources of the project area. It will provide information on the potential impacts of the project as they relate to the topics outlined in this scoping decision and possible mitigation measures. It will identify impacts that cannot be avoided and irretrievable commitments of resources, as well as permits from other government entities that may be required for the project. The EA will discuss the relative merits of the proposed project site with respect to the siting factors in Minnesota Rule 7850.4100.

The issues outlined below will be analyzed in the EA for the project. This outline is not intended to serve as a table of contents for the document itself.

- I. GENERAL DESCRIPTION OF THE PROJECT**
 - A. Project Description
 - B. Project Purpose
 - C. Project Costs

¹⁸ Castle Rock Solar Project, Written Comments on the Scope of Environmental Assessment, eDockets Number [20255-218653-01](#), page 2.

¹⁹ Castle Rock Solar Project, Written Comments on the Scope of Environmental Assessment, eDockets Number [20255-218653-01](#), page 3.

²⁰ Castle Rock Solar, Update on Project Area Description, April 22, 2025, eDockets Number [20254-218004-01](#).

II. REGULATORY FRAMEWORK

- A. Site Permit
- B. Environmental Review
- C. Grid Interconnection
- D. Other Permits and Approvals

III. ENGINEERING, DESIGN, AND CONSTRUCTION

- A. Solar Arrays
- B. Electrical Collection Systems
- C. Substation
- D. Associated Facilities

IV. OPERATION AND DECOMMISSIONING

- A. Maintenance
- B. Vegetation Management
- C. Repowering and Decommissioning

V. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEASURES

The EA will include a discussion of the human and environmental resources potentially impacted by the project. Potential impacts of the project will be described and characterized. Based on the impacts identified, the EA will describe mitigation measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EA will describe any unavoidable impacts resulting from implementation of the project.

Data and analyses will be commensurate with the level of impact for a given resource and the relevance of the information to consider mitigation measures. EIP staff will consider the relationship between the cost of data and analyses and the relevance and importance of the information in determining the level of detail of information to be prepared for the EA. Less important material may be summarized, consolidated, or simply referenced.

If relevant information cannot be obtained within timelines prescribed by statute and rule, the costs of obtaining such information is excessive, or the means to obtain it is unknown, EIP staff will include in the EA a statement that such information is incomplete or unavailable and the relevance of the information in evaluating potential impacts or alternatives.

- A. Environmental Setting
- B. Human Settlements
 - 1. Noise
 - 2. Aesthetics (vegetative screening)
 - 3. Displacement
 - 4. Property Values
 - 5. Zoning and Land Use Compatibility (land use classification, tax revenue)
 - 6. Cultural Values
 - 7. Transportation and Public Services (road use)
- C. Socioeconomics
 - 1. Environmental Justice
 - 2. Local Economies (employment, financial assurances)

- D. Public Health and Safety
 - 1. Electric and Magnetic Fields
 - 2. Emergency Services
- E. Land Based Economies
 - 1. Agriculture (organic farming, prime farmland)
 - 2. Forestry
 - 3. Mining
 - 4. Recreation and Tourism (snowmobile trail)
- F. Archaeological and Historic Resources (unanticipated discoveries)
- G. Natural Environment
 - 1. Water Resources (wetlands, Vermillion River, groundwater)
 - 2. Soils
 - 3. Geology (potential Karst features)
 - 4. Flora
 - 5. Fauna
 - 6. Air Quality
 - 7. Climate Change / Climate Resiliency
- H. Threatened / Endangered / Rare and Unique Natural Resources (Loggerhead shrike, Rusty Patched Bumblebee, bats)
- I. Adverse Impacts that Cannot be Avoided
- J. Irreversible and Irrecoverable Commitments of Resources

ISSUES OUTSIDE THE SCOPE OF THE EA

The EA will not address following topics:

- Any site other than the project site proposed by the applicant.
- The manner in which landowners are compensated for the project.

SCHEDULE

The EA is anticipated to be completed and available in October 2025. Upon completion, it will be noticed and made available for review. Public hearings will be noticed and held in the project area after issuance of the EA. Comments on the EA may be submitted into the hearing record.

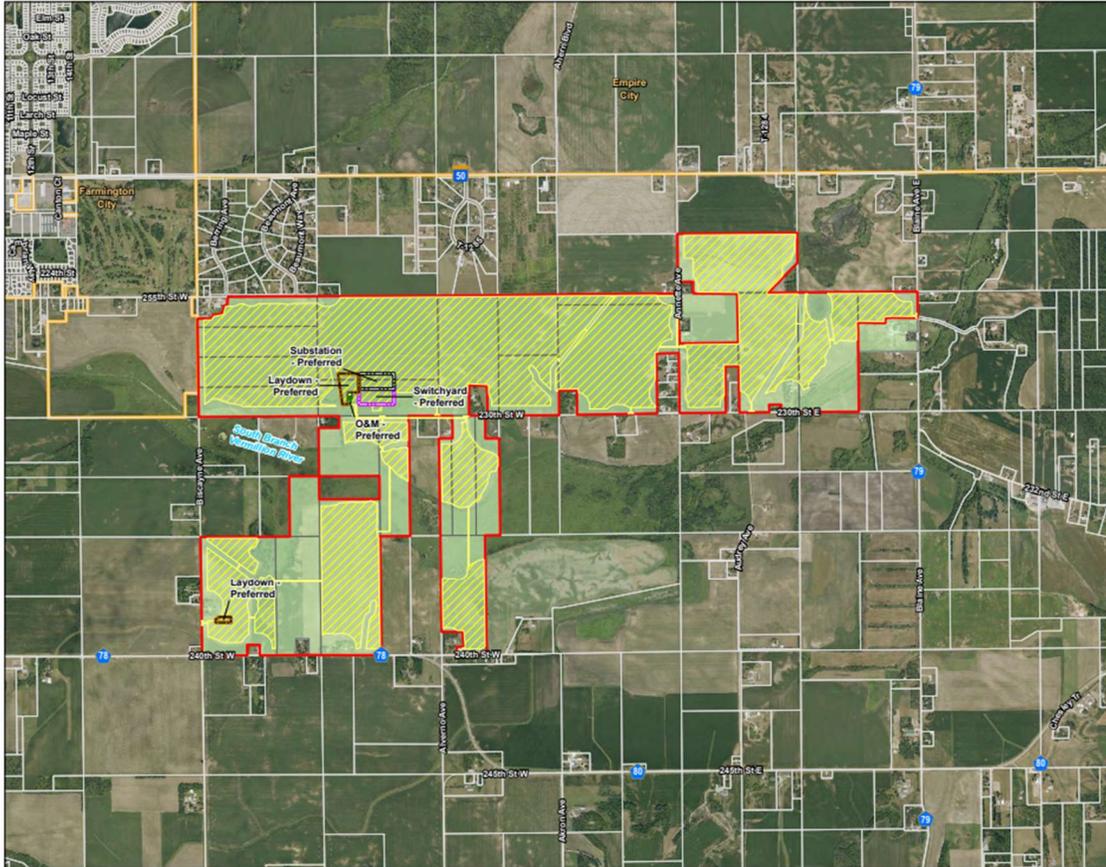
Signed this 9th day of July, 2025

STATE OF MINNESOTA
MINNESOTA PUBLIC UTILITIES COMMISSION



Mike Bull, Acting Executive Secretary

Castle Rock Solar Project Overview Map



Map No.
2a

Title
Land Control and Development Areas - Preferred Project Design

Client/Project
 Castle Rock Solar LLC
 Castle Rock Solar Project
 MPLUC Site Permit Application

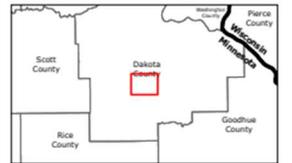
Project Location
 Castle Rock Township
 Dakota Co., MN

Prepared by NLM on 2025-03-18
 TR by NLM on 2025-04-08
 RW by JK on 2025-04-08

160102015

0 1,000 2,000 Feet
 (At original document size of 11x17)
 1:24,000

- Legend
- Project Area Boundary
 - Proposed O&M Facility
 - Proposed Laydown Yard
 - Proposed Substation
 - Proposed Switchyard
 - Proposed Development Area
 - Participating Parcel
 - Non-Participating Parcel
 - Municipal Boundary



Notes
 1. Coordinate System: NAD 1983 StatePlane Minnesota South FIPS 2203 Feet
 2. Data Source: Stantec, Castle Rock Solar LLC, Dakota Co., MnGen, MnDOT
 3. Background: 2023 NAIP

