

Minnesota Public Utilities Commission

Staff Briefing Papers

Meeting Date: April 10, 2014. Agenda Item # *3

Company: **Odell Wind Farm, LLC**

Docket No. **IP6914/TL-13-591**

In the Matter of the Odell Wind Farm, LLC’s Route Permit Application for the Proposed 115 kV Transmission Line and Associated Facilities in Cottonwood, Jackson, and Martin Counties, Minnesota

Issue(s): What action should the Commission take regarding route alternatives to be evaluated in the environmental assessment?

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Relevant Documents

Odell Application for a Route Permit December 12, 2013
Minnesota Department of Natural Resources Comments February 24, 2014
Department of Commerce EERA – Public Comments from Scoping Meeting... February 28, 2014
Department of Commerce EERA – Draft EA Scoping Document March 10, 2014

The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless otherwise noted.

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I. Statement of the Issue

What action should the Commission take regarding route alternatives to be evaluated in the environmental assessment?

II. Project Overview

On December 12, 2013, Odell Wind Farm, LLC (Odell) submitted an application pursuant to Minnesota Statutes Chapter 216 E and Minnesota Rules Chapter 7850 for a route permit for construction and operation of a 9.5-mile 115 kV High Voltage Transmission Line (HVTL) in Martin, Jackson and Cottonwood Counties. The project also includes construction of a new substation (Woad Hill Substation) in Cedar Township of Martin County. The project is designed to interconnect the proposed the 200 megawatt (MW) Odell Wind Farm Large Wind Energy Conversation System (LWECS) site permit application (Docket IP-6914/WS-13-843) with a radial line to the nearby Lakefield Generating Junction Substation.

Odell has proposed to utilize a variable 150 to 600 foot route width for the 115 kV HVTL. The majority of the proposed route would be 150 feet wide extending from the road centerline. Odell is requesting that the proposed route width in sections 1 and 12 of Kimball Township in Jackson County be 300 feet, extending 150 feet on both sides of the road centerline in order to allow additional flexibility to accommodate distances from homes. Odell is requesting a 600 foot route width in section 6 and 7 of Cedar Township in Martin County, extending 300 feet on either side of the road centerline to allow flexibility to work around a known easement title issue.

Construction of the project would commence in the third quarter of 2014 and is anticipated to take approximately two months. The in-service date of the project would be late 2014.

Because the Project is greater than 100 kV, a route permit is required. Further, because the Project is between 100 and 200 kV, it is eligible for the alternative permitting process under Minn. Rules, part 7850.2800, subp. 1, item C. Under alternative review, the applicant is not required to propose alternative routes as opposed to the full permitting process, under which the applicant must propose at least two routes. Further, projects under the alternative review process are subject to an environmental assessment rather than an environmental impact statement, which is required under the full permitting process.

Under the alternative review process, the Department of Commerce (Department) is required to prepare an environmental assessment of the project; prior to that step, the Department is required to provide the public with an opportunity to participate in the development of the scope of the environmental assessment by holding a public meeting and by soliciting public comments.

If alternative routes are identified through the scoping process, the environmental assessment must contain information on the human and environmental impacts and mitigation measures of both the proposed project and alternative routes.

Under Minn. Rules, part 7850.3700, subp. 3, the scope of the environmental assessment must be determined by the Department within ten days after close of the public comment period. Minn. Stat. § 216E.04, subd. 5 anticipates, however, that the Commission will have the opportunity to identify other routes for consideration during the environmental review of a project. The statute states that the environmental assessment must contain information on the proposed project, as well as on other routes identified by the Commission. The rules' ten-day timeline for determining the scope of the environmental assessment after the close of the public comment period constrains the Commission's ability to evaluate public input and identify other possible routes prior to environmental review.

At the time of application acceptance, the Commission found that the criteria for granting a variance to Minn. Rules, part 7850.3700, subp. 3 had been met and granted a variance to the ten-day timeline in order to facilitate the Commission's input on whether additional routes should be considered. The Commission extended the ten-day timeline and requested the Department's Energy Environmental Review and Analysis unit (EERA) present draft route alternatives to the Commission prior to the Department's present final scoping decision.

Members of the public expressed their support for the project during the February 10, 2014 public information and scoping meeting. No written comments from the public were received during the comment period.

The Minnesota Department of Natural Resources (DNR) provided written comments noting that the proposed route includes two crossings of the public watercourse Cedar Creek that would require a License to Cross Public Waters. DNR recommended that the proposed Woad Hill Substation be placed in the western portion of the proposed substation site and that the vegetative buffer near the watercourse be increased.

The DNR also noted a Natural Heritage Review was not completed specifically for this project but instead utilized one completed for the Odell Wind Farm. The review letter does not apply to the transmission line of this project and the DNR recommended that in the future a Natural Heritage review be completed prior to the submission of the Route Permit Application. For this project, the DNR reviewed the data and concurs that there are not rare features within one mile of the project area.

III. Department of Commerce Comments

On March 10, 2014, the Department filed comments and recommendations that discussed the environmental assessment scoping process and route alternatives proposed during that process. EERA stated that no additional route alternatives were put forth during the scoping process and that they recommend that the scoping decision for the project include only that route proposed by Odell in its route permit application in the environmental assessment.

IV. Staff Discussion

Commission staff has reviewed the route permit application along with the comments received during the comment period and agrees with the Department's recommendation to only evaluate only the route proposed by Odell in its application, along with a discussion of other route(s) reviewed and rejected by the applicants. Therefore, staff recommends that the Commission not take action on route alternatives in this matter. If the Commission takes no action, the Department may proceed with issuing the scoping decision without an order from the Commission.

Commission staff will file a route permit template into the record in order to provide interested parties and governmental agencies an opportunity to review the standard permit language early in the process so they may begin to develop additional language and/or special conditions specific to the proposed project. Having a generic permit template will allow for greater discussion and will provide the administrative law judge with a foundation to build on during the hearing process and when preparing the final hearing report and recommendations.

V. Commission Decision Alternatives

- A. What action should the Commission take regarding route alternatives or other significant issues to be evaluated in the environmental assessment?
1. Propose additional routes for inclusion in the scoping decision for the environmental assessment.
 2. Take no action.
 3. Take some other action deemed appropriate.

Staff Recommendation: **A.2**