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March 16, 2015

Daniel Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: Comments and Recommendations of Department of Commerce
Energy Environmental Review and Analysis Staff
Docket No. ET2/TL-08-1474

Dear Mr. Wolf,

Attached are comments and recommendations of Department of Commerce, Energy Environmental Review and Analysis (EERA) staff in the following matter:

In the Matter of the Route Permit Application by Great River Energy and Xcel Energy for a 345 kV Transmission Line from Brookings County, South Dakota to Hampton, Minnesota

Great River Energy has requested approval of a minor alteration of the route permit for the Brookings County to Hampton 345 kV transmission line project. Great River Energy is seeking approval for the temporary use of several of the project's double circuit structures to carry a new 115 kV line. The minor alteration application was filed on February 24, 2015, by:

Carole Schmidt
Great River Energy
12300 Elm Creek Blvd.
Maple Grove, MN 55369

These comments are based on EERA staff's review of the minor alteration application and the record to date. Staff is available to answer any questions the Commission may have.

Sincerely,

A handwritten signature in black ink that reads "Ray Kirsch". The signature is written in a cursive, flowing style.

Ray Kirsch
EERA Staff

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**COMMENTS AND RECOMMENDATIONS OF
MINNESOTA DEPARTMENT OF COMMERCE
ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS**

DOCKET NO. ET-2/TL-08-1474

Date: March 16, 2015

EERA Staff: Ray Kirsch.....651-539-1841

In the Matter of the Route Permit Application by Great River Energy and Xcel Energy for a 345 kV Transmission Line from Brookings County, South Dakota to Hampton, Minnesota

Issues Addressed: These comments address whether the Commission should authorize a minor alteration of the route permit to allow temporary use of the project's structures for a new 115 kV transmission line.

Additional documents and information can be found on eDockets:

<https://www.edockets.state.mn.us/EFiling/search.jsp> (08-1474) and on the Department's website: <http://mn.gov/commerce/energyfacilities/Docket.html?Id=19860>.

This document can be made available in alternative formats (i.e. large print or audio) by calling 651-539-1530 (voice).

Introduction and Background

On September 14, 2010, the Commission issued a route permit to Great River Energy and Northern States Power Company for the Brookings County to Hampton 345 kV transmission line project (Brookings project).¹ On February 24, 2015, Great River Energy (GRE) applied to the Commission for approval of a minor alteration to the route permit for the project.²

¹ Route Permit for Construction of a High-Voltage Transmission Line and Associated Facilities in Lincoln, Lyon, Yellow Medicine, Chippewa, Redwood, Brown, Renville, Sibley, Le Sueur, Scott, and Dakota Counties Issued to Great River Energy and Northern States Power Company, September 14, 2010, Docket No. ET-2/TL-08-1474, eDockets Number [20109-54429-01](#) [hereinafter Route Permit]. The Commission subsequently issued a route permit addendum for a segment of the project between the Cedar Mountain substation and Helena substation. The addendum does not apply to the portion of the route at issue here.

² Request for Minor Alteration Determination, February 24, 2015, Docket No. ET-2/TL-08-1474, eDockets Number [20152-107531-01](#) [hereinafter Minor Alteration Request].

GRE is seeking approval for the temporary use of several of the Brookings project's double circuit structures to carry a new 115 kV transmission line. Specifically, GRE is seeking approval to temporarily use the open position on structures 044 through 068, in the Helena to Chub Lake segment of the project, to carry a new 115 kV line.³

The 115 kV line would begin at a new 3-way switch on the New Market to Veseli 115 kV line, proceed westward utilizing the existing double circuit structures of the Brookings project, and terminate at a new Cedar Lake substation (Cedar Lake project).⁴ The line would be approximately 4.2 miles in length. The Cedar Lake substation would serve a new oil pumping station proposed by the Minnesota Pipe Line Company (MPL).⁵ To EERA staff's understanding, GRE's minor alteration request is limited to the new 3-way switch, the segment of 115 kV line from the switch to Brookings structure 068, and the use of structures 044 through 068 to carry the new 115 kV line.⁶ The tap for the Cedar Lake substation and the Cedar Lake substation itself would be permitted by Scott County.⁷

GRE indicates that use of the existing double circuit structures to carry the 115 kV line is a temporary use and would continue until such time as the structures are needed to carry a new permanent transmission line.⁸ At that time, GRE would be required to remove the 115 kV line and develop other means to serve the Cedar Lake substation.

Regulatory Process and Procedures

A minor alteration is a change in a large electric power generating plant or high voltage transmission line that does not result in "significant changes in the human or environmental impact of the facility."⁹ The Commission has interpreted a minor alteration to be available for existing facilities and for those which have been permitted by the Commission but not yet constructed.¹⁰

The Commission may authorize the minor alteration or determine that the alteration is not minor and requires a full permitting decision.¹¹ The Commission may authorize the minor alteration but impose reasonable conditions on the approval.¹²

EERA Staff Analysis and Comments

Department of Commerce, Energy Environmental Review and Analysis (EERA) staff has reviewed GRE's minor alteration application and the record to date. Based on this review, EERA staff believes

³ Id.

⁴ Id.

⁵ Id.

⁶ That portion of the Cedar Lake project within the permitted route for the Brookings project.

⁷ Minor Alteration Request.

⁸ Id.

⁹ Minnesota Rule 7850.4800.

¹⁰ See Commission Order Approving Minor Alteration and Issuing a Route Permit Amendment, January 9, 2013, Docket No. E-002, ET-2/TL-09-1056, eDockets Number [20121-70082-01](#).

¹¹ Minnesota Rule 7850.4800, Subp. 3. As an electrical conductor operating at a voltage of greater than 100 kV and greater than 1,500 feet in length, the new 115 kV line, absent approval as a minor alteration, would require a route permit from the Commission (Minnesota Statute 216E.03).

¹² Id.

that GRE’s proposed minor alteration – the temporary use of the open position on the existing double circuit structures of the Brookings project to carry a 115 kV line – will not result in significant changes in the human or environmental impacts of the Brookings project and is eligible for authorization as a minor alteration.

Minnesota Rule 7850.4800 provides a succinct but relatively unavailing standard for evaluating minor alteration applications – whether the proposed project will result in significant changes in the human and environment impacts of the existing facility. To flesh out this standard, EERA staff utilized the routing factors of Minnesota Rule 7850.4100. These are the factors considered by the Commission in permitting a new high voltage transmission line. These factors provide appropriate detail for evaluating the significance of potential human and environmental impacts.

EERA staff believes that for those routing factors of Minnesota Rule 7850.4100 that describe a potential human or environmental impact, the impacts of GRE’s proposed minor alteration would be similar to those of the already-constructed Brookings project and would not result in significant changes in the human or environmental impacts of the Brookings project. Additionally, for those routing factors of Minnesota Rule 7850.4100 that do not describe an impact but rather the state’s interest in efficient use of resources, EERA staff believes that the proposed minor alteration well meets these interests. The routing factors are discussed further in Table 1.

Before proceeding to Table 1, EERA staff notes that the Helena to Chub Lake segment of the Brookings project is constructed. The right-of-way has been cleared; structures have been erected; the 345 kV conductors have been strung and were energized on April 11, 2014; restoration measures are on-going.¹³ EERA comments in Table 1 address the Cedar Lake project as a whole, with the understanding that GRE’s proposed minor alteration is a subset of the project. EERA staff believes that the potential impacts of the project as a whole, including those portions that will be permitted by Scott County – the 115 kV tap and the Cedar Lake substation – are relevant to the Commission’s consideration of GRE’s minor alteration request.

Table 1. EERA Comments with Respect to Routing Factors

Routing Factor	EERA Comments
A. Human Settlements	The Cedar Lake project would introduce new 115 kV conductors into the project area, thus introducing an aesthetic impact – two sets of conductors being less visually appealing than one set. The Cedar Lake substation would also create an aesthetic impact. The Cedar Lake project would also introduce new sources of noise into the project area (conductors, substation). However, it is anticipated that these aesthetic impacts and noise impacts will be incremental and will not be a significant change in the impact of the Brookings project on human settlements.

¹³ Route Permit Compliance Filing, Monthly Status Report and Complaint Report for January 2015, February 5, 2015, Docket No. ET-2/TL-08-1474, eDockets Number [20152-107064-01](#).

Routing Factor	EERA Comments
B. Public Health and Safety	No impacts to public health and safety are anticipated as a result of the Cedar Lake project. The 115 kV line will introduce new electric and magnetic fields along the ROW; however, these fields will not significantly change the electric and magnetic fields already produced by the Brookings project. ¹⁴
C. Land-Based Economies	No impacts to land-based economies are anticipated, except for agricultural land which will be taken out of production to accommodate two structures and the new Cedar Lake substation. ¹⁵ This land is owned by MPL. ¹⁶ This agricultural impact is not a significant change in the agricultural impacts of the Helena to Chub Lake segment of the Brookings project.
D. Archaeological and Historic Resources	The project area was evaluated for archaeological and historic resources during the environmental review and permitting process for the Brookings project. The Cedar Lake project will require soil movement for only four structures and the Cedar Lake substation. No new impacts to archaeological and historic resources are anticipated as a result of the Cedar Lake project.
E. Natural Environment	No impacts to flora or fauna are anticipated, except for the placement of one structure at a wetland edge and the spanning of this same wetland near the proposed 3-way switch on the New Market to Veseli line. ¹⁷ This potential wetland impact is not a significant change in the environmental impacts of the Helena to Chub Lake segment of the Brookings project. Wetland impacts can be mitigated by the use of stabilization mats and/or constructing this segment of the new 115 kV line when the ground is frozen.
F. Rare and Unique Natural Resources	The project area was evaluated for rare and unique natural resources during the environmental review and permitting process for the Brookings project. No new impacts to rare and unique resources are anticipated as a result of the Cedar Lake project.

¹⁴ Draft Environmental Impact Statement, Brooking County – Hampton 345 kV Transmission Line Project, Section 6.2, October 2009, eDockets Number, [200910-43110-09](#).

¹⁵ Minor Alteration Request, Exhibit A, Page 1 of 5.

¹⁶ Minor Alteration Request.

¹⁷ Minor Alteration Request, Exhibit A, Page 5 of 5.

Routing Factor	EERA Comments
G. Design Options that Maximize Energy Efficiencies, Mitigate Adverse Environmental Impacts, and Accommodate Expansion	The Cedar Lake project’s use of existing structures and existing ROW minimizes adverse environmental impacts.
H. Use or Paralleling of Existing Right-of-Way	The Cedar Lake project utilizes the existing ROW for the Brookings project.
I. Use of Existing Large Electric Power Generating Plant Sites	Not applicable.
J. Use of Existing Transportation, Pipeline, and Electrical Transmission Right-of-Way	The Cedar Lake project utilizes the existing ROW for the Brookings project.
K. Electrical System Reliability	The Cedar Lake project will not adversely affect the reliability of the Brookings project or the electrical transmission system generally.
L. Costs	The estimated cost of the Cedar Lake project is \$2 million dollars. ¹⁸ The estimated cost of the Brookings project was \$700 to \$755 million dollars. ¹⁹ The cost for the Cedar Lake project is not significant relative to the cost of the Brookings project. Additionally, the cost for the Cedar Lake project is less than the estimated cost of an alternative routing for the 115 kV line along new ROW (\$5.8 to \$7.4 million dollars). ²⁰

¹⁸ Minor Alteration Request.

¹⁹ Report of the Administrative Law Judge, Findings of Fact, Conclusions, and Recommendation, April 22, 2010, Docket No. ET-2/TL-08-1474, eDockets Number [20104-49478-01](#).

²⁰ Minor Alteration Request.

Conditions

GRE's proposed Cedar Lake project is a construction project. Accordingly, EERA staff recommends complaint and landowner notice conditions on any authorization of GRE's minor alteration request. Additionally, because the new 115 kV line may impact a wetland and will cross two public waters,²¹ EERA staff recommends that GRE confer with the Minnesota Department of Natural Resources (DNR) and implement any mitigation measures recommended by the DNR. EERA staff recommends the following conditions:

1. **Complaint Procedure.** Prior to the start of construction, GRE shall submit to the Commission the procedure that will be used to receive and respond to complaints.
2. **Notification to Landowners.** Prior to the start of construction, GRE shall provide all affected landowners with a copy of the Commission's order authorizing a minor alteration and a copy of the complaint procedure.
3. **Notification to Commission.**
 - a. At least 10 days before the Cedar Lake project is to be placed into service, GRE shall notify the Commission of the date on which it will be placed into service and the date on which construction was complete.
 - b. Within 60 days after completion of construction, GRE shall submit copies of all final as-built plans and specifications developed for the Cedar Lake project.
 - c. Within 60 days after completion of construction, GRE shall submit to the Commission geospatial information (e.g., ArcGIS compatible map files, GPS coordinates) for all structures associated with the new 115 kV line and the Cedar Lake substation.
4. **Department of Natural Resources.** GRE shall consult with the DNR concerning mitigation measures for the Cedar Lake project. GRE shall implement those measures recommended by the DNR. GRE shall document this consultation and the recommended mitigation measures and submit this information to the Commission at least 30 days prior to commencing construction of the project.

EERA Staff Recommendation

EERA staff recommends that the Commission approve GRE's request for a minor alteration with the conditions noted above.

²¹ Minor Alteration Request. GRE indicates that it will work with the DNR to amend crossing licenses for these waters as necessary.