

**Minnesota Public Utilities Commission**  
**Staff Briefing Papers**

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Meeting Date: **June 30, 2016** ..... Agenda Item # **6** \*

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Company: Great River Energy and Minnesota Power

Docket No. ET2, E015/TL-15-204

In the Matter of the Route Permit Application by Great River Energy and Minnesota Power for a 115 kV Transmission Line near Motley, Minnesota

Issue(s): Should the Commission approve the request for minor alterations of the approved project route? If the minor alterations are approved, should any conditions be required?

Staff: Tricia DeBleeckere ..... (651) 201-2254

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**Relevant Documents**

Commission Order – Granting CN and Issuing Route Permit (3pts) ..... March 23, 2016  
GRE and MP – Request for Minor Alteration ..... May 12, 2016  
MNDNR - Comments ..... May 26, 2016  
DOC EERA – Comments ..... May 26, 2016  
GRE and MP Letter – Comments Regarding Minor Alteration 2 ..... June 8, 2016  
MDNR – Comments ..... June 16, 2016  
GRE – Comments Regarding Minor Alteration 2 ..... June 16, 2016

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**I. STATEMENT OF THE ISSUES**

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Should the Commission authorize the minor alteration requests? If the minor alterations are approved, should any conditions be required?

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**II. PROJECT OVERVIEW**

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Great River Energy (GRE) and Minnesota Power (MP) (collectively, the Permittees) are proposing to construct an approximately 16-mile, 115-kilovolt (kV) transmission line and construct and modify substations in Morrison, Cass, and Todd counties. The Project is required to serve a proposed new Minnesota Pipe Line Company pumping station and to address load-serving needs in the project area.

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**III. PROCEDURAL HISTORY**

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On March 23, 2016, the Commission issued its *Order Granting Certificate of Need and Route Permit* for the project.

On May 12, 2016, the Permittees filed a request for two minor alterations of the approved route. The first was requested to accommodate a landowners request for the relocation of the transmission line on their property (Minor Alteration 1) and the second was requested to expand the project area surrounding the to-be-upgraded Motley Area Substation (Minor Alteration 2). Upon final project design, engineers determined that the new higher-voltage Motley Substation would need to be shifted east and south from the original proposed location in order to keep Crow Wing Power's existing distribution-level Motley Substation in service until the project is complete.

On May 26, 2016 the Department of Commerce Energy Environmental Review and Analysis (EERA) and the Minnesota Department of Natural Resources (MNDNR) filed comments on the minor alteration requests.

Due to the substantial nature of the comment received by the MNDNR during the comment period, a supplemental comment period was established regarding Minor Alteration 2 (explained in further detail, below). Additional comments were accepted until June 16, 2016. Supplemental comments were received by the Permittees and the MNDNR.

#### **IV. STATUTES AND RULES**

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Under Minn. R. 7850.4800, no person may make a minor alteration to a large electric power generating plant or high-voltage transmission line without approval from the Commission.

A minor alteration is defined as 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. A permittee requesting a minor alteration must submit an application to the Commission describing the alteration to be made and an explanation why the alteration is minor.

Upon receiving a minor alteration application the Commission is required to provide at least a 10-day period for interested persons to submit comments on the request. After close of the comment period, the Commission must decide whether to authorize the minor alteration and impose reasonable conditions, as necessary, or determine that the alteration is not minor and requires a full permitting decision.

#### **V. MINOR ALTERATION REQUESTS AND COMMENTS**

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Great River Energy and Minnesota Power filed an application requesting two minor alterations to the permitted route. Specifically, GRE and MP are seeking approval for:

##### **1) Minor Alteration 1 - Landowner Requested Line Relocation**

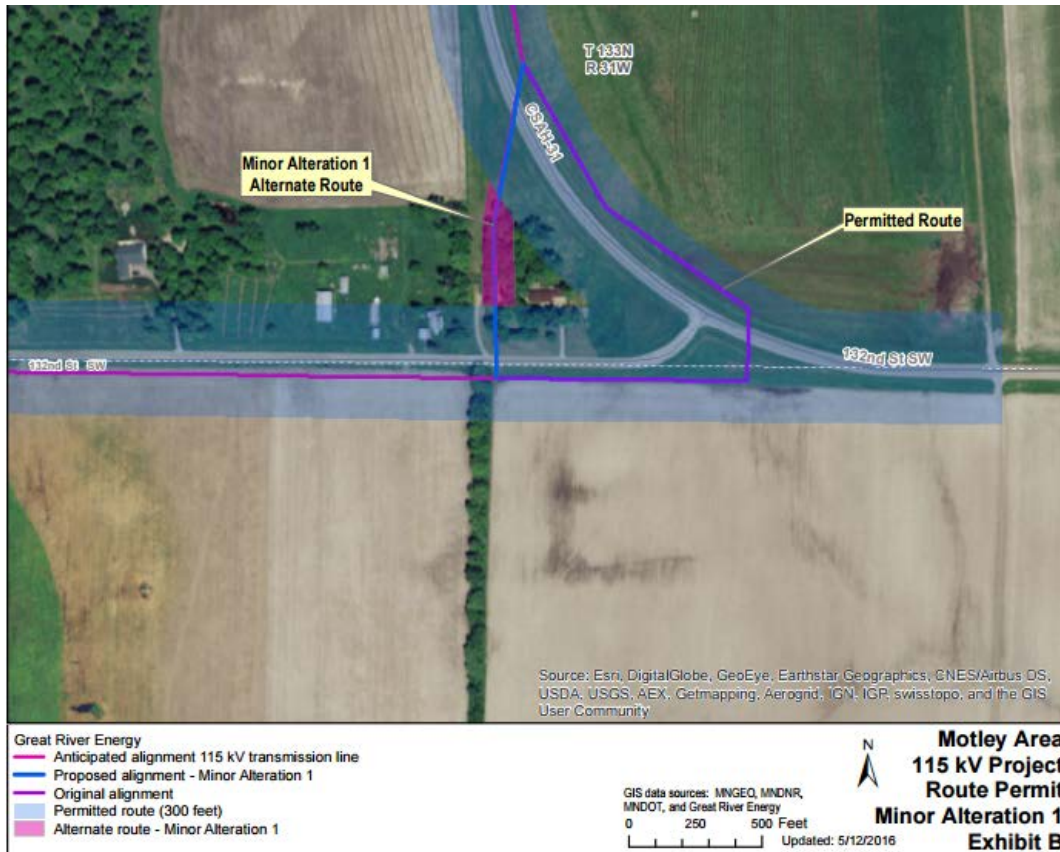
A landowner has requested that the transmission line approved to follow the existing 132<sup>nd</sup> Street and 51<sup>st</sup> Avenue right-of-ways (which surround the north, east, and south sides of his home) be relocated to the westerly portion of his property, immediately adjacent to a former road corridor (abandoned County Road 101). This relocation would minimize the impacts on this landowner by reducing the sides of their property impacted from the transmission line from three to one. (See map below and attached). GRE noted the landowner agreed to an easement entirely on his property and that an adjacent landowner is supportive of the relocation.

GRE provided that the relocation would:

- decrease total line length of the immediate area from 0.33 miles to 0.16 miles;
- decrease use of existing right-of-way from 0.33 miles to 0.07 miles;
- add another road crossing;
- decrease the numbers of parcels impacted in the immediate area from 3 to 2;
- increase impacts to woodland areas by 0.3 acres;
- decrease impacts to agricultural land impacts by 1.77 acres;
- decrease grassland impacts in the immediate area from 2.1 acres to 1.36 acres;
- increase cross-country impacts by less than one-quarter of a mile;
- decrease visual impacts of the project to a landowner;
- result in overall impacts similar to the approved alignment; and,

- decrease project cost by an estimated \$112,000 (due to the elimination of three transmission line structures).

*Exhibit B from GRE/MP's May 12, 2016 Minor Alteration Request:*



### *Comments on the Minor Alteration 1*

The DOC EERA reviewed the analysis of the impacts resulting from the proposed Minor Alteration 1 and concluded that while the impacts of the requested modification differ from the permitted route, Minor Alteration 1 does not result in significant changes in the human or environmental impacts of the proposed project. The DOC EERA recommended the Commission approve Minor Alteration 1.

The MNDNR did not provide comments on Minor Alteration 1.

## **2) Minor Alteration 2: Motley Area Substation Expansion**

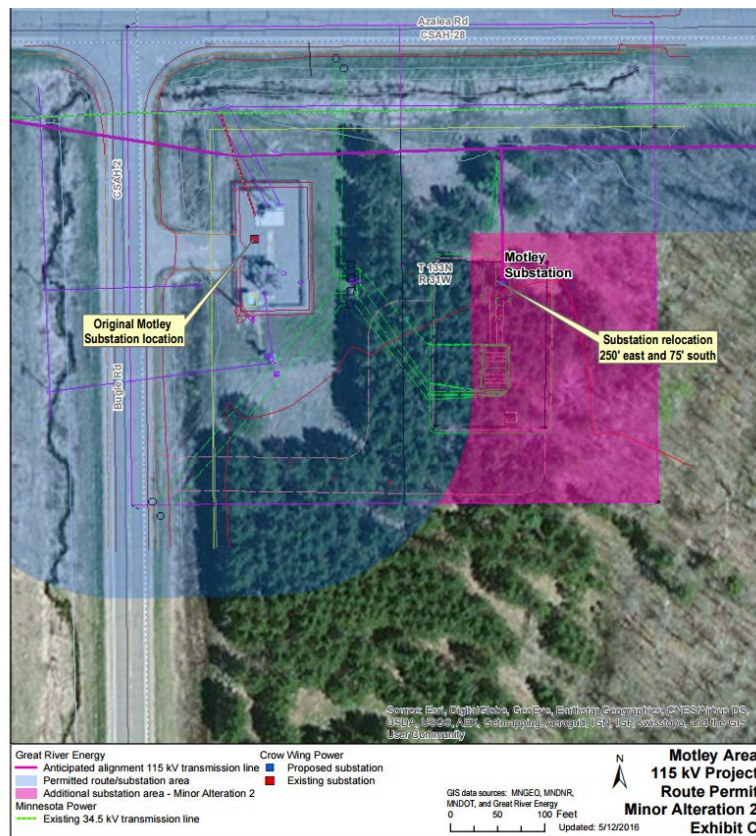
After the Route Permit was issued, GRE and Crow Wing Power completed a final plot plan for the upgraded Motley Substation. Engineers determined that the new substation would need to be shifted 250 feet east and 75 feet south, putting it partially outside of the original Permitted Route.

The shift is needed to keep the existing Motley Substation in service until the Project is complete. The new substation location is entirely on Crow Wing Power's property and while there will be a slight increase in tree removal, overall impacts are comparable to the Permitted Route.

GRE provided the expansion would:

- result in an increase in wooded land impacts (0.8 acres);
- decrease the area of the project adjacent to existing ROWs from 550-feet to 200-feet;
- decrease the roads impacted from 2 to 1;
- decrease developed land impacts by 0.1 acre; and,
- decrease impacted grassland from 1.1 acres to 0.4 acres.

*Exhibit C from GRE/MP's May 12, 2016 Minor Alteration Request:*



## *Comments on Minor Alteration 2*

During the initial comment period, the MNDNR filed comments indicating the proposed Minor Alteration 2 and its use of land for the portion of the newly proposed substation expansion was located within a Central Region Regionally Significant Ecological Area (RSEA) ranked

Outstanding by the MNDNR. Additionally, the MNDNR noted that the proposed expansion area is also directly north of, and adjacent to, a Minnesota Biological Survey Site of Moderate Biodiversity Significance and north of a National Wetland Inventory wetland classified as shrub/swamp (Type 6). The MNDNR suggested that delineation work be conducted due to the proximity to the classified wetland to confirm the absence of wetland impacts as noted by the Permittees. The MNDNR suggested that GRE consider additional substation locations in the immediate area.

As a result of the MDNR comments, staff initiated a supplemental comment period to allow parties to address these issues. During the comment period the Permittees and the MNDNR conducted a joint field visit of the project location to assess the proposed expansion site. Following the site visit, both GRE and MNDNR filed response comments indicating that the proposed expansion location was located in a disturbed portion of the RSEA and therefore the MNDNR indicated it no longer recommended an alternative substation location and recommended approval of the proposed location. However, due to the proximity of the RSEA area, the DNR recommended the Permittees follow several mitigation measures to reduce impacts to the surrounding areas:

- Use of a native pollinator-friendly seed mix containing milkweed to replace the loss of some pollinator habitat at the proposed substation site. The DNR can assist with identifying an appropriate seed mix.
- Reduction of the substation footprint by reducing clearing along the edge of the substation along the eastern side. This side borders what appears to be a native plant community.
- Emphasizing invasive species best management practices. This is of particular importance because multiple invasive species were noted in the proposed substation site. Cleaning equipment prior to moving to another location is an example of these best management practices.

Staff notes that the DOC EERA filed its recommendation prior to the MNDNR raising the issue of the RSEA area. Therefore the DOC EERA recommended the Commission approve Minor Alteration 2 without knowledge of the MNDNR concerns and it did not file supplemental comments.

The DOC EERA reviewed the Permittees' analysis of the impacts from its proposed Minor Alteration 2 (pre-RSEA discovery) and concluded that while the impacts of the requested modification differ from the permitted route, Minor Alteration 2 does not result in significant changes in the human or environmental impacts of the proposed project. DOC EERA noted that

the proposed modification allows for the existing substation to be in continued use during the construction of the new substation and would reduce customer outages.<sup>1</sup>

## **VI. STAFF DISCUSSION**

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Staff has reviewed the application for minor alterations and the supplemental information and concludes that the requested alterations are minor and do not significantly change the human or environmental impact of the facility.

Additionally, in response to the MNDNR's recommendation for the Permittees to confirm the absence of wetlands, staff notes that the to-be-submitted Plan and Profile will confirm the location of wetlands (if any) in proximity to the new Substation location. Any unforeseen impacts on wetlands can be addressed at that time.

Staff concludes that the existing route permit includes conditions to ensure the transmission line and associated facilities are constructed in a safe and reliable manner, and that impacts are minimized or mitigated. Further, all potentially affected landowners are in agreement with the alterations.

Staff recommends that the Commission approve the Permittees' minor alteration requests and require the mitigation measures as outlined by the MNDNR.

## **VII. COMMISSION DECISION ALTERNATIVES**

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### **1. Minor Alteration 1**

- A. Authorize Minor Alteration 1 without conditions.
- B. Authorize Minor Alteration 1 with additional conditions.
- C. Determine that Minor Alteration 1 is not minor and require a full permitting decision.
- D. Take some other action deemed appropriate.

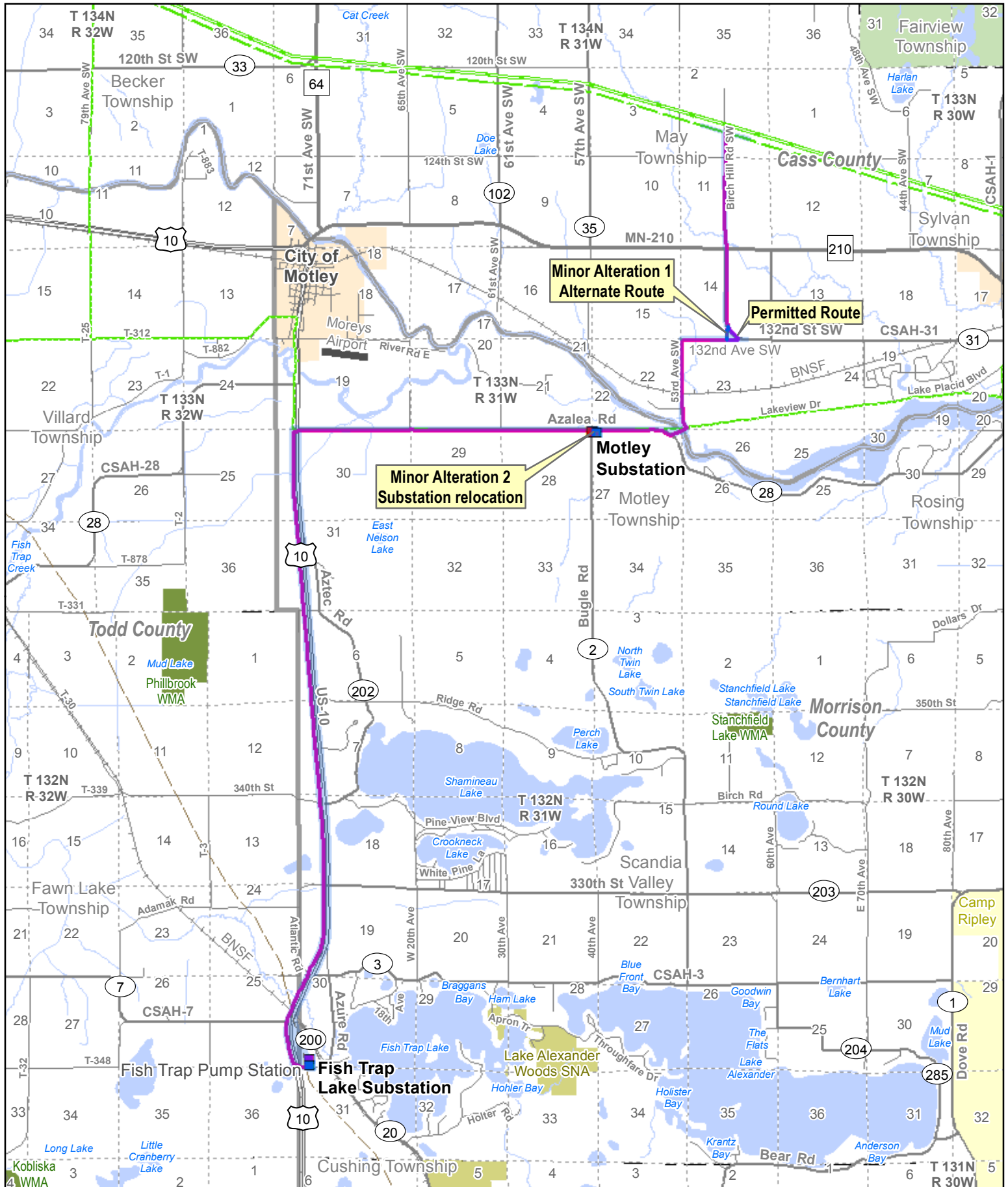
### **2. Minor Alteration 2**

- A. Authorize Minor Alteration 2 without conditions.
- B. Authorize Minor Alteration 2 and require the Permittees to adhere to the mitigation measures proposed by the MNDNR.
- C. Authorize Minor Alteration 2 with additional conditions.
- D. Determine that Minor Alteration 2 is not minor and require a full permitting decision.
- E. Take some other action deemed appropriate.

**Staff Recommendation:** 1A and 2B.

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<sup>1</sup> GRE confirmed in a recent filing that the existing Motley Substation would be fully dismantled by Crow Wing Power.



- Great River Energy
- Anticipated alignment 115 kV transmission line
- Proposed alignment - Minor Alteration 1
- Original alignment
- Permitted route
- Alternate route - Minor Alteration 1

- Minnesota Power
- Existing 34.5 kV transmission line
- Existing 115 kV transmission line
- Existing 230 kV transmission line
- Crow Wing Power
- Proposed substation - Minor Alteration 2
- Existing substation

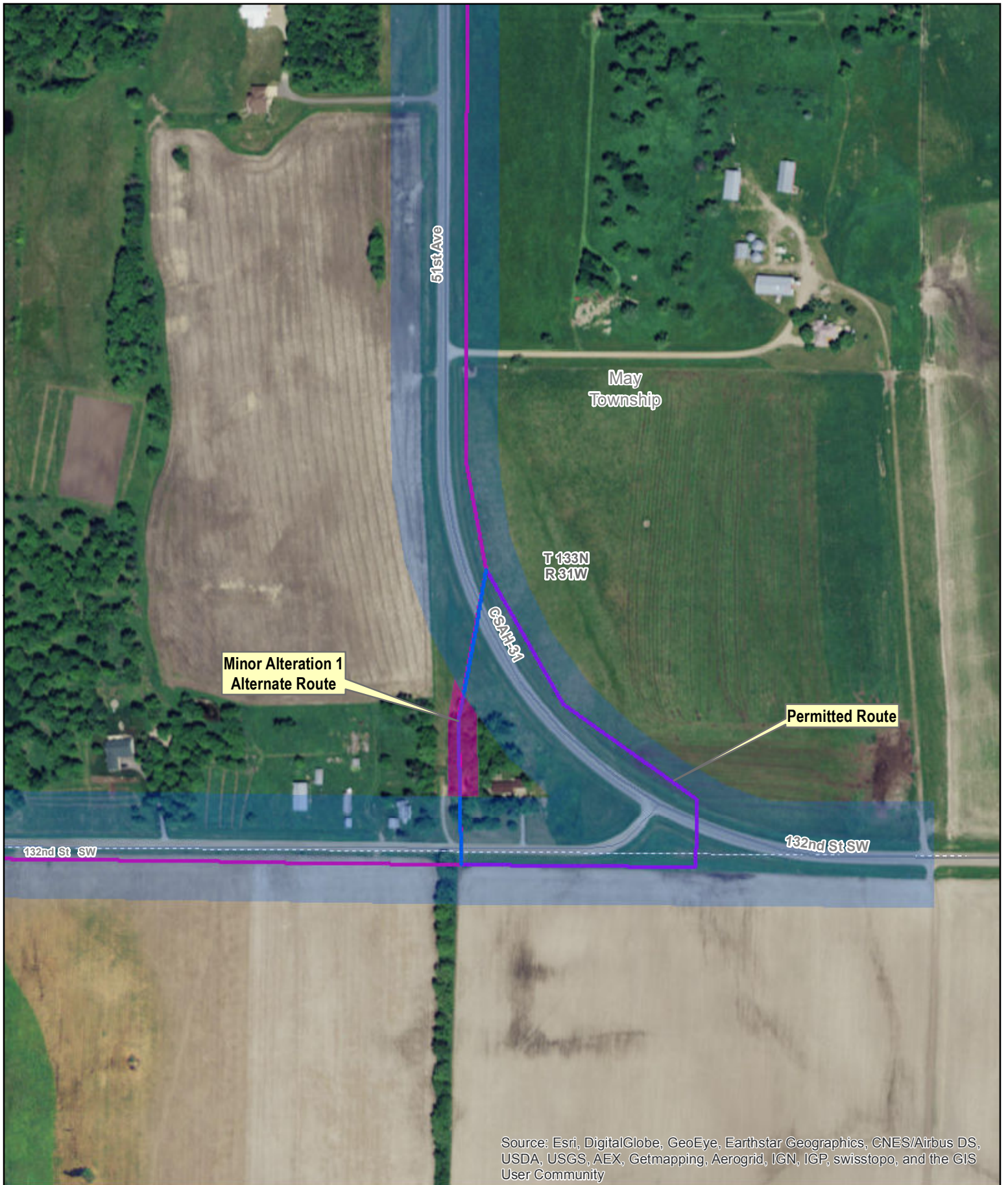
- Minnesota Pipe Line
  - Proposed pump station
  - Existing pipeline
- GIS data sources: MNGEO, MNDNR, MNDOT, and Great River Energy
- 0 1 2 Miles



Updated: 5/12/2016

# Motley Area 115 kV Project Route Permit Minor Alterations Exhibit A

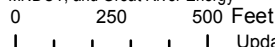




Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

- Great River Energy
- Anticipated alignment 115 kV transmission line
  - Proposed alignment - Minor Alteration 1
  - Original alignment
  - Permitted route (300 feet)
  - Alternate route - Minor Alteration 1

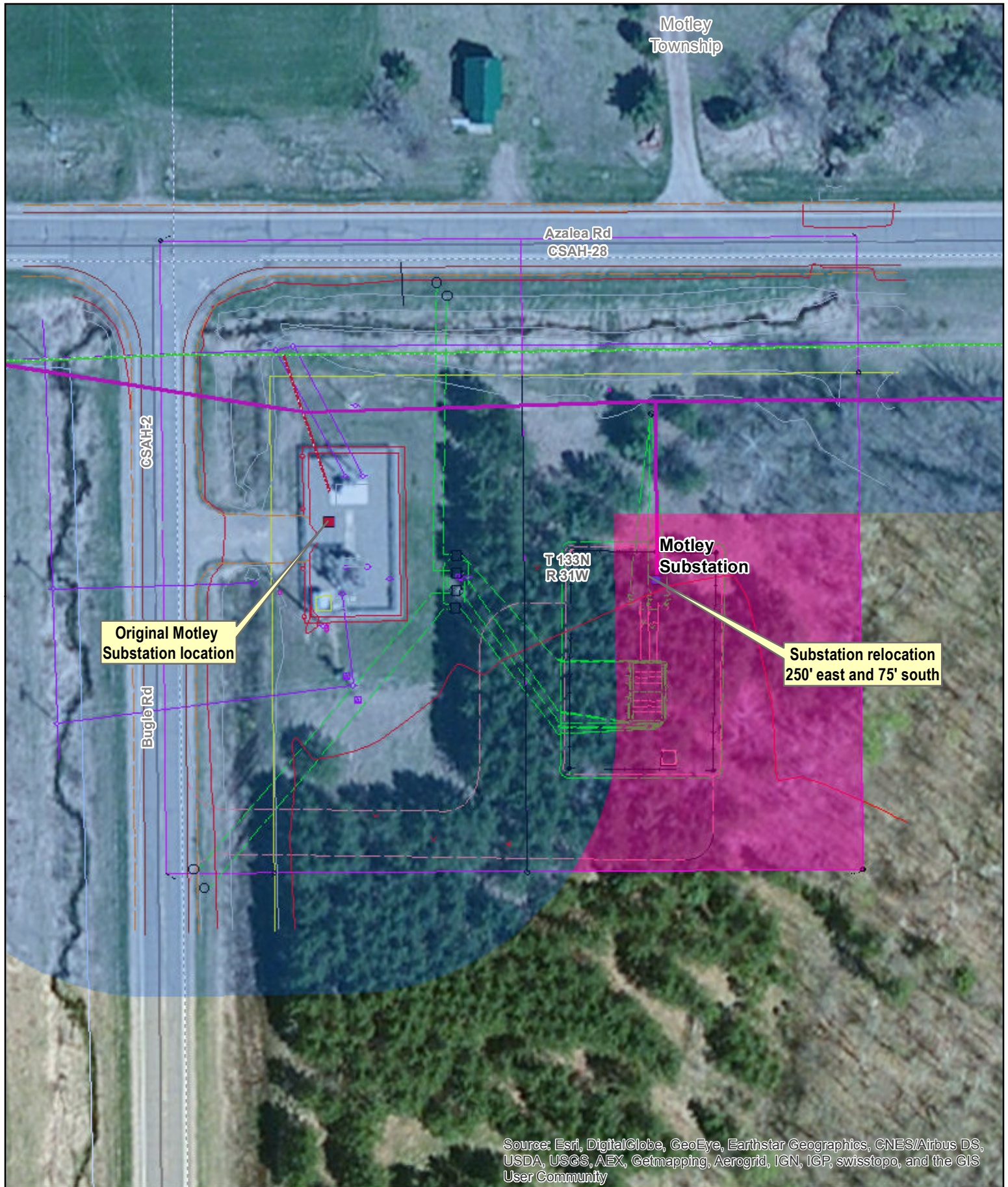
GIS data sources: MNGEO, MNDNR, MNDOT, and Great River Energy



Updated: 5/12/2016



**Motley Area  
115 kV Project  
Route Permit  
Minor Alteration 1  
Exhibit B**



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

- |   |   |
|---|---|
| Great River Energy  | Crow Wing Power   |
| <span style="color: magenta;">—</span> Anticipated alignment 115 kV transmission line | <span style="color: blue;">■</span> Proposed substation |
| <span style="color: blue;">—</span> Permitted route/substation area                   | <span style="color: red;">■</span> Existing substation  |
| <span style="color: pink;">■</span> Additional substation area - Minor Alteration 2   |   |
| Minnesota Power   |   |
| <span style="color: green;">- - -</span> Existing 34.5 kV transmission line           |   |

GIS data sources: MNGEO, MNDNR, MNDOT, and Great River Energy

0 50 100 Feet

Updated: 5/12/2016



**Motley Area  
115 kV Project  
Route Permit  
Minor Alteration 2  
Exhibit C**