

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE PUBLIC UTILITIES COMMISSION

In the Matter of the Application of Xcel
Energy for a Site Permit for the 215 MW
Black Dog Unit 6 Project in Burnsville,
Minnesota

SUMMARY OF PUBLIC TESTIMONY

Administrative Law Judge James E. LaFave held a public hearing in this matter pursuant to a Notice of Public Hearing dated June 3, 2016.¹ The hearing was held at the Burnsville City Hall in Burnsville, Minnesota, on June 16, 2016 at 6:00 p.m.

Andrew Levi appeared on behalf of the Department of Commerce (Department). Mark Danberg appeared on behalf of Xcel Energy (Xcel). Cezar Panait, Staff Engineer, appeared on behalf of the Public Utilities Commission (Commission).

The written public comment period ended on June 30, 2016,² and the record closed on that date.

INTRODUCTION

Xcel seeks a site permit to construct and operate a 215-megawatt (MW) natural-gas-fired combustion turbine (Black Dog Unit 6 Project or Project) at its Black Dog Generating Plant in Burnsville.³ The combustion turbine will be a simple-cycle unit with dry low-nitrogen oxide burners and use of good combustion practices for emissions control.⁴ It will provide approximately 215 MW of nominal peaking capabilities and will be built in the existing powerhouse building for Unit 4.⁵ The Project is designed to provide generation at the Black Dog Plant to deliver low voltage power directly to customers.⁶ This system configuration exposes the power supply to customers in the Twin Cities metropolitan area to fewer equipment failures and thus enhances reliability.⁷

¹ NOTICE OF PUBLIC HEARING IN THE MATTER OF THE APPLICATION FOR A SITE PERMIT FOR THE 215 MW BLACK DOG UNIT 6 PROJECT IN BURNSVILLE, MINNESOTA (June 3, 2016) (eDocket No. 20166-121988-01).

² *Id.* at 2.

³ APPLICATION at 1 (Oct. 15, 2015) (eDocket No. 201510-114858-01).

⁴ *Id.*

⁵ *Id.*

⁶ *Id.* at 3.

⁷ *Id.*

No person may construct a large electric power generating plant without a site permit from the Commission.⁸ A large electric power generating plant is defined as “electric power generating equipment and associated facilities designed for or capable of operation at a capacity of 50,000 kilovolts or more.”⁹ Because Xcel seeks to construct a 215 MW simple-cycle natural-gas-fired combustion turbine unit, this Project requires a site permit from the Commission.¹⁰ The Commission authorized Xcel’s use of the alternative permitting process set forth in Minn. Stat. § 216E.04 (2014), Minn. R. 7850.2800-.3900 (2015).¹¹ The Commission referred the case to the Office of Administrative Hearings to conduct a public hearing and file a written summary of the public comments.¹²

I. Procedural History

1. The Black Dog Generating Plant is owned by Northern States Power Company (NSP), a Minnesota corporation, and the proposed Black Dog Unit 6 Project will be owned by NSP.¹³ NSP and its parent public utility holding company, Xcel, are headquartered in Minneapolis, Minnesota.¹⁴

2. In 2014, the Project was selected by the Commission as part of a competitive resource acquisition process to provide additional electrical power sources to meet the projected needs of the applicant’s customers.¹⁵

3. On October 15, 2015, Xcel applied for a site permit to build a 215 MW natural-gas-fired combustion turbine unit at the Black Dog Generating Plant.¹⁶ On November 6, 2015, the Department’s Energy Environmental Review and Analysis (EERA) unit filed comments recommending that the Commission accept the application as substantially complete, with the understanding that Xcel provide certain supplemental information.¹⁷

4. On December 10, 2015, the Commission accepted Xcel’s application as complete.¹⁸ The Commission directed its staff to work with the Administrative Law

⁸ See Minn. Stat. § 216E.03, subd. 1 (2014).

⁹ Minn. Stat. § 216E.01, subd. 5 (2014).

¹⁰ ORDER FINDING APPLICATION COMPLETE, REQUESTING SUMMARY REPORT, AND GRANTING VARIANCE at 1 (Dec. 10, 2015) (eDocket No. 201512-116357-01).

¹¹ *Id.* at 2.

¹² *Id.* at 3.

¹³ APPLICATION at 9 (Oct. 15, 2015) (eDocket No. 201510-114858-01).

¹⁴ *Id.*

¹⁵ See COMMENTS AND RECOMMENDATIONS OF MINNESOTA DEPARTMENT OF COMMERCE ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS at 2 (Nov. 6, 2015) (eDocket No. 201511-115548-01); Burnsville Public Hearing Transcript (Burnsville Tr.) at 8 (June 16, 2016) (eDocket No. 20166-122844-01).

¹⁶ APPLICATION at 1 (Oct. 15, 2015) (eDocket No. 201510-114858-01).

¹⁷ COMMENTS AND RECOMMENDATIONS OF MINNESOTA DEPARTMENT OF COMMERCE ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS (Nov. 6, 2015) (eDocket No. 201511-115548-01).

¹⁸ ORDER FINDING APPLICATION COMPLETE, REQUESTING SUMMARY REPORT, AND GRANTING VARIANCE at 2 (Dec. 10, 2015) (eDocket No. 201512-116357-01).

Judge and the Department in selecting suitable locations for a public hearing on the application.¹⁹

5. On May 25, 2016, the Department completed an Environmental Assessment (EA) of the Project.²⁰

6. The Notice of Public Hearing was published in the Burnsville Eagan *Sun ThisWeek* on June 10, 2016.²¹

7. The Administrative Law Judge convened the public hearing on June 16, 2016, and explained that the purpose of the public hearing was to “give members of the public an opportunity to express their views and make inquiry about the proposed project.”²² At the outset of the hearing, Cezar Panait, a Commission staff engineer briefly described the Project and permitting process.²³ Andrew Levi, a Department employee, stated that he was present to answer any questions about the EA.²⁴ Lastly, Mark Danberg from Xcel made a short statement regarding the Project’s purpose.²⁵

II. Summary of Public Testimony

8. Approximately five members of the public attended the public hearing.²⁶ Three members of the public spoke at the hearing.²⁷

9. The first speaker was James Swanson.²⁸ Mr. Swanson asked whether Xcel planned to use the current chimney or build a new chimney.²⁹ Mr. Danberg responded that Xcel intends to build a new chimney because the existing one is not compatible.³⁰ Mr. Swanson next inquired as to whether Xcel had sufficient room for expansion.³¹ Mr. Danberg stated that although Xcel has no current plans to expand, there is space to do so.³²

10. Ms. Yvonne Shirk, with the Lower Minnesota River Watershed District (Watershed District), spoke next.³³ Ms. Shirk is also a Dakota County Representative.³⁴

¹⁹ *Id.*

²⁰ ENVIRONMENTAL ASSESSMENT (May 25, 2016) (eDocket No. 20165-121667-01)

²¹ AFFIDAVIT OF PUBLICATION (June 23, 2016) (eDocket No. 20167-123338-01).

²² Burnsville Tr. at 4 (June 16, 2016) (eDocket No. 20166-122844-01).

²³ *Id.* at 7-10.

²⁴ *Id.* at 10.

²⁵ *Id.* at 11-12.

²⁶ See PUBLIC HEARING SIGN-IN SHEETS (June 16, 2016) (eDocket No. 20166-122845-01).

²⁷ Burnsville Tr. at 12-18.

²⁸ *Id.* at 12.

²⁹ *Id.*

³⁰ *Id.* at 13.

³¹ *Id.* at 15.

³² *Id.* at 16.

³³ *Id.*

³⁴ *Id.*

Ms. Shirk inquired about the construction permitting process with the City of Burnsville due to concerns regarding compliance with the Watershed District.³⁵ Mr. Danberg stated that any areas external to the plant would require permitting with the City of Burnsville.³⁶ Mr. Danberg was unable to opine regarding compliance with the Watershed District, but stated that Xcel's environmental staff are typically aware of those issues "and work through them."³⁷

11. James Samuelson, representing the International Brotherhood of Electrical Workers (IBEW) Local 160, spoke last.³⁸ He stated that the IBEW supports "moving the permit forward."³⁹ He then asked if this permit is sufficient for future renewables or if Xcel has other plans for renewables.⁴⁰ Mr. Danberg stated that this permit indirectly supports future renewables as "back up for when renewables aren't available because the wind isn't blowing as much."⁴¹

12. Mr. Samuelson further stated that IBEW is "looking forward to moving forward with this project and keep[ing] it a union shop" to replace jobs lost due to the reduction of the coal industry in Minnesota.⁴²

III. Summary of Written Comments

13. Two people submitted public comments before the written comment period closed.⁴³

14. William Harrison indicated that he has lived near the plant since 1984 and Xcel is "a good neighbor and a very efficient utility."⁴⁴ Mr. Harrison strongly supports issuance of the site permit because it will "ensure a cleaner environment, increased capacity, and better service for all Xcel customers."⁴⁵

15. Della Young submitted comments on behalf of the Lower Minnesota River Watershed District.⁴⁶ According to Ms. Young, the Watershed District requests an opportunity to review and comment on the Project's construction stormwater pollution prevention plan, as well as the Project's potential direct and indirect impact on the Black Dog Fen.⁴⁷ Similarly, Ms. Young inquired as to how groundwater appropriation would

³⁵ *Id.* at 16-17.

³⁶ *Id.* at 17.

³⁷ *Id.* at 17-18.

³⁸ *Id.* at 18.

³⁹ *Id.*

⁴⁰ *Id.* at 19.

⁴¹ *Id.*

⁴² *Id.* at 19-20.

⁴³ PUBLIC COMMENTS (eDocket No. 20167-123007-01).

⁴⁴ Comment by William Harrison (June 23, 2016) (SpeakUp) (eDocket No. 20167-123007-01).

⁴⁵ *Id.*

⁴⁶ Comment by Della Young (June 30, 2016) (SpeakUp) (eDocket No. 20167-123007-01).

⁴⁷ *Id.*

affect the Black Dog Fen.⁴⁸ Lastly, per Ms. Young, the Watershed District requests an opportunity to comment on the Department of Natural Resources Temporary Appropriation Permit Application.⁴⁹

16. The City of Burnsville submitted a letter supporting the Project.⁵⁰ According to the City, “[t]he overall environmental impacts from moving away from coal-based power generation results in a reduction in [Xcel’s] carbon footprint and also reflects an investment in the site to sustain reliable power source to the region.”⁵¹ The City further stated that it believes the Project is beneficial to both residents and rate-payers and indicated that Xcel has answered its questions and responded to its concerns with more detailed plans.⁵²

17. The Minnesota Pollution Control Agency (MPCA) commented on the Project.⁵³ The MPCA indicated that the Minnesota River is listed on its Inventory of Impaired Waters and that “[t]he impairment will dictate additional increased stormwater treatment during construction and require additional increased permanent treatment post construction.”⁵⁴ The MPCA further stated that Xcel “should determine that compliance with these increased stormwater quality treatments can be achieved on the project site or elsewhere.”⁵⁵

18. The Metropolitan Council also commented on the Project, stating that the EA did not raise major issues of consistency with Council policies.⁵⁶ In addition, the Council stated:

The EA indicates on page 41 that a paved, multi-use recreation trail is currently being constructed on the site. This trail, a part of the Minnesota River Greenway Regional Trail, has been developed and will be managed by Dakota County and governed by the Metropolitan Council’s *2040 Regional Parks Policy Plan*. The trail segment that travels through the site will be subject to a use agreement between Dakota County, the City of Burnsville, U.S. Fish and Wildlife Service, and Xcel.⁵⁷

19. Lastly, Xcel submitted comments in response to the EA, stating that “the EA is a thorough and accurate summary of the potential environmental impacts of the project.”⁵⁸ Xcel noted that, according to the EA, the impacts of the Project will range

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ Comment by the City of Burnsville (June 27, 2016) (eDocket No. 20166-122745-01).

⁵¹ *Id.*

⁵² *Id.*

⁵³ Comment by the MPCA (June 30, 2016) (eDocket No. 20166-122852-01).

⁵⁴ *Id.*

⁵⁵ *Id.*


⁵⁶ Comment by the Metropolitan Council (June 30, 2016) (eDocket No. 20167-123150-01).

⁵⁷ *Id.*

⁵⁸ Comment by Xcel (June 30, 2016) (eDocket No. 20166-122838-01).

from minimal to negligible to no impact.⁵⁹ Xcel also clarified some technical aspects of the Project.⁶⁰

Dated: August 1, 2016


JAMES E. LAFAVE
Administrative Law Judge

Reported: Shaddix & Associates
One Volume

⁵⁹ *Id.*

⁶⁰ *Id.*

August 2, 2016

See Attached Service List

**Re: In the Matter of the Application of Xcel Energy for a Site Permit for
the 215 MW Black Dog 6 Project in Burnsville, MN**

**OAH 60-2500-33474
MPUC E002/GS-15-834**

To All Persons on the Attached Service List:

Enclosed and served upon you is the Administrative Law Judge's **SUMMARY OF
PUBLIC TESTIMONY** in the above-entitled matter.

If you have any questions, please contact my legal assistant Denyse Johnson at
(651) 361-7888 or denyse.johnson@state.mn.us, or facsimile at (651) 539-0310.

Sincerely,



JAMES E. LAFAVE
Administrative Law Judge

JEL:dj
Enclosure
cc: Docket Coordinator

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PO BOX 64620
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CERTIFICATE OF SERVICE

In the Matter of the Application of Xcel Energy for a Site Permit for the 215 MW Black Dog 6 Project in Burnsville, MN	OAH Docket No.: 60-2500-33474
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Denyse Johnson, certifies that on August 2, 2016 she served the true and correct

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indicated below) to the following individuals:

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