

## Appendix A

### Scoping Decision



**In the Matter of the Application of Snowshoe  
BESS, LLC for a Site Permit for the up to 150  
MW Snowshoe Energy Storage Project in  
Olmsted County, Minnesota**

**ENVIRONMENTAL ASSESSMENT  
SCOPING DECISION**

**DOCKET No. IP7138/ESS-24-279**

The above matter has come before the Commissioner of the Department of Commerce (Department) for a decision on the scope of the environmental assessment (EA) to be prepared for the Snowshoe battery energy storage system (BESS) project (project) in Olmsted County, Minnesota.

### Project Description

Snowshoe BESS, LLC (Snowshoe), a wholly owned subsidiary of Spearmint Energy, proposes to construct and operate a BESS with a nominal power rating of up to 150 MW alternating current (AC) with approximately 600 megawatt-hours (MWh) of energy capacity on a site of approximately 28 acres in Kalmar Township, Olmsted County, Minnesota.

In addition to battery energy storage enclosures, the facility will also include inverters and transformers, electrical feeder lines, a project substation, stormwater drainage basins, storage and parking areas, and fencing surrounding the perimeter of the facility. Snowshoe may construct an operations and maintenance facility at the site or may lease existing space nearby to house operations and maintenance materials. The facility will be connected to the electric grid through a tap line of approximately 300 feet between the project substation and the adjacent Maple Leaf Substation owned and operated by the Southern Minnesota Municipal Power Agency. Snowshoe anticipates that project construction will begin in early 2027 and that operation will commence in late 2027.

Snowshoe indicates that the project will help meet the growing demand for renewable energy and will assist Minnesota in reaching its renewable energy objectives by allowing wind and solar resources to continue producing energy at times when they would otherwise be curtailed due to low demand. Snowshoe anticipates entering into a tolling agreement with an affiliated merchant energy business or other third part market participant, rather than a long-term power purchase agreement more typical of renewable projects. Alternatively, Snowshoe may sell the project to a utility or operate under a different revenue structure.

### Regulatory Background

In Minnesota, no person may construct an energy storage system (ESS), defined as a facility capable of operating at a capacity of 10 MW or more<sup>1</sup> without a site permit from the

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<sup>1</sup> Minnesota Statute 216E.01, subd. 3a.

Commission.<sup>2</sup> Snowshoe's proposed project will have a nominal power rating of up to 150 MW AC and therefore requires a site permit from the Commission. As an ESS facility, the site permit application qualifies for Commission review under the alternative permitting process described in Minnesota Statute 216E.04.<sup>3</sup> The project does not require a certificate of need from the Commission because the Project is exempt under Minn. Stat. 216B.243, subd. 8(9).

Snowshoe filed an application for a site permit on October 7, 2024.<sup>4</sup> The Commission accepted the application as substantially complete in its order dated November 19, 2024.<sup>5</sup>

The Department's Energy Environmental Review and Analysis (EERA) staff is responsible for conducting environmental review for site permit application submitted to the Commission.<sup>6</sup> An EA will be prepared to meet the environmental review requirements for the site permit application.

## Scoping Process

Scoping is the first step in the development of the EA for the project. 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 decisions on the site permit.

EERA 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 Scoping Comments

Commission and EERA staff held a public information and scoping meeting in Byron, Minnesota on December 9, 2024, and an online meeting on December 12, 2024. The comment period closed on December 30, 2024. Three people attended the Byron meeting and two attendees

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<sup>2</sup> Minnesota Statute 216E.03, subd. 1.

<sup>3</sup> Minnesota Statute 216E.04, Subd. 2 (noting those projects that are eligible to proceed under an alternative permitting process).

<sup>4</sup> Snowshoe BESS, LLC, *Snowshoe Energy Storage Project: Application to the Minnesota Public Utilities Commission for a Site Permit*, October, 7, 2024, eDocket ID: [202410-210785-01](#), [202410-210785-02](#), [202410-210785-03](#), [202410-210785-04](#), [202410-210785-05](#), [202410-210785-06](#), [202410-210785-07](#), [202410-210785-08](#), [202410-210785-09](#), [202410-210785-10](#), [202410-210788-01](#), [202410-210788-02](#), [202410-210788-03](#), [202410-210788-04](#).

<sup>5</sup> Commission, *Order*, November 19, 2024, eDocket ID: [202412-213309-01](#)

<sup>6</sup> Minnesota Statute 216E.04, Minnesota Rule 7850.3700.

provided public comments. There were no public comments at the online meeting.<sup>7</sup> In addition to the comments received at the public meeting in Byron, written comments were received from the Minnesota Department of Agriculture (MDA), the Minnesota Department of Natural Resources (DNR), the International Union of Operating Engineers (IUOE) Local 49, and the North Central States Regional Council (NCSRC) of Carpenters.

The MDA commented that the agency is working with Snowshoe to collaboratively develop an agricultural impact mitigation plan.<sup>8</sup>

The DNR provided comments on the proposed fencing, lighting impacts, dust control, and erosion control methods. The DNR recommended against use of barbed wire and requested that Snowshoe coordinate with the DNR before finalizing fence design. The DNR also recommended the use of downlit lighting that minimizes blue hues, backlight, and glare, avoidance of dust control methods containing chlorides, and the use of wildlife-friendly erosion control as mitigation measures to minimize impacts to wildlife and the environment.<sup>9</sup>

In comments at the public meeting in Byron and in written comments, the IUOE Local 49 and the NCSRC of Carpenters expressed support for the project and recommended the EA examine local economic impacts.<sup>10</sup>

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Having reviewed the matter, consulted with EERA staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following scoping decision:

### **MATTERS TO BE ADDRESSED**

The EA for the proposed Snowshoe Project will include a description and analysis of the human and environmental impacts of the proposed project required by Minnesota Rule 7850. 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

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<sup>7</sup> Oral Comments, Public Scoping and Information Meetings, Byron, Minnesota, December 9, 2024 and virtual meeting, December 12, 2024, eDocket ID: [20251-213617-01](#), [20251-213617-02](#).

<sup>8</sup> MDA, Comment, November 1, 2024, eDocket ID: [202411-211562-01](#)

<sup>9</sup> DNR Comment, December 23, 2024, eDocket ID: [20242-213309-01](#)

<sup>10</sup> IUOE Local 49 and NCSRC of Carpenters Comment, December 31, 2024, eDocket ID: [202412-213419-01](#); see also oral comments from Byron public meeting at pp. 15-16.

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.

#### *GENERAL DESCRIPTION OF THE PROJECT*

- A. Project Description
- B. Project Purpose
- C. Project Schedule
- D. Project Costs

#### *REGULATORY FRAMEWORK*

- A. Site Permit
- B. Environmental Review
- C. Public Hearing
- D. Site Permit Decision
- E. Other Permits and Approvals

#### *PROJECT DESIGN, CONSTRUCTION, & OPERATION*

- A. Project description (batteries, enclosures, inverters, transformers, substation and transmission intertie, electrical collector system, roads, fencing)
- B. Site acquisition
- C. Construction
- D. Restoration
- E. Operation and maintenance
- F. Vegetation management
- G. Decommissioning

### *AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEASURES*

The EA will analyze the human and environmental impacts and potential mitigation measures associated with the proposed project. Potential impacts of the project, both positive and negative will be described. 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 proposed 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. EERA 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, EERA 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. Impacts to Human Settlements

1. Noise
2. Aesthetics (lighting, appearance of project components, fencing)
3. Displacement
4. Socioeconomic impacts (local revenues, taxes, employment)
5. Cultural values
6. Cultural resources
7. Zoning and land use compatibility
8. Public services
9. Communication and electronic interference
10. Public health and safety (electric and magnetic fields, worker and public safety)
11. Environmental Justice

B. Impacts to Land Based Economies

1. Agriculture
2. Forestry
3. Mining
4. Recreation and tourism

C. Impacts to Archaeological and Historic Resources

D. Impacts to the Natural Environment

1. Air quality
2. Vegetation
3. Wildlife
4. Geology and soils
5. Water Resources (surface water, groundwater, wetlands)
6. Rare and unique natural resources

E. Greenhouse Gas Emissions

F. Climate Change and Design for Resilience

G. Electric System Reliability

H. Adverse Impacts that Cannot be Avoided

I. Irreversible and Irretrievable Commitments of Resources

J. Cumulative Potential Impacts

## ISSUES OUTSIDE THE SCOPE OF THE EA

The EA will not address the following topics:

- A. The need for the project, including questions of size, type, timing, and alternative system configurations.
- B. Any impacts related to the manufacture of the elements of the project including batteries, concrete, fuel used for construction vehicles, etc.
- C. The manner in which landowners are compensated for the project.

## SCHEDULE

The EA is anticipated to be completed and available in April 2025. Upon completion, it will be noticed and made available for review. A public hearing will be held after the EA has been issued. Comments on the EA may be submitted into the hearing record.

Signed this 13<sup>th</sup> day of January 2025

STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE



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Pete Wyckoff, Deputy Commissioner



## PROJECT SITE

