

Minnesota Public Utilities Commission
Staff Briefing Papers

Meeting Date: July 17, 2013
Agenda Item:7*

Company: **Great River Energy and Xcel Energy**

Docket No. **E-002, ET2/TL-08-1474**

In the Matter of the Route Permit Application for a 345 kV Transmission Line from Brookings County, South Dakota to Hampton, Minnesota.

Issue(s): Should the Commission authorize the minor alteration request? If so, what conditions, if any, should the Commission attach to the Minor Alteration?

Staff: Michael Kaluzniak.....651-201-2257

Relevant Documents

Request for Minor Alteration..... May 29, 2013
Minnesota Department of Natural Resources Comments..... June 13, 2013
DOC EFP Comments and Recommendations June 13, 2013
Public Comment..... June 17, 2013
Public Comment..... June 20, 2013

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 noted otherwise.

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Statement of the Issues

Should the Commission authorize the May 29, 2013 minor alteration request for the Brookings County to Hampton 345 kV Transmission Line Project? If so, what conditions, if any, should the Commission attach to the minor alteration?

Introduction and Background

The Commission issued a route permit, as amended, with conditions for all segments of the Brookings County to Hampton 345 kV Transmission Line Project on September 14, 2010.

On May 29, 2013, Xcel Energy filed a request for a minor alteration to the approved route between the Chub Lake substation and the Hampton substation.

On May 31, 2013, the Commission issued a Notice of Comment Period on Minor Alteration Application. Comments were sought on whether the proposed project is a minor alteration, and whether any conditions that may be appropriate should the request be approved as a minor alteration. The comment period closed at 4:30 p.m. on Friday, June 14, 2013; and replies were accepted through Friday, June 21, 2013. Comments were received from the Department of Commerce Energy Facility Permitting staff, the Minnesota Department of Natural Resources (DNR) and several members of the public, including affected landowners in the project area. Public Comments were received during the initial comment period from Pat Korba, Ed Korba, Ray & Donia Kaufenberg, and Philip Krass on behalf of the Boyum Family.

Regulatory Process and Procedures

Minnesota Rule 7850.4800 outlines the application, review, and public notice procedures to be used in seeking minor alteration authorization. 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 (Minn. Rule 7850.4800, subp. 1).

The Commission is asked whether to authorize the minor alteration, bring the matter to the Commission for consideration, or determine that the alteration is not minor and requires a full permitting decision (Minn. Rule 7850.4800, subp. 3). The Commission may also impose conditions on its approval.

Permittees Application

The permittees are seeking a change in the permitted route within segment six of the project – that segment between the Chub Lake substation and the Hampton substation (structures #0961-007 to 0961-010). The permittees stated that the proposed change is requested to address stakeholder and environmental concerns and that landowners affected by the route modification

all support the change. The permittees also stated that the proposed change qualifies as a minor alteration because the requested alteration has impacts comparable to the impacts associated with the initially anticipated alignment of the approved route and therefore does not result in significant change in the human or environmental impacts of the facility.

Public Comments

The Commission received five separate comments during the comment period.

Phillip R. Krass provided comments on behalf of the Boyum family on June 6, 2013. Mr. Krass stated that the permittees' request meets the definition of a minor alteration and urged the Commission to approve the Boyum Farm and two other small acreage parcels.

Pat Korba wrote to encourage the Commission to approve the recommended alteration because it would avoid the impacts to trees in their front yard.

Ray and Donia Kaufenberg wrote to urge the Commission to approve the minor alteration because it would decrease negative impacts to their property and their neighbors to the south and west along Dodd Boulevard. Additionally, the Kaufenbergs stated that the original alignment would have made field work in the area very difficult.

Edward Korba recommended approval of the proposed minor alteration because it would decrease impacts to their property, as well as those of his neighbors.

Minnesota Department of Natural Resources (DNR) Comments

In their July 13, 2013 comments, the DNR stated that they are in agreement with the project developers that the proposed alteration reduces tree clearing near the crossing of the Vermillion River. The DNR noted that measures should be taken to reduce wetland impacts by spanning wetlands if possible and that that a License to Cross Public Waters would still be required, including possible additional conditions.

Department of Commerce Energy Facility Permitting (EFP) Analysis and Comments

The Minnesota Department of Commerce (Department) EFP staff provided its Comments and Recommendations on June 13, 2013. EFP staff reviewed the Permittees minor alteration application and the record of public comments to date. EFP staff stated that the proposed change would not result in significant changes in the human or environmental impacts of the project.

The Department compared the factors of Minnesota Rules 7850.4100 relative to the impacts of the proposed minor alteration. EFP staff stated that the change would provide positive benefits to the impacts on both human settlements and the natural environment.

EFP staff noted that there are negative impacts on the use or paralleling of existing rights of way. While the permitted route parallels a county highway for approximately 43 percent of its length, the proposed change would proceed cross county and not utilize existing rights of way. EFP stated that, on balance, it is not a significant change from the anticipated impacts of the project as permitted.

Based on the application and record, EFP staff stated that the proposed alteration would not result in significant changes in the human or environmental impacts of the transmission line and is therefore a minor alteration. EFP staff recommended that the Commission approve Xcel Energy's route modification request.

Staff Comments

Commission staff reviewed the Permittees application for a minor alteration and concluded that the Permittees have provided sufficient information to modify the permit as requested. Although the proposed change would reduce some impacts and increase one other, the alterations on the whole would not result in significant changes in the human or environmental impacts of the approved route. Therefore, staff recommends approval of the minor alteration request.

Commission Decision Options

Minor Alteration - Chub Lake to Hampton substations (structures #0961-007 to 0961-010)

- 1. Authorize the minor alteration request without conditions.**
- 2. Authorize the minor alteration request with additional conditions.**
- 3. Determine that the requested alteration is not minor and require a full permitting decision.**
- 4. Take some other action deemed appropriate.**

Staff Recommendation: Decision Option #1.