

## Staff Briefing Papers

Meeting Date April 7, 2022 Agenda Item 1\*

Company Minnesota Power

Docket No. E015/TL-21-141


**In the Matter of the Application of Minnesota Power for a Route Permit for the Duluth Loop Reliability Project in St. Louis County, Minnesota**

Issues.

1. What action should the Commission take regarding the route alternatives to be evaluated in the environmental assessment?

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 <b>Relevant Documents</b>	<b>Date</b>
Route Permit Application (13 parts)	10/21/2021
Commission Order Finding Application Complete	12/14/2021
Minnesota Department of Transportation Comments	02/04/2022
Minnesota Power Response to Comments Submitted on Scope of Environmental Assessment	02/23/2022
DOC EERA Comments and Recommendations Scoping Process Summary	03/07/2022

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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.

## I. Statement of the Issues

1. What action should the Commission take regarding route alternatives to be evaluated in the environmental assessment?

## II. Project Description

On October 21, 2021, Minnesota Power (Applicant) submitted a Certificate of Need (CN) Application and a high voltage transmission line (HVTL) Route Permit Application (RPA) to the Minnesota Public Utilities Commission (Commission) for the proposed Duluth Loop Reliability Project. The RPA was submitted under the alternative review process (Minn. Stat. § 216E.04; Minn. R. 7850.2800-3900).

The Duluth Loop Project includes: (1) construction of about 14 miles of new 115 kV transmission line between the Ridgeview, Haines Road, and Hilltop Substations; (2) construction of an approximately one-mile extension connecting an existing 230 kV transmission line to the Arrowhead Substation; (3) upgrades to the Ridgeview, Hilltop, Haines Road, and Arrowhead substations; and (4) reconfiguration, rebuild, and upgrade to existing transmission lines and communications infrastructure in the Project area. Minnesota Power anticipates acquiring easements with a typical right-of-way of approximately 100 feet for the 115 kV transmission line and 130 feet for the 230 kV. Where these transmission lines parallel existing lines, less new right-of-way may be required because the new transmission line may share a portion of the existing right-of-way.

Minnesota Power noted that the transmission system in the Duluth area has historically been supported by several coal-fired baseload generators located along Minnesota's North Shore, which have contributed to the reliability of the transmission system by delivering power to the local area and providing system support. The applicant indicated that the transition away from reliance on coal to lower carbon sources of energy, has led to an increased reliance on the transmission system to deliver replacement power and system support to the Duluth area and along the North Shore.

The Applicant stated that the Duluth area transmission system must be upgraded to maintain a continuous supply of safe and reliable electricity while replacing the support once provided by these local coal-fired generators. To accomplish this, Minnesota Power is proposing that the transmission system in the area be reconstructed, reconfigured, and improved to enhance system stability and reliability.

The Applicant proposed to begin construction of the Project in 2023 and to energize the project in 2025.

## III. Procedural History

On October 21, 2021, the Applicant filed a route permit application under Minn. Stat. § 216E.04 and Minn. R. 7850.2800 to 7850.3900 (alternative permitting process) for the Duluth Loop

Reliability Transmission Line Project.<sup>1</sup>

On December 14, 2021, the Commission issued an Order Accepting Application as Complete and Authorizing Use of Alternative Permitting Process.

On January 26, 2022, staff from the Commission and Minnesota Department of Commerce Energy Environmental Review and Analysis unit (DOC EERA) conducted a public information and environmental assessment scoping meeting in Duluth, followed by a remote-access meeting on January 27. Comments on issues for consideration in the scoping decision were accepted until February 4, 2022.

On February 4, 2022, Minnesota Department of Transportation (MnDOT) filed comments.

On February 10, 2022, DOC EERA filed a copy of the oral and written comments received during the public meetings and the subsequent comment period.

On February 23, 2022, Minnesota Power filed response to comments received during the public meetings and subsequent comment period.

On March 7, 2022, DOC EERA efiled comments and recommendations concerning the evaluation of alternative routes in the environmental assessment.

#### **IV. Statutes and Rules**

In accordance with Minn. Stat. § 216E.04, subd. 5, the DOC EERA is required to prepare an environmental assessment on behalf of the Commission for projects being reviewed under the alternative permitting process. The environmental assessment must provide information on the human and environmental impacts of the proposed project and of alternative sites or routes; the feasibility of each alternative site or route considered; and mitigative measures that could reasonably be implemented to eliminate or minimize any adverse impacts identified.

Minn. R. 7850.3700, sets forth the procedures the DOC EERA must follow when developing the scope of the environmental assessment. The scoping decision must identify any alternative routes to be considered; the potential human and environmental impacts to be addressed; and a schedule for completion of the environmental assessment.

Minn. Stat. § 216E.04, subd. 5, anticipates that the Commission will have the opportunity to identify other routes for consideration prior to environmental review of a project.

#### **V. DOC EERA COMMENTS AND RECOMMENDATIONS**

On March 7, 2022, DOC EERA filed its comments and recommendations concerning the evaluation of alternative routes in the environmental assessment. DOC EERA indicated it received 10 verbal comments at the public information and environmental assessment scoping meetings and 4 written comments during the prescribed comment period. In addition, one

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<sup>1</sup> On October 21, 2021, Minnesota power filled a combined application for a Certificate of Need and Route Permit, eDocket ID [202110-179004-04](#)

comment letter was received from the state agencies. MnDOT didn't offer any route alternatives but stated that its fundamental interest is to ensure that the EA identifies and quantifies, to the extent possible, any impacts the proposed high voltage transmission line may have on the safety of the transportation system, on the operation and maintenance of the state trunk highway system, and any additional costs that may be imposed on the state trunk highway fund as a result of the location of the proposed HVTL.

Public comments received ranged from statements of support for, or opposition to the proposed HVTL project, to specific concerns or perceived impacts. In preparing their Scoping Decision recommendation, EERA staff considered all comments to the extent practicable.

During the EA scoping comment period, one route segment alternative (Neitzel Alternative Route Segment) was submitted for consideration by Lisa Neitzel. Ms. Neitzel expressed concerns that the proposed transmission line would have negative impacts on her daughter's health (EMF) and on the abundant wildlife in the area.

The Neitzel residence is located on the south side of Mogie Lake and is approximately 500 feet north of the current Line 71 conductor (EERA's comments<sup>2</sup>, Figure 1 and Figure 2); the proposed new line (Line 176) would be double circuited with the existing 71 Line on new structures within the existing 71 Line ROW.

The Neitzel Alternative Route Segment would move the existing Line 71 and the new proposed Line 176 south approximately 700 feet to run parallel along the north side of existing Line 98 (EERA comments, Attachment 1).

EERA staff is not recommending any alternative routes, alternative route segments, and/or alignment modifications be included in the Scoping Decision. In regards to the Neitzel Alternative Route Segment, EERA indicated their agreement with Minnesota Power's conclusions (described below). EERA indicated that in addition to Minnesota Power's analysis, given the distance from the existing Line 71 (and therefore from the new, proposed double-circuit Line 71/176) to the Neitzel residence, potential impacts from EMF are expected to be negligible.

### **Applicant Comments**

Minnesota Power stated in their response comments that they had previously evaluated the Neitzel Alternative Route Segment during the route development process and that the route alternative was rejected due to the need for additional right-of-way and greater impacts to homes and buildings as compared to the Proposed 115 kV Route.

Minnesota Power indicated they took a second look to reanalyze the Neitzel Alternative Route Segment after it was proposed by Ms. Neitzel. The analysis found that there are four homes within the right-of-way of the Neitzel Alternative Route Segment that could potentially be displaced if this alternative route segment is selected. Additionally, the Neitzel Alternative Route Segment would place the transmission line closer to more residences than the same segment of the proposed 115 kV Route. The Neitzel Alternative is also slightly longer than the

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<sup>2</sup> Doc EERA Comments and Recommendations, eDocket ID [20223-183500-01](#)

proposed 115 kV Route.

While the wetland acreage within the proposed 115 kV Route is greater than that of the Neitzel Alternative Route Segment, these are existing impacts as the Proposed 115 kV Route follows the existing ROW of 71 Line through this area.

Minnesota Power indicated continued support for their proposed 115 kV Route asserting it best satisfies the routing criteria set forth in Minnesota statute and rule.

## **VI. Staff Discussion**

Commission staff has reviewed the environmental assessment scoping comment letters received during the prescribed comment period, and the transcripts from the public information and scoping meetings. Staff agrees with the Department's position not to evaluate any route/route segment alternatives or alignment modifications.

Staff recommends the Commission take no action on route alternatives in this matter. If the Commission takes no action, the Department may proceed with issuing the scoping decision without a written order from the Commission.

## **VII. Commission Decision Options**

- A. What action should the Commission take regarding the route alternatives to be evaluated in the environmental assessment?
  1. Propose additional route alternatives for evaluation in the environmental assessment.
  2. Take no action.
  3. Take some other action deemed appropriate.

**Staff Recommendation: A2**