

**Minnesota Department of Natural Resources
Division of Ecological & Water Resources
500 Lafayette Road
St. Paul, MN 55155-4040**

August 27, 2025

Jim Sullivan
Minnesota Public Utilities Commission
121 7th Place East
St. Paul, MN 55101

**RE: In the Matter of the Application of Xcel Energy for a Certificate of Need, Site Permit,
Transmission Line Route Permit, and Pipeline Route Permit for the Lyon County Generating
Station in Lyon County, Minnesota
Docket Number: E002/CN-25-145; G002/GS-25-154; E002/TL-25-161; G002/GP-25-163**

Dear Mr. Sullivan,

The Minnesota Department of Natural Resources (DNR) has reviewed Xcel Energy's (Applicant) joint site and route permit application for the Lyon County Generating Station Project (Project) to construct two 210 MW combustion turbines (CT), a natural gas pipeline, and two 345 kV transmission lines (HVTLS). Based on the review of the permit application, the DNR offers the following comments regarding potential environmental and wildlife impacts that should be considered in scoping for the Environmental Assessment (EA).

Water Appropriation

A DNR Water Appropriation Permit is required for construction and project operations if ground water pumped exceeds 10,000 gallons in a day and/or one million gallons in one year. The DNR General Permit for Temporary Appropriation may be used for dewatering if the dewatering volume is less than 50 million gallons, and the time of the appropriation is less than one year. A DNR Water Appropriation Permit can be applied for in the [MNDNR Permitting and Reporting System \(MPARS\)](#).

The Applicant completed a Preliminary Well Construction Assessment (PWCA) in two locations within the project area. The aim of a PCWA is to inform well owners before they invest in drilling a well if the DNR anticipates the well owner will have to collect additional information like an aquifer test, in order for the DNR to make a permit decision regarding the Water Appropriations Permit. Both locations were assessed a moderate risk by the DNR, meaning the Applicant must demonstrate the Project's water appropriation needs will be sustainable over the long term. Given the moderate risk designation, the DNR may require an aquifer test and/or installation and monitoring of an observation well.

The DNR recommends the EA assess the Project's water appropriation needs for construction and operation. Section 7.4.3 of the permit application states groundwater will supply evaporative cooling water to cool the air entering the CT along with other Project water needs. Our agency recommends the EA defines a full accounting of Project water needs generally to ensure permitting information needs are adequately foreseen.

Lighting

The DNR recommends the EA discuss measures to mitigate the impacts lighting will have on wildlife. LED lighting tends to emit blue hue which can adversely affect wildlife and insects. While we acknowledge the Project is not a commercial solar site, the DNR's [*Commercial Solar Siting Guidance*](#) is relevant in advising the nominal color temperature of lighting installed at facilities does not exceed 4,000 kelvin. The *Commercial Solar Siting Guidance* also recommends lighting is downlit and shielded lighting to minimize blue hue, backlight, and glare.

Dust

The DNR advises against the use of dust suppression agents containing chloride. Chloride does not break down and may accumulate to levels that are toxic to wildlife and plants. The DNR recommends the EA address fugitive dust levels and dust suppression measures that will be taken during construction and once the Project is operational.

Wildlife-Friendly Erosion Control

The EA should discuss the use of wildlife-friendly erosion control. Due to entanglement issues with small animals, the DNR recommends that erosion control blankets be limited to "bio-netting" or "natural netting" types, and specifically not products containing plastic mesh netting or other plastic components. Hydro-mulch products may contain small synthetic (plastic) fibers to aid in its matrix strength. These loose fibers could potentially re-suspend and make their way into nearby waterways.

Vegetation Management Plan

The EA should discuss the construction and vegetation reestablishment phases to minimize stormwater runoff, stabilize soil, and support habitat for the pipeline, HVTLs, and areas not used for permanent facilities. The DNR recommends the utilization of a vegetation management plan (VMP) for the pipeline, HVTL, and areas not used for permanent project facilities. The aim of a VMP should be to develop native seed mixes that suit site conditions and are pollinator-friendly and habitat-friendly. The permit application states areas not used for permanent Project facilities will be restored through broadcast seeding using a native seed mix containing exclusively tall grasses. The DNR appreciates the Applicant's commitment to planting native seed mixes and recommends the seed mix also includes native forbs to further improve the VMP.

The DNR appreciates the opportunity to comment on the Lyon County Generating Station Project. Please contact me if you have questions about our agency's comments.

Sincerely,

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Attachments: Natural Heritage Review Letter

CC: Haley Byron, DNR Regional Environmental Ecologist
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