



In the Matter of the Application of North Star Energy Storage, LLC for an up to 80 MW Battery Energy Storage System Site Permit for the North Star Storage Project in Chisago County, Minnesota

**ENVIRONMENTAL ASSESSMENT
SCOPING DECISION**

DOCKET NO. IP-7155/ESS-25-123

The above matter has come before the Executive Secretary of the Minnesota Public Utilities Commission (Commission) for a decision on the scope of the environmental assessment (EA) to be prepared for North Star Energy Storage, LLC's proposed 80 megawatt (MW) battery energy storage system (BESS) to be located Chisago County, Minnesota. The Commission is reviewing this application under [Minnesota Statute 216E \(2023\)](#).

Project Description

On February 28, 2025, North Star Energy Storage, LLC (North Star Storage) submitted a site permit application to the Minnesota Public Utilities Commission (Commission) to construct and operate the North Star Battery Energy Storage System Project (project) – a BESS facility with an up to 80 MW / 320 megawatt hour (MWh) nameplate capacity.¹

The project will be located adjacent to the existing North Star Solar Facility in Chisago County, Minnesota. Approximately 26.6 acres of land will be needed to construct the project. Operation of the project is anticipated to require less than 10.0 acres.

Preliminary design of the project includes up to 120 BESS containers, an onsite maintenance area, and a stormwater basin. Underground electric and communication lines will connect the BESS units to the existing North Star Solar Farm substation. Security fencing will encompass all BESS components and warning signs will be installed on the security fencing. Gates will be installed at the entrance to the project site and a sign will be installed on the entrance gate providing a 24-hour emergency response number. The area within the fence line of the project will be graveled and the BESS units will be spaced to allow operations personnel to drive between the BESS units as needed during operation of the project.

The project will be sited adjacent to the existing North Star Solar Facility substation and the existing infrastructure that connects the North Star Solar Facility to the Chisago County Substation. The Chisago County Substation, which is owned and operated by Xcel Energy, is the point of interconnection (POI) for the solar facility and will be the POI for the project. Existing infrastructure will be used to connect the project to the POI. No new gen-tie line is required for the project.

North Star Storage is currently negotiating the project's offtake agreement with Xcel Energy. The agreement will be a long-term contract for the project to provide energy storage capacity to Xcel Energy's service territory.

¹ North Star Storage, Site Permit Application to the Minnesota Public Utilities Commission, February 28, 2025, [eDockets](#) Nos. [20252-215915-01](#) (through -10).

The project is currently undergoing a Midcontinent Independent System Operator surplus interconnection study, the results of which are anticipated in the first quarter of 2025. A surplus large generator interconnection agreement will be executed specific to the project following conclusion of the study and prior to construction.

Project Purpose

North Star Storage indicates that project will provide emission-free energy resources to the electric grid. The project will store excess energy from the grid that may have otherwise been curtailed, and inject up to 80 MW back into the grid during times of increased demand or brief power outages. Without energy storage resources, blackouts and brown outs are more likely, which cost businesses and families significant losses each year. As more intermittent energy resources are added to the grid, the project will help ensure that power is available when it is needed.

Regulatory Background

Energy Storage System Site Permit

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 more² without a site permit from the Commission.³ North Star Storage's proposed project will have a nominal power rating of up to 80 MW 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.04.⁴

Certificate of Need

As North Star Storage is an independent power producer, a certificate of need (CN) is not required for the project. The project is exempt under Minnesota Statute 216B.243, subd. 8(a)(8), which provides that a CN is not required for a "solar energy generating system, as defined in section 216E.01, subdivision 9a, for which a site permit application is submitted by an independent power producer under chapter 216E."⁵

Environmental Review

Commission Energy Infrastructure Permitting (EIP) staff will prepare an EA for the project. An EA contains an overview of the resources affected by the project. It also discusses potential human and environmental impacts and possible mitigation measures⁶. Under the alternative permitting process, an EA is the only required state environmental review document.

Scoping Process

Scoping is the first step in the environmental review process. 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 decision on the site permit application.

² Minnesota Statute 216E.01, subd. 3°, Edition Year 2023.

³ Minnesota Statute 216E.03, subd. 1, Edition Year 2023.

⁴ Minnesota Statute 216E.04, subd. 2, Edition Year 2023 (noting those projects that are eligible to proceed under an alternative permitting process).

⁵ Minnesota Statute 216B.243, Subd. 8(a)(8), Edition Year 2023

⁶ Minnesota Statute 216E.04, subd. 5, Edition Year 2023; Minn. Rule 7850.3700, subp. 4, Published 2024.

Staff use the information gathered during scoping to inform the content of the EA. EIP 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 Information and Scoping Meetings

On May 29, 2025, Commission staff held a remote-access public meeting. No individuals from the public attended this meeting, and there were no comments.⁷ On May 28, 2025, Commission staff held an in-person public meeting in Stacy, Minnesota. Approximately 12 people attended this meeting. Several attendees noted their support for the project, renewable energy resources, and North Star Storage's dedication to using local union labor. Other attendees, including local residents and homeowners, had questions and concerns related to the project. These attendees raised concerns predominantly related to wildlife and its habitat, fire safety, and noise pollution. Attendees also discussed a potential alternative location for a project access road.

Written Public Comments

A comment period ending on June 13, 2025, provided the public with an opportunity to provide input on the scope of the EA. Written comments were received from two members of the general public and the Minnesota Department of Natural Resources.⁸

General Public

Two members of the general public provided written comments related to the project. Nathan Runke, on behalf of the IUOE Local 49 and NCSRC of Carpenters, expressed his support for the project and advocated for the use of local union labor to the greatest extent feasible. Dennis Anderson, the owner of the western parcel leased by North Star Storage for the project, included surveys of his parcel from 2023, and expressed his support for the project, stating that North Star Storage has worked with him to address his initial concerns with the project.

Minnesota Department of Natural Resources (DNR)

The Minnesota Department of Natural Resources (DNR) provided written comments related to several project components and also provided a copy of its National Heritage Review letter.⁹ Comments included:

- Recommending the Applicant adhere to the DNR-recommended security fence height of ten feet rather than the six foot height proposed in the application. The DNR also recommended that the Applicant not use barbed wire in their fencing.

⁷ North Star Storage Project, Oral Comments on the Scope of Environmental Assessment, June 2025, eDockets No. [20256-219969-01](#).

⁸ North Star Storage Project, Written Comments on the Scope of Environmental Assessment, June 2025, eDockets No. [20256-219970-01](#).

⁹ Comments from the Minnesota Department of Natural Resources, eDockets Nos. [20256-219887-01](#) and [20256-219887-02](#)

- Recommending that the EA discuss project fencing plans, dust control products, lighting, erosion control, and mitigating impacts on wildlife (specifically Blanding’s turtles) consistent with DNR guidance.¹⁰
 - Requesting the EA discuss the construction and vegetation reestablishment phases in order to minimize stormwater runoff, stabilize soil, and support habitat for the solar and BESS facilities, recommending the utilization of a Vegetation Management Plan (VMP), that is consistent with with the DNR’s *Prairie Establishment and Maintenance Technical Guidance for Solar Projects*.¹¹
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HAVING REVIEWED THE MATTER, consulted with EIP staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The EA will describe the project and the human and environmental resources of the project area. 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 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.

The issues outlined below will be analyzed in the EA for the project. This outline is not intended to serve as a table of contents for the document itself.

- I. GENERAL DESCRIPTION OF THE PROJECT**
 - A. Project Description
 - B. Project Purpose
 - C. Project Costs
- II. REGULATORY FRAMEWORK**
 - A. Site Permit
 - B. Environmental Review
 - C. Grid Interconnection
 - D. Other Permits and Approvals
- III. ENGINEERING, DESIGN, AND CONSTRUCTION**
 - A. BESS Modules
 - B. Electrical Collection Systems
 - C. Substation

¹⁰ Minnesota DNR, Commercial Solar Siting Guidance, February 2023. Retrieved from: https://files.dnr.state.mn.us/publications/ewr/commercial_solar_siting_guidance.pdf.

¹¹ Minnesota DNR, Prairie Establishment and Maintenance Technical Guidance for Solar Projects, February, 2025. Retrieved from: https://files.dnr.state.mn.us/publications/ewr/prairie_solar_tech_guidance.pdf.

D. Associated Facilities

IV. OPERATION AND DECOMMISSIONING

- A. Maintenance
- B. Vegetation Management
- C. Augmentation, Repowering and Decommissioning

V. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEASURES

The EA will include a discussion of the human and environmental resources potentially impacted by the project. Potential impacts of the project will be described and characterized. 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 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. EIP 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, EIP 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. Environmental Setting
- B. Human Settlements
 - 1. Noise
 - 2. Aesthetics (visual screening)
 - 3. Displacement
 - 4. Property Values
 - 5. Zoning and Land Use Compatibility (setbacks, land use change)
 - 6. Cultural Values
 - 7. Transportation and Public Services (access roads)
- C. Socioeconomics
 - 1. Environmental Justice
 - 2. Local Economies (employment, wages)
- D. Public Health and Safety
 - 1. Electric and Magnetic Fields
 - 2. Emergency Services
- E. Land-Based Economies
 - 1. Agriculture (land impacts)
 - 2. Forestry
 - 3. Mining
 - 4. Recreation and Tourism (aesthetic changes)
- F. Archaeological and Historic Resources
- G. Natural Environment

1. Water Resources (stormwater, groundwater)
2. Soils (erosion control)
3. Geology
4. Flora (vegetation removal and management, weed control, native plant communities)
5. Fauna (wildlife corridors, erosion control, fencing, and lighting)
6. Air Quality (fugitive dust)
7. Climate Change / Climate Resiliency
- H. Threatened / Endangered / Rare and Unique Natural Resources (protected species, DNR-managed lands)
- I. Cumulative Impacts
- J. Adverse Impacts that Cannot be Avoided
- K. Irreversible and Irretrievable Commitments of Resources

ISSUES OUTSIDE THE SCOPE OF THE EA

The EA will not address following topics:

- Any site other than the site proposed by the applicant in its application.
- The manner in which landowners are compensated for the project.

SCHEDULE

The EA is anticipated to be completed and available in October of 2025. Upon completion, it will be noticed and made available for review. Public hearings will be noticed and held in the project area after issuance of the EA. Comments on the EA may be submitted into the hearing record.

Signed this 17th day of July, 2025

STATE OF MINNESOTA
MINNESOTA PUBLIC UTILITIES COMMISSION



Mike Bull, Interim Executive Secretary

North Star Storage Project Overview Map

