

Minnesota Public Utilities Commission
Staff Briefing Papers

Meeting Date: November 26, 2013.....Agenda Item *7

Company: Great River Energy

Docket No. ET-2/TL-12-1245

In the Matter of the Application of Great River Energy for a Route Permit for a 115 kV Transmission Line Project in the Elko New Market and Cleary Lake Areas in Scott and Rice Counties, Minnesota

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

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Relevant Documents

Great River Energy Application for a Route Permit..... June 20, 2013
Commission Order Finding Application Complete September 9, 2013
Department of Commerce CommentsNovember 5, 2013

The attached materials are work papers of the Commission staff. They are intended for use by the Minnesota Public Utilities Commission and are based upon information already in the record unless noted otherwise.

I. Statement of the Issues

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

II. Project Overview

Great River Energy (GRE) has proposed to construct approximately 5.4 miles of new double circuit 115 kilovolt (kV) transmission line and to rebuild approximately 11.3 miles of existing 69 kV transmission line to 115 kV standards.¹ The proposed project is located in the townships of Cedar Lake, Credit River, New Market, Spring Lake, Webster, and Wheatland and the cities of Elko New Market, Prior Lake, and Savage in Rice and Scott counties.

The purpose of the project is to provide support to the Scott-Faribault 69 kV transmission system to the west of the proposed project. GRE indicated that the most efficient way to alleviate the identified deficiencies on the Scott-Faribault system was to connect to the Cleary Lake-Elko New Market 69 kV system in the proposed project area by way of a new double circuit line between Minnesota Valley Electric Cooperative's New Market substation and Xcel Energy's Veseli distribution substation.

III. Procedural History

On June 20, 2013, GRE filed a route permit application under the alternative permitting process for its proposed 115 kV transmission line project.²

On September 9, 2013, the Commission issued an Order Finding Application Complete, Granting Variance, and Referring Application to the Office of Administrative Hearings.

On October 1, 2013, a public information and environmental assessment scoping meeting was held. Public comments on issues and alternative routes for consideration in the environmental assessment scoping decision were accepted until October 15, 2013.³ Comments were received from residents, the Army Corps of Engineers, the Department of Natural Resources, the Minnesota Pollution Control Agency, the Department of Transportation, and Scott County and

¹ GRE also filed an application for a certificate of need for the project on June 20, 2013 (Docket No. ET-2/CN-12-1235).

² Minnesota Statutes, section 216E.04 and Minnesota Rules, parts 7850.2800 to 7850.3900.

³ Because the Commission ordered joint proceedings and combined environmental review for Great River Energy's certificate of need and route permit applications, an environmental assessment will be prepared in lieu of an environmental report (*Order Finding Application Complete, Granting Variance, and Referring Application to the Office of Administrative Hearings*, Docket No. 12-1245, Docket ID 20139-90966-01).

Three Rivers Parks District. Also, GRE requested route width adjustments to the proposed project alternatives.

IV. Statutes and Rules

The Department of Commerce (Department) is responsible for preparing an environmental assessment for high-voltage transmission line projects being reviewed under the alternative permitting process in accordance with Minn. Rules, part 7850.3700. The environmental assessment must provide information on the human and environmental impacts of the proposed project and of alternative sites or routes, including methods to mitigate such impacts.

In accordance with Minn. Rules, part 7850.3700, subp. 3, the Department must determine the scope of the environmental assessment within 10 days after close of the public comment period. In addition, 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. Because the 10-day timeline of Minn. Rules, part 7850.3700, limits the Commission's ability to evaluate public input and identify other possible routes prior to issuance of the scope, the Commission granted a variance to the 10-day time limit to facilitate its input on whether additional routes should be considered or significant issues evaluated. The Commission also requested that the Department draft route alternatives for review and consideration by the Commission so that it can provide input into the environmental assessment scoping decision of the Commissioner of Commerce.⁴

V. Department of Commerce Comments

On November 5, 2013, the Department filed comments and recommendations that discussed the environmental assessment scoping process and route alternatives proposed during that process. The Department indicated that one alternative route was suggested in addition to GRE's route width adjustments request⁵. The Department stated that a local resident proposed a route along Zachary Avenue, a route that was initially rejected by GRE for reasons identified in GRE's route permit application.⁶ It continued to state that GRE responded further with the comparison of the

⁴ Minnesota Public Utilities Commission, *Order Finding Application Complete, Granting Variance, and Referring Application to the Office of Administrative Hearings* (September 9, 2013), Docket ID 20139-91094-01.

⁵ GRE's letter, Docket ID 201310-92747-04. The letter requested two width adjustments to providing greater distance between homes and the transmission line while not resulting in additional impacts to human settlement or the environment and to accommodate design around CapX Brookings to Hampton 345 kV line in the southern part of the Project.

⁶ Page 7-1 of the route permit application, Docket ID 20136-88345-02. The application stated that this route was rejected because, in comparison to the other possible routes, it would: 1) add an additional crossing of Porter Creek and a DNR wetland on Zachary Avenue; 2) have to be constructed in more rolling topography; 3) require more angle structures, which would add cost to the Project and increase aesthetic impacts; and 4) be located along more rural residential roads rather than county/state roads on which the proposed routes are located.

impacted number of homes between the Zachary Avenue route and GRE proposed routes⁷. Based on the information provided by GRE, the Department recommended that the scoping decision include only the routes proposed in GRE's route permit application with requested route width adjustments for evaluation in the environmental assessment.

VI. Staff Discussion

Commission staff has reviewed the route permit application along with the comment letters received during the prescribed comment period and agrees with the Department's decision to evaluate only the routes proposed by Great River Energy in its application. Therefore, staff recommends that the Commission not take action on route alternatives in this matter. If the Commission takes no action, the Department may proceed with issuing the scoping decision without an order from the Commission.

Separately, staff e-filed a route permit template. The intent of the template is to provide interested parties and governmental agencies an opportunity to review the standard permit language and provide suggestions of additional language and special conditions specific to the proposed project at an early stage in the review process. Having a generic permit template will allow for greater discussion and will provide the administrative law judge with a foundation to build on during the hearing process and when preparing the final hearing report and recommendations.

⁷ Email Letter to Department, Carole Schmidt, October 27, 2013, Docket ID 201311-93781-01. The Department's comments stated that GRE additionally responded to an EERA request for comments on the Alternatives, "...there are 12 homes within 150 feet of the road centerline [Zachary Avenue] and a dozen or more that are just outside the 150 foot boundary. In contrast, our possible west option has only 5 homes within 150 feet of the line and our possible east option has 11.

Commission Decision Alternatives

- A. What action should the Commission take regarding route alternatives or other significant issues to be evaluated in the environmental assessment?
1. Propose additional routes for inclusion in the scoping decision for the environmental assessment.
 2. Take no action.
 3. Take some other action deemed appropriate.

Staff Recommendation: A2