

In the Matter of the Application of Blazing Star Wind Farm, LLC for a Certificate of Need for a 200 MW Wind Project in Lincoln County PUC Docket No. IP-6961/CN-16-215

# ENVIRONMENTAL REPORT SCOPING DECISION

The above matter has come before the Department of Commerce for a decision on the content of the Environmental Report (ER) to be prepared in consideration of the Blazing Star Wind Farm, LLC Application for a Certificate of Need for the proposed 200 Megawatt (MW) Blazing Star Wind Farm (Project) in Lincoln County. Blazing Star Wind Farm, LLC, is a subsidiary of Geronimo Energy.

A final decision on turbine selection and design has not been made, but the Project will consist of turbines with a rated capacity between 2.0 and 3.5 MW in such number and combination as to yield up to 200 MW. The ER will analyze the potential impacts of the various turbine sizes on the human and environmental resources within and adjacent to the proposed project area. Facilities associated with the project include a project substation, collector and feeder lines, access roads, meteorological towers and an operations and maintenance building.

The Project is located around the community of Hendricks, and the project site is located in Hansonville, Hendricks, and Marble townships in Lincoln County. There are currently 37,200 acres of land within the project boundary, with approximately 30,250 acres under site control. Electricity from the Project would be delivered into the newly constructed project substation and distributed into the grid using an interconnection with existing 345 kV Brookings to Lyon County line.

The project requires a Certificate of Need (CN) and a Site Permit for the wind farm from the Minnesota Public Utilities Commission (Commission). The CN (CN-16-215) and the site permit (WS-16-686) are being considered by the Commission in separate dockets.

On July 20, 2016, Blazing Star Wind Farm, LLC filed a Certificate of Need Application with the Commission for the Blazing Star Wind Farm. On September 19, 2016, the Commission issued an order accepting the Application as substantially complete and authorizing an informal review process. The Proposed Project is a large energy facility under Minnesota Statute 216B.2421. As such, it requires the Minnesota Department of Commerce to prepare an Environmental Report for the project pursuant to Minnesota Rule 7849.1200.

A public meeting was held on December 6, 2016, in Hendricks to receive comments on the scope of the environmental report. Approximately 40 people attended the meeting. A public comment period followed the meeting; the comment period closed on December 27, 2016. Eight verbal comments/questions were received during the Public Information and Scoping Meeting, and five public individuals provided written comments during the comment period. Additionally, comment letters were received from federal, state, and county agencies.

The verbal comments and questions provided at the Public Information and Scoping Meeting included a broad range of topics including; how the process proceeds and what are potential things that would stop the project from moving forward, where the generated power will be utilized, electromagnetic field (EMF) risk and evaluation, property value loss concerns, turbine placement, setbacks from non-participating landowners, questions regarding project maps provided at the meeting, how does the project developer work with the local public utilities, project related transmission and collector lines, switchyard placement, and survey work and gravel road repair.<sup>1</sup> DOC-EERA staff, Commission staff, and Geronimo Energy staff provided responses and clarifications to the majority of verbal comments and questions.<sup>2</sup> Additional clarification and analysis of issues brought up at the Public Information and Scoping Meeting will be provided in the ER document completed by DOC-EERA.

Written public comments were received from five individuals through the DOC-EERA webpage, email, and provided after the Public Information and Scoping meeting.<sup>3,4</sup> Written public comments received included the following requests: improved communication between the developer and the local road authorities, increasing setbacks from non-participating landowners to one mile from the property line, and a one year moratorium to suspend project development. Public comments also raised concerns regarding inefficiency of wind energy production, intimidation and divisive practices by Geronimo Energy staff, test borings in the local roads, and local bald eagles. Comments were also submitted requesting analysis of potential wildlife impacts, impacts on property values, creation of permanent local jobs, human health impacts, potential impacts to local tourism, potential impacts to farming, turbine visual and noise impacts, turbine lighting impacts, potential weather pattern changes due to turbine operation, electrical line impacts on animals and humans.<sup>5,6</sup>

Agency comment letters were provided by the U.S. Army Corps of Engineers (USACOE), Lincoln County Highway Department, Minnesota Pollution Control Agency (MPCA), Minnesota Department of Transportation (MnDOT), and the Minnesota Department of Natural Resources (MN DNR).<sup>7</sup> The USACOE provided comments regarding potential project impacts to streams or wetlands that would require permits under Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act.<sup>8</sup> Lincoln County Highway Department provided comments regarding the project's potential to impact county roads during the construction

<sup>&</sup>lt;sup>1</sup> Public Information and Scoping Meeting Notes, December 6, 2016, eDocket # 20171-127757-01

<sup>&</sup>lt;sup>2</sup> Public Information and Scoping Meeting Notes, December 6, 2016, eDocket # 20171-127757-01

<sup>&</sup>lt;sup>3</sup> Public Comment – Draft Site Permit and ER Scope, January 3, 2017, eDocket # 20171-127758-01

<sup>&</sup>lt;sup>4</sup> Public Comment, Blazing Star Wind Farm, January 6, 2017, eDocket # 20171-127896-01

<sup>&</sup>lt;sup>5</sup> Public Comments – Draft Site Permit and ER Scope, January 3, 2017, eDocket # 20171-127758-01

<sup>&</sup>lt;sup>6</sup> Public Comment, Blazing Star Wind Farm, January 6, 2017, eDocket # 20171-127896-01

<sup>&</sup>lt;sup>7</sup> Agency Comments on Draft Site Permit and ER Scope, January 3, 2017, eDockets # 20171-127760-02

<sup>&</sup>lt;sup>8</sup> Agency Comments on Draft Site Permit and ER Scope, January 3, 2017, eDockets # 20171-127760-02

and operation phases of the project.<sup>9</sup> Lincoln County also requested that a Development Agreement between the County and the Blazing Star Wind Farm be initiated once project design has been finalized.<sup>10</sup> MPCA indicated that they did not have any comments to provide regarding the project at this time.<sup>11</sup> MnDOT indicated that there are a number of future road projects in close proximity to the proposed Blazing Star Wind Farm, and this should be taken into consideration during delivery of project equipment.<sup>12</sup> Additionally, MnDOT recommended that the proposed project's draft site permit include language specifically requiring the Permittee to obtain all other necessary permits and approvals.<sup>13</sup>

The MN DNR recommended that two of the proposed turbines be located further from a large wetland complex to reduce the potential risk of those turbines to birds and bats. The MN DNR recommended the draft site permit include specific language that the wind turbine blades be feathered below the operational cut-in speed, and if necessary to further reduce bat fatalities the operational cut-in speed may need to be raised. The MN DNR also recommended a minimum of two years of post-construction fatality monitoring be conducted, and monitoring of an existing blue heron rookery along the Lac Qui Parle River be conducted prior to construction and three years post-construction. Additional recommendations were provided on the use of crane paths near the rookery, and other potential impacts to the rookery and individual great blue herons during the operation of the project. MN DNR recommended that all planned monitoring be detailed in the project's Avian and Bat Protection Plan (ABPP). All planned monitoring be detailed in the project's Avian and Bat Protection Plan (ABPP).

The proposed project is intended to produce renewable energy in furtherance of Minnesota's renewable energy objectives. Accordingly, alternatives examined in the ER will be limited to "eligible energy technologies" that support these objectives (Minnesota Statute 216B.1691). These alternatives include: (1) a generic 200 MW wind generation project sited elsewhere in Minnesota, (2) a 38.5 MW biomass plant, and (3) a "no-build" option. An ER provides a high level environmental analysis of the proposed Project and system alternatives, and reviews environmental impacts associated with named and alternative projects. It is a part of a larger Public Utilities Commission investigation of the Certificate of Need Application. The Commission in its overall review will address all the issues and alternatives required by rule.

<sup>&</sup>lt;sup>9</sup> Agency Comments on Draft Site Permit and ER Scope, January 3, 2017, eDockets # 20171-127760-02

<sup>&</sup>lt;sup>10</sup> Agency Comments on Draft Site Permit and ER Scope, January 3, 2017, eDockets # 20171-127760-02

<sup>&</sup>lt;sup>11</sup> Agency Comments on Draft Site Permit and ER Scope, January 3, 2017, eDockets # 20171-127760-02

<sup>&</sup>lt;sup>12</sup> MnDOT Comment Letter, December 21, 2016, eDockets # 201612-127522-01

<sup>&</sup>lt;sup>13</sup> MnDOT Comment Letter, December 21, 2016, eDockets # 201612-127522-01

<sup>&</sup>lt;sup>14</sup> MN DNR Comment Letter, December 27, 2016, eDockets # 201612-127610-01

<sup>&</sup>lt;sup>15</sup> MN DNR Comment Letter, December 27, 2016, eDockets # 201612-127610-01

<sup>&</sup>lt;sup>16</sup> MN DNR Comment Letter, December 27, 2016, eDockets # 201612-127610-01

<sup>&</sup>lt;sup>17</sup> MN DNR Comment Letter, December 27, 2016, eDockets # 201612-127610-01

<sup>&</sup>lt;sup>18</sup> MN DNR Comment Letter, December 27, 2016, eDockets # 201612-127610-01

Having reviewed the matter and consulted with the Department of Commerce Energy Environmental Review and Analysis staff, and in accordance with Minnesota Rules 7849.1400 and 7849.1500, I hereby make the following scoping decision:

#### MATTERS TO BE ADDRESSED

### **Blazing Star Wind Farm**

- 1.0 Project Description [Minn. Rule 7849.1500, subp. 1, A]
- 2.0 Alternatives to be Evaluated [Minn. Rule 7849.1500, subp. 1, B]
  - 2.1 No-build Alternative
  - 2.1 A Generic 200 MW Wind Project
  - 2.2 A 38.5 MW Biomass Plant
  - 2.3 Other Renewable Energy Sources
- 3.0 Human and Environmental Impacts and Mitigation of Project and Evaluated Alternatives [Minn. Rule 7849.1500, subp. 1, C, D,E]
  - 3.1 Emissions [Minn. Rule 7849.1500, subp. 2, A]
  - 3.2 Hazardous air pollutants and VOCs [Minn. Rule 7849.1500, subp. 2, B]
  - 3.3 Aesthetic Impacts and Visibility impairment [Minn. Rule 7849.1500, subp. 2, C]
  - 3.4 Ozone formation [Minn. Rule 7849.1500, subp. 2, D]
  - 3.5 Fuel availability and delivery [Minn. Rule 7849.1500, subp. 2, E]
  - 3.6 Associated transmission facilities [Minn. Rule 7849.1500, subp. 2, F]
  - 3.7 Water appropriations [Minn. Rule 7849.1500, subp. 2, G]
  - 3.8 Wastewater [Minn. Rule 7849.1500, subp. 2, H]
  - 3.9 Solid and hazardous wastes [Minn. Rule 7849.1500, subp. 2, I]
  - 3.10 Noise [Minn. Rule 7849.1500, subp. 2, J]
  - 3.11 Property Values
  - 3.12 Communication Signals
  - 3.13 Wildlife

- 3.14 Natural Environment
- 3.15 Agriculture
- 4.0 Feasibility and availability of alternatives [Minn. Rule 7849.1500, subp. 1, F]
  - 4.1 No-build alternative
  - 4.2 200 MW wind project
  - 4.3 38.5 MW biomass plant
  - 4.4 Blazing Star Wind Farm
- 5.1 Required Permits [Minn. Rule 7849.1500, subp. 1, G]

## ISSUES OUTSIDE OF THE ENVIRONMENTAL REPORT

The Environmental Report will not consider the following matters:

- 1. Impacts or mitigative measures associated with specific sites, including specific tower or road locations for the proposed project and alternatives.
- 2. The negotiation and content of easement agreements by which land owners are paid for property rights, including wind rights.
- 3. Any alternatives not specifically described in this scoping decision.

### **SCHEDULE**

The Environmental Report will be completed no later than March 2017. A public hearing will be held in the Project Area before an Administrative Law Judge after the Environmental Report has been issued and notice served.

Signed this \_\_\_\_\_ day of January 2017

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
DIVISION OF ENERGY
RESOURCES /

William Grant, Deputy Commissioner

### CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce Environmental Report Scoping Decision

Docket No. IP6961/CN-16-215 and IP6961/WS-16-686

Dated this 12th day of January 2017

/s/Sharon Ferguson

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