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June 4, 2019

Mr. Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 7th Place E, Ste. 350 St. Paul, MN 55101

Re: In the Matter of the Application of Xcel and ITC Midwest for a Route Permit for the Huntley-Wilmarth 345 kV Transmission Line Project
MPUC Docket No. E-002, ET-6675/TL-17-185; OAH Docket No. 82-2500-35157

In the Matter of the Application of Xcel Energy and ITC Midwest LLC for a Certificate of Need for the Huntley-Wilmarth 345 kV Transmission Line Project MPUC Docket No. E-002, ET6675/CN-17-184; OAH Docket No. 82-2500-35157

Dear Mr. Wolf:

On behalf of the Minnesota Department of Commerce, Energy Environmental Review and Analysis (DOC EERA), please find enclosed the DOC EERA's Exceptions To Administrative Law Judge's Report.

Sincerely,

/s/ Linda S. Jensen

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Attorney for Department of Commerce, Energy Environmental Review and Analysis

Enclosure

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION 121 SEVENTH PLACE EAST, SUITE 350 ST. PAUL, MINNESOTA 55101-2147

Katie Sieben Chair

Daniel Lipschultz Commissioner
Valerie Means Commissioner
Matthew Schuerger Commissioner
John Tuma Commissioner

In the Matter of the Application of Xcel Energy and ITC Midwest LLC for a Route Permit for the Huntley to Wilmarth 345 kV Transmission Line Project in South Central Minnesota

MPUC Docket No. E002, ET6675/TL-17-185; OAH Docket No. 82-2500-35157

In the Matter of the Application of Xcel Energy and ITC Midwest LLC for a Certificate of Need for the Huntley-Wilmarth 345 kV Transmission Line Project

MPUC Docket No. E002, ET6675/CN-17-184; OAH Docket No. 82-2500-35157

DEPARTMENT OF COMMERCE ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS EXCEPTIONS TO ADMINISTRATIVE LAW JUDGE'S REPORT

Minnesota Department of Commerce, Energy Environmental Review and Analysis (EERA) staff respectfully submits the following exceptions to the Findings of Fact, Conclusions of Law, and Recommendation (ALJ report) issued by Administrative Law Judge Barbara Case (ALJ) for the proposed Huntley to Wilmarth 345 kilovolt (kV) transmission line project.

EERA staff submits these exceptions to ensure the clarity and accuracy of the record and to remove duplicate findings and conclusions. Exceptions are listed in a tabular form for ease of reference; exceptions are noted using underline (additions) and strike-through (deletions).

#	DOC EERA Comment	Amended ALJ Report
A	EERA staff recommends editing certificate of need Finding 49 to remove DOC EERA as an issuer of the route permit template:	49. On August 2, 2018, the DOC EERACommission submitted a template of a Route Permit for a High-Voltage Transmission Line and Associated Facilities.
В	EERA staff recommends editing the footnote for certificate of need Finding 165 to reference the applicant's direct testimony regarding costs for routing alternatives analyzed in the draft EIS:	165. The Applicants also developed cost estimates for the new route alternative, segment alternatives, and alignment alternatives proposed during scoping and included in the Draft EIS. 272 272 Ex. XC-25 at 11, Schedule 2 (Stevenson Direct) 1d. At 11, Sehedule 2.
С	EERA staff recommends editing certificate of need Finding 265 to remove DOC EERA and note that only DOC DER made conclusions regarding the sufficiency and costeffectiveness of distributed generation and larger generation alternatives:	265. The Administrative Law Judge agrees with DOC-DER's and DOC EERA's conclusions that the Applicants reasonably considered, and rejected as either insufficient or not cost-effective or both, distributed generation and larger generation alternatives to the Project. 446
D	EERA staff recommends editing the footnote for Figure 1, associated with route permit Finding 8, to clarify the sources for the routing alternatives depicted:	Figure 1: Routes and Segment Alternatives Included in the EIS ⁵⁰⁷ 507 Ex. EERA-21 at 1-3, Map 1-1 and Appendix L at L-102 and L-108 (Final EIS) (drawn by the applicants in their post-hearing brief; see Applicant's Route Permit Brief at 19, Mar. 22, 2019).

#	DOC EERA Comment	Amended ALJ Report
Е	EERA staff recommends editing a footnote for route permit Finding 43 to note that the USFWS's opinion regarding route segment alternative Q is not found in the draft EIS but is found solely in the applicants' direct testimony:	43. Segment Alternative Q relates to the Green, Red, and Blue routes and was proposed by the Applicants during scoping for the EIS to provide an alternative option to connect to the Huntley Substation through existing transmission corridors. Segment Alternative Q is approximately 4.8 miles long; it is double-circuited with an existing 161 kV line through the Prescott WPA. USFWS staff has informally indicated that they do not prefer this Segment Alternative. Segment Alternative. Hills Hernative.
F	EERA staff recommends editing route permit Finding 89 to note that 10 members of local units of government participated on the advisory task force:	89. The Commission authorized advisory task force consisted of 10 eight members representing 10 eight local units of government. The advisory task force met three times int April and May, 2018. The task force identified and prioritized impacts, issues, mitigation measures and route alternatives to be analyzed in the EIS. The areas of concern identified by the task force, such as impacts on farmland, communities, natural resources and cost were echoed by the public throughout the scoping process and development of the EIS. Further, the DOC-EERA's EIS and the Applicants' proposals thoroughly considered and carefully responded to the concerns and suggestions raised by the advisory task force.

#	DOC EERA Comment	Amended ALJ Report
G	EERA staff recommends editing route permit Finding 125 to note that the Department received approximately 75 comments on the draft EIS, rather than during the EIS scoping process:	125. Linda Johnson commented that the proposed Project affects her son's property. She asked whether the Administrative Law Judge intends to read all of the comments submitted as part of the scoping process. Ms. Johnson also expressed general concerns about the Project. She questioned how lower energy costs will be measured. Ms. Johnson commented that energy costs "could easily increase if those turbines become more expensive to operate or repair, plus the source of this power is variable and unreliable." She disputes the benefits of the proposed line and asserted that the proposal will only benefit owners of wind farms. Ms. Johnson raised concerns about the Project's effect on health and livelihoods. She feels, based on her review of online comments, that the consensus is that "no one wants this transmission line." Ms. Johnson also criticized the eminent domain process as "a very intrusive process." Ms. Johnson feels that the Applicants "are minimizing the impact of their proposed easement." She also expressed concern about how comments from the public will be weighed and considered. The Administrative Law Judge accepted Ms. Johnson's written statement into the record and indicated she will consider all comments in the record. Ray Kirsch explained that the Department received approximately 75 comments on the draft EIS. from the scoping process. He stated that the Department will respond to each of the comments in the final EIS.

#	DOC EERA Comment	Amended ALJ Report	
Н	EERA staff recommends editing route permit Finding 291 to include a footnote citation:	291. The Applicants' recommended Route configurations do not change any Route's overall proximity to residences. Table 6, below, shows proximity to residences for the Purple-BB-L Route, Green Route, Red-Q Route, Blue-CC-Q Route, and Purple-E-AA1-Red-Q Route. 883B Ex. EERA-13 at Appendix J Route Analysis Tables (Draft EIS) (table constructed by the applicants in their post-hearing brief; see Applicant's Route Permit Brief at 43, Mar. 22, 2019).	
I	EERA staff recommends editing route permit Finding 293 to reference Table 7 of the report ("Table 7: Sharing of Existing Infrastructure for Applicants' Recommended Route Configurations"):	293. The Applicants' recommended route configurations increase the amount of corridor sharing for each of the Routes but the Purple-E-AA1-Red-Q, Red-Q, and Purple-BB-L Routes make the greatest use of existing infrastructure right-of-way. The Green and Blue-CC-Q Routes share the least amount of right-of-way with existing infrastructure (Table 7).	
J	EERA staff recommends editing route permit Finding 307 to note that it was the city of Mankato that requested amendment of the draft EIS regarding the blue route:	307. The City of Mankato submitted comments on the Draft EIS, stating that the Blue Route conflicts with the its adopted land use and growth plans, future expansion of the Mankato Regional Airport, and maintenance of the forested wetland areas located between Mankato and the City of Eagle Lake. The City of Mankato noted that the area between the cities of Mankato and Eagle Lake has, and will have in the near future, the fastest growing population in the Project area. This area has already experienced significant public and private infrastructure investment reflecting the urban development. The City of North Mankato requested that the Draft EIS be amended to state that the Blue Route's impacts on aesthetics, displacement, zoning and land use, public services, and flora are "moderate to significant and likely unable to be mitigated." The City of Mankato understated to be mitigated." The City of Mankato understated to be mitigated."	

#	DOC EERA Comment	Amended ALJ Report
K	EERA staff recommends editing route permit Finding 352 to correct the spelling of the word "shocks:"	352. Induced voltage is the electric field from a transmission line extending to a conductive object in close proximity to the line. The commission requires an electric field limit to prevent serious hazard from shocks due to induced voltage. 966
L	EERA staff recommends editing Finding 366 to note that Table 6-4 and the analysis in the draft EIS indicates that the Purple-E-Red route results in a reduction of 28 (not 16) structures in agricultural fields:	366. The Red Route and the Purple-E-Red Route with monopole structures reduce the number of structures in fields. The Red Route results in a net reduction of 25 structures in fields. The Purple-E-Red route results in a reduction of 2816 structures in fields.
M	EERA staff recommends removing route permit Findings 370 and 371 as they are duplicates of route permit Findings 366 and 367:	370. The Red Route and the Purple E Red Route with monopole structures reduce the number of structures in fields. The Red Route results in a net reduction of 25 structures in fields. The Purple E Red route results in a reduction of 28 structures in fields. The Purple Route would have moderate impacts on agriculture with a monopole, double circuit design; this route and design would increase the number of structures in fields by 75.
N	EERA staff recommends renumbering the route permit finding after Finding 390 that discusses air quality impacts. Renumbering would prevent a duplicate Finding 338.	390B338. The Project's air quality impacts are anticipated to be minimal and they do not vary notably by route or segment alternative. 1027

#	DOC EERA Comment	Amended ALJ Report
О	EERA staff recommends editing route permit Finding 403 to include a footnote citation:	403. The Purple-E-AA1-Red-Q Route has the greatest amount of non-forested wetland within the right-of-way (67.1 acres), followed by the Red-Q Route (52 acres), the Purple-BB-L Route (48.6 acres), the Blue-CC-Q Route (41.4 acres), and the Green Route (38.2 acres). 1045B Ex. EERA-13 at Appendix J Route Analysis Tables (Draft EIS).
P	EERA staff recommends editing the footnote for route permit Finding 404 to cite the correct record source:	404. The Blue-CC-Q Route has the largest amount of forested wetland within its right-of-way (19 acres), followed by the Red-Q Route (14.1 acres), the Purple-E-AA1-Red-Q (12.2 acres), the Green Route (7 acres), and the Purple-BB-L Route (5.3 acres). None of the rights-of-way for the route alternatives contain PWI wetlands. 1046 Ex. EERA-13 at Appendix J Route Analysis Tables (Draft EIS). Ex. EERA-13 at 6-24 (Draft EIS); see also Ex. XC-7 at 135 (Route Permit Application).
Q	EERA staff recommends editing route permit Finding 419 to correct the spelling of the word "route:"	419. The Project's impacts on fauna are primarily assessed by evaluating wildlife habitat and wildlife management and conservation areas near the route alternatives. 1068
R	EERA staff recommends editing route permit Finding 423 to correct the spelling of the word "certain" and to remove a duplicate of the word "new:"	423. The MnDNR did not endorse a particular proposed route. Rather, the agency addressed specific concerns about each proposed route and "supported" certain alternatives that addressed some of the concerns of the MnDNR. The MnDNR supported the new new Purple Route segment BB and Blue Route segment alternative CC in order to minimize impacts to natural resources.

#	DOC EERA Comment	Amended ALJ Report
S	EERA staff recommends editing route permit Finding 464 to remove the last sentence and its reference to Table 6-11 and the final EIS. Table 6-11 of the ALJ report reflects the applicants' recommended route configurations and is based on information from the draft EIS as constructed by the applicants:	464. An examination of both infrastructure corridor sharing and field, parcel, and section lines shows that the Purple-E-Red Route follows existing infrastructure or field, parcel, and section lines for 95 percent of its length and the Red Route follows these same corridors for 89 percent of its length. The Purple Route also follows existing infrastructure (66 percent) and field lines (64 percent), for a high percentage of its length, a total of 95 percent. The amount of right of way sharing for all routes is shown in Table 6-11 below from the Final EIS.
Т	EERA staff recommends editing the footnote citation for Table 6-11 of the ALJ report, associated with route permit Finding 465, to cite the correct record source:	Table 6-11: Sharing of Existing Infrastructure for Applicants' Recommended Route Configurations 1130 1130 Ex. EERA-13 at Appendix J Route Analysis Tables (Draft EIS) (table constructed by the applicants in their post-hearing brief; see Applicant's Route Permit Brief at 61, Mar. 22, 2019). Id. The EIS notes that "[p]ortions may share or parallel more than one type of infrastructure ROW or division/boundary line and, therefore, the sum may be greater than 100 percent." Id.
U	EERA staff recommends editing route permit Finding 474 to note that estimated project costs are shown in Table 9 (not Table 10) and to provide a footnote citation:	474. Table <u>9</u> 10 shows the estimated costs for the Applicants' five recommended route configurations as well as the benefit-to-cost ratios estimated by the Applicants under the MTEP17 and MTEP18 models. 1134B Ex. XC-25 at 11, Schedule 2 (Stevenson Direct); Ex. XC-27 (Applicants' Letter Proposing Purple and Blue Route Segment Alternatives) (table constructed by the applicants in their post-hearing brief; see Applicant's Route Permit Brief at 66, Mar. 22, 2019).

#	DOC EERA Comment	Amended ALJ Report
V	EERA staff recommends removing route permit Conclusions 15 to 28 as they are duplicates of route permit Conclusions 1 to 14.	[Removal of route permit Conclusions 15 to 28].
W	EERA staff recommends editing Recommendation 1 to note that the Purple-BB-L-AA3b route satisfies relevant statutory and rule criteria: 1. The Commission conclude that all relevant statutory and rule criteria necessary to obtain Route Permit for the Purple-BB-L-AA3b Route Permit for the purple-BB-	
X	EERA staff recommends editing the permit condition in Recommendation 6 to remove the acronym "VMP:"	6. The Route Permit should include a condition requiring the Applicants to develop a Vegetation Management Plan in coordination with the MnDNR for the right-of-way in Minneopa State Park: In coordination with the MnDNR, the Permittees shall develop a Vegetation VMP Management Plan for the right-of-way across Minneopa State Park. The purpose of the plan shall be to mitigate potential impacts to Minneopa State Park and related flora and fauna including, but not limited to, the control of invasive species. The Permittees shall document and file with the Commission their consultations with the MnDNR and the resulting VMP-Vegetation Management Plan.

EERA staff appreciates the opportunity to submit these exceptions.

Dated: June 4, 2019 Respectfully submitted,

KEITH ELLISON State of Minnesota Attorney General

/s/ Linda S. Jensen

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ATTORNEY FOR MINNESOTA DEPARTMENT OF COMMERCE, ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS

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Re: In the Matter of the Application of Xcel and ITC Midwest for a Route Permit for the Huntley-Wilmarth 345 kV Transmission Line Project MPUC Docket No. E-002, ET-6675/TL-17-185 OAH Docket No. 82-2500-35157

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STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

I, Ann Kirlin, hereby state that on June 4, 2019, I filed by electronic eDockets the attached **DOC EERA's Exceptions To Administrative Law Judge's Report** and eServed or sent by US Mail, as noted, to all parties on the attached service lists.

See attached Service Lists

/s/ Ann Kirlin ANN KIRLIN

Subscribed and sworn to before me on June 4, 2019.

/s/ C.O. Ransom

Notary Public - Minnesota My Commissioner Expires on January 31, 2020

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