

**STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION OF
XCEL ENERGY AND ITC MIDWEST LLC FOR
A CERTIFICATE OF NEED AND A ROUTE
PERMIT FOR THE HUNTLEY-WILMARTH
345-KV TRANSMISSION LINE PROJECT

DOCKET NO. E-002, ET6675/CN-17-184

DOCKET NO. E-002, ET6675/TL-17-185

OAH Docket No. 82-2500-35157
(Combined)

**POST-HEARING BRIEF OF
NORTH MANKATO**

March 22, 2019

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INTRODUCTION

Intervenor City of North Mankato (“North Mankato” or “City”) respectfully submits this Post-Hearing Brief to the Honorable Administrative Law Judge Barbara Case for the proposed Huntley to Wilmarth Transmission line (“Huntley-Wilmarth Line” or “Project”). The Application contains several proposed routing options for consideration. North Mankato objects to the northern portions of the Red and Green Route Alternatives including Alternative Segments A and B. These routing options conflict with North Mankato’s comprehensive development plans, for which the impacts would be significant, particularly for residential development; would have a significant impact on past, current, and future investments and on future tax revenues; and, would adversely influence residential growth. For the reasons set forth herein, North Mankato respectfully requests that the Presiding Judge issue a finding rejecting the northern portions of the Red and Green Route Alternatives in the vicinity of North Mankato, including Alternative Segments A and B.

ROUTE SELECTION CRITERIA

The Minnesota Public Utilities Commission (“Commission” or “PUC”)’s criteria for route selection are set forth in Minnesota Statutes, Section 216E.03, Subdivision 7 and Minnesota Rule 7850.4100. Section 216E.03, Subdivision 7 states that “[t]he commission’s site and route permit determinations must be guided by the state’s goals to conserve resources, minimize environmental impacts, minimize human settlement and other land use conflicts” Minnesota Rule 7850.4100 provides the following specific criteria for use in evaluating the best route alternative:

- (A) effects on human settlement;
- (B) effects on public health and safety;

(C) effects on land-based economies, including, but not limited to, agriculture, forestry, tourism, and mining;

(D) effects on archaeological and historic resources;

(E) effects on the natural environment, including effects on air and water quality resources and flora and fauna;

(F) effects on rare and unique natural resources;

(G) application of design options that maximize energy efficiencies, mitigate adverse environmental effects, and could accommodate expansion of transmission or generating capacity;

(H) use or paralleling of existing rights-of-way, survey lines, natural division lines, and agricultural field boundaries;

(I) use of existing large electric power generating plant sites;

(J) use of existing transportation, pipeline, and electrical transmission systems or rights-of-way;

(K) electrical system reliability;

(L) costs of constructing, operating, and maintaining the facility which are dependent on design and route;

(M) adverse human and natural environmental effects which cannot be avoided; and

(N) irreversible and irretrievable commitments of resources.

The PUC has made clear that impacts on existing as well as future land use are part of the criteria for transmission route selection.¹

¹ See *In the Matter of the Application for a Route Permit for the Hiawatha Transmission Line Project*, Order Addressing Evidentiary Motion, Docket No. E-002/TL-09-38 (Oct. 19, 2009) (“the Commission must analyze the impact of the new facilities on the existing and future land uses of each of the route alternatives.”); see also *In the Matter of the Route Permit Application for a Transmission Line Rebuild from a Proposed West New Ulm Substation to Existing Fort Ridgely Substation*, Docket No. E002/TL-08-956, at P 82 (May 18, 2009) (considering impacts on comprehensive plan and future growth as part of impact analysis).

NORTH MANKATO’S COMPREHENSIVE PLAN

Central to North Mankato’s concern is the City’s Comprehensive Plan (“Comprehensive Plan” or “Plan”).² As explained by North Mankato witness, Mr. Michael Fischer, Community Development Director, the Plan articulates North Mankato’s long-standing goals for attracting investment in the form of new housing, retail, general commercial, industrial, transportation infrastructure, neighborhood amenities, and jobs.³ Among other things, the Plan identifies geographic locations where land use regulations will align with public and private investment aimed at accommodating and encouraging growth.⁴

The Plan represents the City’s efforts to meet the process set forth in Minnesota Statutes § 462.356 for putting into effect a “comprehensive municipal plan.”⁵ The statute states:

Upon the recommendation by the planning agency of the comprehensive municipal plan or sections thereof, the planning agency shall study and propose to the governing body reasonable and practicable means for putting the plan or section of the plan into effect . . . After a comprehensive municipal plan or section thereof has been recommended by the planning agency and a copy filed with the governing body, no publicly owned interest in real property within the municipality shall be acquired or disposed of, nor shall any capital improvement be authorized by the municipality or special district or agency thereof or any other political subdivision having jurisdiction within the municipality until after the planning agency has reviewed the proposed acquisition, disposal, or capital improvement and reported in writing to the governing body or other special district or agency or political subdivision concerned, its findings as to compliance of the proposed acquisition, disposal or improvement with the comprehensive municipal plan.

North Mankato’s Plan was a significant undertaking that began in 2013.⁶ North Mankato’s advisors held focus group meetings with various stakeholders including area

² North Mankato’s Comprehensive Plan is included in the record as Exhibit No. NM-4.

³ Direct Testimony of Michael Fischer, at 7:11-15 (“Fischer Direct”) (Exhibit No. NM-1).

⁴ *Id.* at 6-8.

⁵ *Id.* at 7:16 – 8:10.

⁶ *Id.* at 8:13-14.

residents, government representatives, the business community at large, institutional stakeholders, Nicollet County Environmental Services, and other organizations.⁷ Following two years of extensive study, community outreach, and debate, the City adopted its first-ever comprehensive municipal plan in 2015.⁸

The Plan sets forth a 20-year vision and provides a roadmap for the community's future.⁹ The ideas and goals expressed in the Plan reflect the community's values and objectives. The plan is used by the City's staff, City Council, and other commissions and stakeholders to inform important policy decisions to effectuate decision-making consistent with the Plan.¹⁰ Of particular relevance to this proceeding is the impact the proposed Red and Green Route Alternatives in the area of North Mankato, including Alternative Segments A and B, would have on the growth areas identified in the Comprehensive Plan, and other impacts on human settlement in and around North Mankato, including residents' quality of life, aesthetics, and recreation.

On August 7, 2017, North Mankato's City Council passed a resolution¹¹ finding that construction of the 345 kV electric transmission line along North Mankato's western, southwestern, and northwestern boundaries¹² would negatively impact existing and future homeowners, the economy, the environment, and the quality of life in North Mankato, and would not properly "take into consideration the Future Land Use Map and Comprehensive Land Use

⁷ Fischer Direct at 8:15-33 (Exhibit No. NM-1) (citing Comprehensive Plan at 1-2).

⁸ *Id.*

⁹ *Id.* at 6:22-24.

¹⁰ *Id.* at 7:5-15; 8:15-33.

¹¹ Resolution Requesting Xcel Energy Remove Segments 20, 47, 48, 49, 50, 51, and 53 of the Huntley-Wilmarth 345 Kilovolt Transmission Line Project from Any Application to the Minnesota Public Utilities Commission, Resolution No. 47-17 (North Mankato City Council Aug. 7, 2017) ("August 7 Resolution") (Exhibit No. NM-19). *See also* City of North Mankato Memorandum on Proposed Route Options (Aug. 7, 2017) (Exhibit No. NM-20).

¹² The resolution requested Xcel and ITC to remove from consideration what were formerly identified during the application consultations as segments 20, 47, 48, 49, 50, 51, and 53. Applicants did not remove segments 20, 50, 51, and 53, and instead included these segments in what the Application now refers to as the Red and Green Route Alternatives and Alternative Segment B.

Plan of the City of North Mankato.”¹³ North Mankato’s testimony and filings in this proceeding are consistent with the City Council’s resolution.

ARGUMENT

The northern portions of the Red and Green Route Alternatives including Alternative Segments A and B should be rejected because they would significantly impact human settlement, the natural environment, and would create human and natural environmental effects which cannot be avoided.¹⁴ These portions of the Red and Green Route Alternatives also fail to adequately utilize paralleling with existing rights-of-way, survey lines, natural division lines, and agricultural field boundaries compared to other proposed route alternatives, and would adversely impact committed investments, including investments in infrastructure made by state and local government to facilitate growth in and around North Mankato.¹⁵

I. The Northern Portions Of The Red And Green Route Alternatives And Alternative Segments A And B Should Be Rejected Because They Would Significantly And Unreasonably Impact Human Settlement.

The northern portions of the Red and Green Route Alternatives, including Alternative Segments A and B, should be rejected because of their impacts on human settlement, including among other concerns, that these portions would interfere with North Mankato’s Comprehensive Plan; would significantly impact past, current, and future investments and the City’s future tax revenues; would adversely influence residential growth; would interfere with existing and future residents’ quality of life; and, would interfere with aesthetics and recreation.

¹³ August 7 Resolution ¶ 3 (Exhibit No. NM-19).

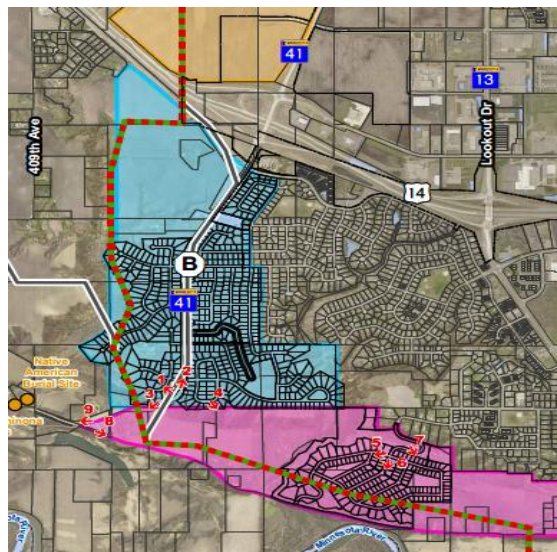
¹⁴ See Minn. Rule 7850.4100 (A), (E), (M).

¹⁵ *Id.* at (H), (N).

A. The Northern Portions of the Red and Green Route and Alternative Segments A and B are Inconsistent with North Mankato’s Comprehensive Plan.

The northern portions of the Red and Green Route Alternatives, including Alternative Segments A and B, would significantly interfere with the development plans and efforts. North of North Mankato is the existing 345 kV Wilmarth-Lakefield Junction Line (running east-west).¹⁶ As Mr. Fischer explained, the City of Mankato and the Minnesota River are to the east and south of North Mankato, and North Mankato has limited areas for growth. Growth opportunities for North Mankato are primarily to the west, southwest, and northwest.¹⁷

The Plan identifies three areas along North Mankato’s western, southwestern, and northwestern boundaries: the “North Ridge Residential,” “South Boundary Residential,” and “North Port Commercial and Industrial” development areas.¹⁸ The Red and Green Route Alternatives traverse directly through these areas.¹⁹ Exhibit No. NM-3 shows the areas affected:



(Exhibit No. NM-3)

¹⁶ Fischer Direct at 6:9-14 (Exhibit No. NM-1).

¹⁷ *Id.* at 6:7-8.

¹⁸ *Id.* at 9:6-16.

¹⁹ *Id.* at 9:6-21. *See also* Exhibit No. NM-3.

Mr. Fischer explained that if built, the Red or Green Routes' close proximity to these areas would negatively impact the marketability and demand for future housing and business, as well as the City's tax base. Mr. Fischer explained that the City is relying on future economic development efforts to diversify its property tax base to balance collections between homeowners and industrial users.²⁰

There are 183 proposed residences in North Mankato that would be up to and within 500 feet of the proposed Red and Green Route Alternatives.²¹ These include 56 proposed homes that are less than 150 feet from the Red and Green Route Alternatives, and 26 homes that would be between zero to 75 feet of the proposed Red and Green Route Alternatives.²² Mr. Fischer explained the aesthetic impacts that a new extra high voltage transmission line would have on proposed and existing residences in these areas:

The North Ridge Residential Development area is situated along a ridge where some homes will enjoy sweeping views from the vista. The South Boundary Residential Development area is situated on a plateau in a very desirable location with proximities to scenic views, including ravines along the west of North Mankato and the Minnesota River along the south of North Mankato. North Mankato expects these residential developments to be very attractive areas to live. Adding transmission structures would compromise the integrity of the setting, feeling, and association and would result in an adverse effect to views from and within these residential communities.

Fischer Direct at 15:5-12 (Exhibit No. NM-1). Mr. Fischer provided a map and chart (Exhibit No. NM-14) depicting the proposed Red and Green Alternatives' proximity to existing and proposed residences in North Mankato:

²⁰ Fischer Direct at 16:5-6 (Exhibit No. NM-1).

²¹ *Id.* at 14:10-15; *see infra* chart from Exhibit No. NM-14.

²² *See id.* at 13:20-24.

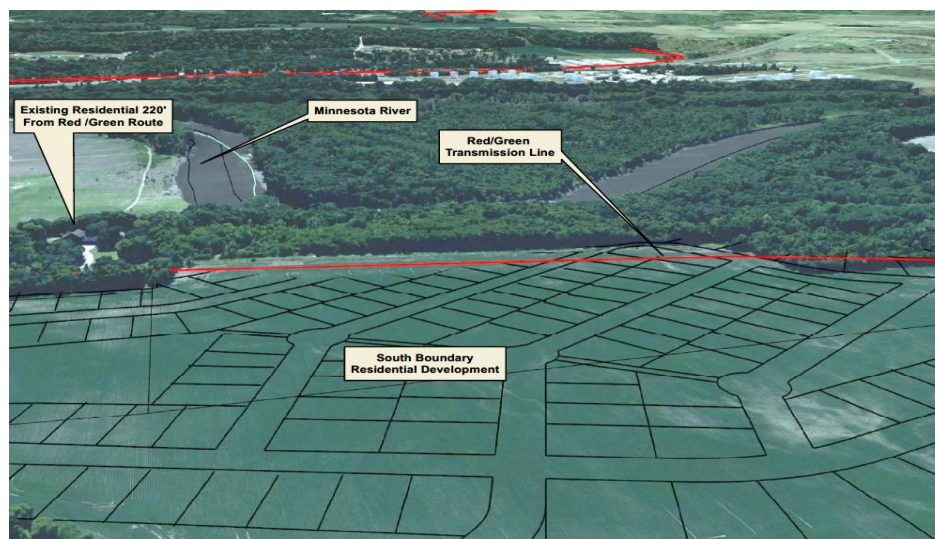
Information

Distance (ft)	Existing Residences	Proposed Residences	Total Residences
0-75	0	26	26
75-150	2	28	30
150-300	7	54	61
300-500	13	75	88
Totals	22	183	205

(Exhibit No. NM-14)

Mr. Fischer also included in his testimony a series of exhibits that superimpose the proposed Huntley-Wilmarth Line along the Red and Green Route Alternatives in North Mankato's planned growth areas. *See* Exhibit Nos. NM-6 through NM-13. These exhibits show views from various locations, and show how the Red and Green Route Alternatives would place the Huntley-Wilmarth Line through or in close proximity to planned development, existing and planned infrastructure, and existing homes.

One such example is Exhibit No. NM-11. This is an aerial view of the North Mankato South Boundary Residential Development area facing south near the Minnesota River. The image depicts the proposed line as it traverses directly through the development atop a number of prime lots, detracting from the desirable views and locations described by Mr. Fischer:



(Exhibit No. NM-11)

The Department of Commerce Energy Environmental Review and Analysis (“DOC-EERA”) also confirmed in the Draft Environmental Impact Statement (“DEIS”) that there would be significant potential impacts on North Mankato’s planned future development due to the proposed Red and Green Routes:

Impacts to North Mankato’s planned future development due to the red and green routes are anticipated to be significant. This is particularly true for residential development. *The transmission line would have a significant impact on past, current, and future investments and on future tax revenues. It would adversely influence residential growth in this area of the city.*

DEIS § 6.2.3 (emphasis added). The DEIS recognizes that “[t]he red and green routes significantly impact North Mankato’s land-use and development plans.”²³ The conflicts presented by the Red and Green Routes are not cured by Applicants’ Alternative Segments A or B, which are in the same vicinity and present the same conflicts as the Red and Green Route Alternatives.²⁴ Alternative Segment A (which would connect the Purple and Red/Green Routes in the North Mankato area) directly conflicts with the North Ridge Residential Development area.²⁵ This is depicted on the map submitted by North Mankato as Exhibit No. NM-3. Alternative Segment B traverses directly through the middle of the North Ridge Residential Development.²⁶ This conflict is also depicted on Exhibit No. NM-3.

Applicants attempted to downplay North Mankato’s plans, arguing that proposed residences should not be of particular concern because they have not been platted and their

²³ DEIS at 6-1.

²⁴ Fischer Direct at 9:16-23 (Exhibit No. NM-1).

²⁵ *Id.* at 9:17-19.

²⁶ *Id.* at 9:19-21.

construction is uncertain,²⁷ and that North Mankato's development plans should "not be characterized in the same category as existing residences."²⁸

The Applicants' statement that existing and proposed residences should not be considered in the same "category" is unsupported and contradicts Minnesota Statutes, Section 216E.03, Subdivision 7 and Minnesota Rule 7850.4100. The PUC has made clear that an analysis of impacts under the human settlement category of Section 216E.03 and Rule 7850.4100 includes impacts on both "existing and future land uses,"²⁹ and even the Applicants have acknowledged this, stating "[i]mpacts to existing and future residences are one of the statutory and rule criteria."³⁰

Replying to Applicants, Mr. Fischer explained that just because land along North Mankato's boundaries slated for future growth has not been entirely annexed by the City does not mean that development is unlikely or that impacts in and around the planned development areas are insignificant.³¹ Mr. Fischer explained that development is indeed occurring, and significant investment has been made to infrastructure to foster continued growth, consistent with the Plan.³²

Testimony provided at the public hearings or submitted into the record from land developers, residents, and property owners made it further clear that the northern portions of the

²⁷ See Rebuttal Testimony of Thomas G. Hillstrom, at 7-8 ("Hillstrom Rebuttal") (Exhibit No. XC-20).

²⁸ Surrebuttal Testimony of Michael Fischer, at 5:15-8:16 ("Fischer Surrebuttal") (Exhibit No. NM-17). *See also* Hillstrom Rebuttal at 7:20-23 (Exhibit No. XC-20).

²⁹ *See In the Matter of the Application for a Route Permit for the Hiawatha Transmission Line Project*, Order Addressing Evidentiary Motion, Docket No. E-002/TL-09-38 (Oct. 19, 2009) ("the Commission must analyze the impact of the new facilities on the existing and future land uses of each of the route alternatives."); *see also In the Matter of the Route Permit Application for a Transmission Line Rebuild from a Proposed West New Ulm Substation to Existing Fort Ridgely Substation*, Docket No. E002/TL-08-956, at P 82 (May 18, 2009) (considering impacts on comprehensive plan and future growth as part of impact analysis).

³⁰ Hillstrom Rebuttal at 8:23-24 (Exhibit No. XC-20) (emphasis added).

³¹ Fischer Surrebuttal at 7:10-15 (Exhibit No. NM-17).

³² *Id.* at 7:17-8:16.

Red and Green Route Alternatives would significantly impede development efforts in North Mankato. Multiple individuals testified on the record of the impacts that the Red and Green Routes and/or Alternative Segment A or B would have on their plans to develop or market their property that is part of North Mankato's Comprehensive Plan.

For example, Mr. Steven Burnett, who is one of the primary developers behind the North Ridge Residential Area and North Port Industrial/Commercial Area, provided comments describing the significant impact that the proposed Red and Green Routes would have not only on his development efforts in the North Ridge and North Port areas, but also on his home and his daughter's home which are in close proximity to the proposed Red/Green transmission line or Alternative A or B.³³ Mr. Bill Marks, another land developer, testified at the Public Hearing in Mapleton regarding the proposed routes' impact on his plans to construct residential development along North Mankato's southern boundary. Mr. Marks's land is the focal point of the proposed South Boundary Residential Area, and his property and plans to construct residential homes are depicted in Exhibit Nos. NM-10 through NM-13. Mr. Marks explained his predicament at the Public Hearing, stating that he was just "getting ready to put the infrastructure in," when he became aware that the proposed Red/Green Routes would pass directly through his property and decided to postpone his development plans.³⁴ Mr. Marks's testimony is a stark confirmation of North Mankato's concern should an extra-high voltage transmission line be constructed within North Mankato's planned development corridors: that North Mankato

³³ See Comments of Steven Burnett (Feb. 4, 2019).

³⁴ See Transcript of February 28, 2019 6:00 PM Public Hearing in Mapleton, 37:20 – 38:4 ("I own the largest proposed property development in North Mankato. I'm right in the bull's eye, both the green and the red line I would be a lot more bent out of shape if I had found out a few months later when we were just getting ready to put the infrastructure in. So thank God we found out before we started burying real money. Am I in favor of it? You guys can figure that one out.").

developers would consider abandoning their development efforts altogether if the Red or Green Route is ultimately selected.

Heather and Adam Huiras, residents that also have development plans in North Mankato, testified in detail of the impact that the Red and Green routes would have on them, their family, and their development plans:

[We] are currently building what we are referring to as our dream home two blocks away on Balsam Court. Within that 1,000 foot line [of the proposed transmission route] For personal reasons, I am pleading that giant power lines are not placed in the backyards of our families. . . . I'm also a developer. I have a development that we've already built on Pleasant View Court and my in-laws live there, so they are a stone's throw away, they're part of this neighborhood. And then I have a contract on another piece of land that's within this power line as well for building potentially townhomes.^[35]

Transcript of February 27, 2019 6:00 PM Public Hearing in Mankato at 39:9 – 40:24.

Ms. Heather Madison, another property owner, submitted comments explaining the impact that the proposed Red and Green Route Alternatives would have on her plans to build a personal residence on property she recently acquired that is located at Judson Bottom Road:

I live at 2294 Balsam Drive in North Mankato and recently purchased some land to build a house on in a few years at 40528 Judson Bottom Road. After purchasing the land I was notified that this project is projected to have a power line pole located on my new property. To say my heart dropped in disappointment after such a large purchase is an understatement. To find a large area of land so close to town was our dream. Having a power line pole added to our property and lines crossing over the middle of it is devastating. Not only would we now have to deal with this eye sore I am super concerned about noise and close contact health issues. I feel this will lower the value of our land tremendously and I know we would not have purchased it had the lines already been installed. We were hoping to use this land as an investment opportunity as I truly believe the city of North Mankato is always growing and we will soon be in the city limits allowing us to break up the land into smaller parcels. This idea is out if a pole is put on our

³⁵ Just last month, the City Council of North Mankato approved a zoning amendment to Figure 3-2 of the Comprehensive Development Plan (Future Land Use). The amendment was made to facilitate Mr. Huiras's plan to construct high density residential development on a 2.57 acre parcel located at the southeast corner of the intersection of Highways 14 and 41. Exhibit No. NM-3 depicts this area, which is strikingly close to Alternative Segment B. See North Mankato Council Minutes (Feb. 19, 2019), available at https://www.northmankato.com/sites/default/files/meeting-minutes/Council_Minutes_February_19_2019.pdf.

property. We also love the wild life that is on that property and I fear all that will disappear if the decision is made to run these lines through North Mankato.³⁶

The approximate area of Ms. Madison's property at Judson Bottom Road is depicted in Exhibit No. NM-8. Another property owner, Mr. Andy Frederick testified at the hearing on February 27, 2019, of the impact that the proposed route would have on him and his family's land located north and west of North Mankato along the western edge of the Red and Green Routes. The Frederick family's land is part of the proposed North Port Commercial/Industrial and North Ridge Residential areas, and the Fredericks are greatly concerned about impacts on the marketability and value of their property.³⁷ These testimony and others³⁸ highlight the extent of the impacts posed by the Red and Green Routes on North Mankato's proposed developments.

B. The Northern Portions of the Red and Green Routes and Alternative Segments A and B Would Significantly Impact Existing Residential Areas and Interfere with the Quality of Life, Aesthetics, and Recreation in North Mankato.

The record is clear that the impacts on North Mankato's existing residential areas are significant, and cannot be avoided if the northern portions of the Red or Green Route Alternative is selected, including Alternative Segment A or B. The DEIS evaluated the impacts of the various route alternatives on existing land use, and, based on the PUC's route selection criteria, found that impacts on existing land use posed by the Red and Green Route Alternatives are

³⁶ Comments of Heather Madison (Mar. 6, 2019).

³⁷ Transcript of February 27, 2019 6:00 PM Public Hearing in Mankato at 40:9 – 44:9; Clarification Comments of Andy and Marilyn Frederick (Mar. 8, 2019).

³⁸ See, e.g., Comments of Brian Eimer (Mar. 15, 2019) ("Building larger power lines would dramatically reduce the city's ability to continue the proposed growth plan of this area."); Comments of Sam Lawrence (Mar. 11, 2019) ("Much of the planned future development in this area would bring houses even closer to the lines. Health concerns and sound concerns aside, to see alternative routes that stay in rural areas away from where people live make it frustrating that this route is still being considered.").

significantly more than the Purple, Blue, and Purple-E-Red Route Alternatives.³⁹ The DEIS explained that the Red and Green Routes would be within 1,000 feet of more than two times as many existing residences as the Purple Route or Purple-E-Red Route Alternative, and almost three times as many existing residences as the Blue Route Alternative.⁴⁰ The DEIS provided the following chart on page 6-4, depicting the proximity of residences to the proposed route alternatives.

Table 6-1 Proximity of Residences to Route Alternatives

Residences, Distance from Anticipated Alignment	Route Alternative				
	Purple	Green	Red	Blue	Purple-E-Red
Residences within 0–75 Feet	1	0	0	0	0
Residences within 75–200 Feet	3	19	24	3	8
Residences within 200–500 Feet	12	46	38	10	19
Residences within 500–1,000 Feet	35	68	64	30	34
Total	51	133	126	43	61

(DOC-EERA, DEIS, Table 6-1)

The DEIS also concluded that impacts posed by the Red and Green Route Alternatives are anticipated to be moderate to significant in the categories of aesthetics, zoning, and land use compatibility, and that the Green Route Alternative would pose additional impacts on archaeological and historic resources and agriculture.⁴¹

The findings of the DEIS as to North Mankato are corroborated by Mr. Fischer. Mr. Fischer testified that 22 existing homes in North Mankato are within 500 feet of the proposed Red and Green Alternatives, including nine that are within 300 feet of the proposed route, and two existing homes that are within 150 feet of the proposed route.⁴² Mr. Fischer explained that

³⁹ DEIS, Table 6-1 depicts the number of existing residences within 1000 feet of each route alternative as follows: Purple (51 residences), Green (133 residences), Red (126 residences), Blue (43 residences), Purple-E-Red (61 residences).

⁴⁰ *Id.* at 6-4.

⁴¹ See DEIS, Table 6-14 & § 6.12.

⁴² Fischer Direct at 13:24 – 14:3 (Exhibit No. NM-1). See also *supra* chart from Exhibit No. NM-14.

the proposed Red and Green Route Alternatives and Alternative Segments A and B would conflict with the City's growth plans, would negatively impact the marketability and demand for housing in North Mankato, and would distract from the enjoyment and appreciation of scenic views in North Mankato.⁴³

Several North Mankato area residents provided comments confirming the nature and extent of the impacts on their quality of life and recreation if the northern portions of the Red or Green Routes or Alternative Segment A or B are selected. Residents identified their concerns with the extra high voltage line being placed in close proximity to relatively new residential neighborhoods and scenic parks, including the Minnemishinona Falls Park, which includes a unique waterfall area and popular walking path. *See, e.g.*, Comments of Glen Ruyter (Apr. 26, 2018) ("These young families also enjoy outdoor activities including the walking/bike path that runs along the east side of 41/Rockford Road and would be right under the proposed power line."); Comments of Heather and Adam Huiras (Mar. 14, 2019) ("I believe the county used nearly \$400,000 in federal transportation grant funds plus the funding provided by North Mankato to put in a beautiful scenic hiking/biking trail along Rockford Road (County Road 41) for nearly 1.5 miles down to the Judson Bottom Road. It resulted in a wonderful scenic walk that my family uses almost nightly during the summer. Scenery that would be ruined by giant, obtrusive powerlines."); Comments of Brian Eimer (Mar. 15, 2019) ("[W]e selected this area because of the expanding neighborhood, trail, and the proximity of a park.").

Ms. Mary Milbrath, Supervisor and Chair of Belgrade Township, confirmed the importance of this area as a scenic and cultural resource at one of the Public Hearings in Mankato, stating "[t]here [are] historical landmarks on the Bottom, Judson Bottom Road, that

⁴³ Fischer Direct at 13:22 – 14:3 (Exhibit No. NM-1).

[the Red/Green Routes] will come close to, which is a unique area to many visitors and is a historical site as well.”⁴⁴

Residents also explained that the proposed Red and Green Transmission Routes and Alternative Segments A and B do not comport with the expectations they had when purchasing their homes in or near North Mankato, including North Mankato’s strict covenants for building, and the City’s practice of placing utility infrastructure underground. For example, North Mankato resident, Mr. Shawn Morgan, stated with respect to the Red and Green Route Alternative:

Our house was built approximately 3 years ago and we had no knowledge of the possibility of a high voltage transmission line being built. We would never have built with that possibility. We built in a neighborhood that has strict building covenants. All of our utilities are underground and out of sight. We have a beautiful walking and biking path that runs along Cty Rd. 41/ Rockford Rd. that is heavily used. The transmission lines would directly affect our property values and disrupt our quality of life. If there is a need for this project to move forward, I believe putting this transmission line out farther into the county, where it is less populated would be a better solution.

Comments of Shawn Morgan (Mar. 8, 2019). North Mankato resident, Mr. Christopher Schmidt likewise stated:

My family and I are strongly against this routing. It will directly negatively affect our view of the sunset, calm peaceful countryside, and property value. We would have chosen a different location when we purchased our home had we known these lines were a possibility. Not living under/near high voltage power lines has always been in the top 2 important factors for home location selection.

Comments of Christopher Schmidt (Mar. 13, 2019). Mr. Brian Eimer—also a North Mankato resident—explained that “[b]oth the red and green routes go in front of [his family’s] home . . . a little over a city block away” and stated:

We built our home just shy of four years ago. At that time, we selected this area because of the expanding neighborhood, trail, and the proximity of a park.

⁴⁴ See Transcript of February 28, 2019 6:00 PM Public Hearing in Mapleton, 37:20 – 38:4.

Building larger power lines would dramatically reduce the city's ability to continue the proposed growth plan of this area.

Comments of Brian Eimer (Mar. 15, 2019). Another North Mankato resident, Mr. Glen Ruyter, provided that his “entire neighborhood[’]s utilities are provided by underground services so currently we do not have any of the visual pollution related to overhead power lines.”⁴⁵ These and other comments⁴⁶ demonstrate that the Red and Green Routes’ potential impacts on populated residential areas in North Mankato are significant, and do not comport with the expectations that residents had when purchasing property in or near North Mankato—including the expectation that utility infrastructure would be placed underground or away from residential areas. *See also infra* Section III (discussing relative merits of undergrounding the line through North Mankato).

C. The Red Route, As Proposed, Should Be Rejected for the Same Reasons the PUC Declined to Include the Brown Route in the EIS Scoping Decision – Because It Affected Substantially More Residences than other Route Alternatives and Because It Would Impact Community Function and Growth.

During the scoping process, the DOC-EERA staff were charged with recommending which routing options should be evaluated as part of the EIS. A route called the “Brown Route Alternative,” was proposed as a result of soliciting comments on routing alternatives, but was ultimately determined to be inappropriate for consideration because it affected substantially more

⁴⁵ Comments of Glen Ruyter (Apr. 26, 2018). *See also* Comments of the City of North Mankato on the DEIS, at 4 (Jan. 28, 2019) (Exhibit No. NM-18).

⁴⁶ *See, e.g.*, Comments of Mark Braun (May 17, 2018) (“I favor Blue (Easternmost) or Purple (Westernmost) routes (Both/either Green & Red are too close to neighborhoods & parks in North Mankato, Minneopa area etc) – unless it could be underground.”) (Apr. 17, 2018); Comments of Shelly Torbenson (Mar. 10, 2019) (“This portion of the route is too close to my home located on Balsam Drive . . . I am most concerned about the health hazards associated with this power line . . . We would not have made the decision to purchase our home so close to a power line for this reason. It does make common sense for this power line to be located in neighborhoods in neighborhoods with so many children. Thank you for hearing my concerns.”) Comments of Misty Thompson (Mar. 6, 2019) (“This entire neighborhood’s utilities are provided by underground services The proposed powerlines are on a much larger scale than the type that provide service to a neighborhood and are even more visually offensive.”).

residences than other route alternatives being considered.⁴⁷ DOC-EERA evaluated aerial photographs and identified 134 residences that would have been within 500 feet of that alternate route. DOC-EERA's recommendation stated:

EERA staff believes that the brown route and route segments T, U, V, W, and X would not aid in the Commission's decision on the route permit application. These routing alternatives *impact relatively more human and environmental resources than other alternatives that avoid or mitigate the impacts described by the proposer*. EERA staff recommends that these routing alternatives not be carried forward for study in the EIS. . . .

...

. . . Based on a review of aerial photography, the brown route *impacts substantially more residences than the applicants' proposed routes, particularly the purple and blue routes* *In addition to impacts on individual residences, the brown route – because it passes through several communities – has the potential to impact community functions and growth*. Because of its potential impacts on residences and communities, EERA staff believes that the brown route would not aid in the Commission's decision on the route permit application.

Id. (emphasis added). As noted above, the DEIS provided that the Red and Green Route Alternatives would be within 1,000 feet of more than two times as many existing residences as the Purple Route or Purple-E-Red Route Alternative, and almost three times as many existing residences as the Blue Route, and would come within 500 feet of 22 existing and 183 proposed homes.⁴⁸ Like the Brown Route Alternative, the proposed Red and Green Route Alternatives, including Alternatives A and B, should be rejected because they would impact “substantially more residences” than the Purple-E-Red, Purple, or Blue Route Alternative and would significantly impact “community functions and growth.”

⁴⁷ PUC Order on Scope of EIS, Adopted Recommendation of DOC-EERA, at 5, 11 & Table 2 (July 17, 2018). We note that that the Red and Green Route were required to be studied in the EIS because they were the proposed by the Applicants. The Brown Route was not required to be carried forward because it was proposed by the public during the scoping process. *See* Minn. Stat. 216E.03, Subd. 5 (“The commissioner shall study and evaluate any site or route proposed by an applicant and any other site or route the commission deems necessary that was proposed in a manner consistent with rules concerning the form, content, and timeliness of proposals for alternate sites or routes”).

⁴⁸ *See* Fischer Direct at 13-14 (Exhibit No. NM-1); *See supra* chart from Exhibit No. NM-14.

D. The Red and Green Route Alternatives including Alternative Segments A and B Would Create Adverse Human and Natural Environmental Effects that Cannot Be Avoided.

The record contains additional evidence of the significant and unavoidable impacts that the Red and Green Routes would have on human and natural environments. For example, the Department of Natural Resources (“DNR”) stated:

The proposed Red/Green Route crosses the Blue Earth River in an area containing a significant amount of forested habitat. Options to minimize impacts of the crossing are limited because the river has consistent forested habitat east and west of the proposed crossing. The proposed route is on new alignment that will fragment the habitat associated with the Blue Earth River. This crossing would have the second highest wildlife impact of any crossings currently identified for potential evaluation in the Draft EIS.

Comments of DNR on Scope of EIS at 4 (May 18, 2018). The Blue and Purple Route Alternatives would avoid these impacts because they would not cross the Blue Earth River at the location referenced by DNR.⁴⁹

Public Works Director and County Engineer for Nicollet County, Mr. Seth M. Greenwood, P.E., explained that the Red and Green Route Alternatives, including Alternative Segments A and B, would cause environmental damage and soil erosion along the Minnesota River Bluff line south of North Mankato, which Mr. Greenwood explained is comprised of “steep slopes, ravines, and highly erodible soil.”⁵⁰

Mr. Greenwood also explained that Red and Green Route Alternatives, would “[s]everely impact the scenic resources of County State Aid Highway 41 and County Road 71 which are designated as a Minnesota River Valley National Scenic Byway[,] [s]everely impact the scenic

⁴⁹ At the PUC’s July 12, 2018 hearing on environmental scoping for the instant proceeding, referencing the area between Rapidan and the Blue Earth River crossing, PUC Commissioner John Tuma stated “I would be taking lots of pictures of everything north of there to the river because that will convince a lot of people why we are not going to put a power line through there.” PUC Agenda Meeting 7/12/2018 Audio Download at 43:14 – 44:47, *available at* <https://minnesotapuc.legistar.com/Calendar.aspx#>.

⁵⁰ Comments of Nicollet County on DEIS (Mar. 11, 2019).

and cultural resources of Nicollet County's Minnemishinona Falls Park[,] [and] [s]everely impact existing Native American burial bounds along County State Aid Highway 41 and the Minnesota River Valley.”⁵¹

E. The Northern Portions of the Red and Green Route Alternatives and Alternative Segments A and B Should Be Rejected Because, Compared to Other Options, They Fail to Adequately Utilize Paralleling with Existing Rights-of-Way, Survey Lines, Natural Division Lines, and Agricultural Field Boundaries.

The Red and Green Route Alternatives (if they include the northern portions going through North Mankato) would not maximize existing rights-of-way and paralleling, when compared to other route alternatives such as the Purple-E-Red or Purple Route Alternative. According to the DEIS, only 42 percent of the length of the proposed Green route would utilize existing transmission lines, roads, and/or railroads.⁵² While 81 percent of the Red Route Alternative would utilize transmission lines, roads, and/or railroads, the Red Route would utilize a lower percentage of field, parcel, and section lines than Blue or Purple Routes.⁵³ In total, 89 and 86 percent of the Red and Green Route Alternatives utilize right-of-way sharing and paralleling (respectively) compared to 96 and 95 percent for the Purple-E-Red and Purple Route Alternatives (respectively).⁵⁴ The following table provided by DOC-EERA demonstrates the right-of-way sharing and paralleling utilized by each of the proposed route alternatives:

⁵¹ *Id.*

⁵² DEIS, Table 6-2.

⁵³ *Id.*

⁵⁴ *Id.*

Table 6-2 ROW Sharing and Paralleling—Route Alternatives

Infrastructure	Route Alternatives				
	Purple	Green	Red	Blue	Purple-E-Red
Follows Existing Transmission Line (miles, percent)	24.5 (47)	5.4 (12)	26.3 (57)	9.7 (17)	32.3 (60)
Follows Existing Roads (miles, percent)	11.8 (23)	13.8 (30)	11.3 (24)	10.1 (18)	13.0 (24)
Follows Existing Railroad (miles, percent)	0 (0)	0 (0)	0 (0)	2.6 (5)	0 (0)
Total—Transmission Line, Road and Railroad (miles, percent)	36.3 (70)	19.2 (42)	37.6 (81)	22.4 (39)	45.3 (84)
Follows Field, Parcel, and Section Lines (miles, percent)	33.2 (64)	36.9 (81)	36.5 (78)	47.2 (83)	42.1 (78)
Total—All (miles, percent)	49.1 (95)	39.1 (86)	41.6 (89)	49.6 (87)	51.8 (96)

(DOC-EERA, DEIS, Table 6-2)

The cumulative impact of these differences is that the Red and Green Route Alternatives would come into closer proximity to significantly more residences than the Purple-E-Red, Purple, or Blue Route Alternative. *See* DEIS at 6-4 (“The green and red routes are near the greatest number of homes (133 and 126, respectively). The blue and purple routes are near the fewest homes (43 and 51, respectively)”).⁵⁵

F. The Northern Portions of the Red and Green Route Alternatives and Alternative Segments A and B Impact Committed Resources, Including Irretrievable Investments Made by State and Local Government.

Mr. Fischer discussed that several investments and commitments have been made in reliance on and to implement North Mankato’s Comprehensive Plan including: (1) the new Highway 14 interchange—an approximately \$20 million project and an essential investment needed to facilitate the growth contemplated by North Mankato’s Comprehensive Plan (with funds originating from North Mankato, Nicollet County, and the Minnesota Department of

⁵⁵ *See also* DEIS, Table 6-1.

Transportation); (2) installation of the Aspen Lane Lift Station serving the area of the North Ridge Residential Development and the South Boundary Residential Development (*see* Exhibit No. NM-15); and, (3) continued investment in infrastructure to accommodate growth on the western edge of North Mankato, including approximately \$3,441,750 to construct local residential streets (*see* Exhibit No. NM-16).⁵⁶ These investments demonstrate that North Mankato's growth plans are not merely aspirational, but well underway with substantial money invested. Building the line through North Mankato's planned growth areas would deprive these committed government resources of their fully intended benefit.

II. If The Certificate Of Need Application Is Approved, The Applicants' Proposed Transmission Line Should Be Built Along The Purple-E-Red, Purple, Or Blue Route Alternatives.

A. The Purple-E-Red Route, Purple Route, and Blue Route Alternatives Better Meet the PUC's Criteria for Route Selection than Either the Red or Green Route Alternative.

If the PUC grants the Certificate of Need, then the Purple-E-Red, Purple, or Blue Route Alternative (with double circuit monopole design) would each better meet the PUC's criteria for route selection than either the Red or Green Route Alternatives with northern portions included (including Alternatives A and B). The Purple-E-Red and Purple Routes (with monopole double-circuiting design) would better minimize impacts on proposed land use due to their maximization of existing rights-of-way and proposed replacement of existing H-frame structures with less impactful monopole structures. The Blue Route would better minimize impacts on existing residences because it would be further away from existing residences than any other route

⁵⁶ Fischer Surrebuttal at 8:6-16 (Exhibit No. NM-17).

alternative, and would avoid the significant impact of placing the transmission route through the Blue Earth River in an environmentally sensitive area, as identified by DNR.⁵⁷

The Purple-E-Red and Purple Route Alternatives built with the monopole double circuit design option would more efficiently utilize existing rights-of-way and paralleling with existing transmission infrastructure, and therefore would better meet the route selection criteria identified in Rules 7850.4100 (G) (application of design options that maximize energy efficiencies, mitigate adverse environmental effects, and could accommodate expansion of transmission or generating capacity), (H) (use or paralleling of existing rights-of-way, survey lines, natural division lines, and agricultural field boundaries), and (J) (use of existing transportation, pipeline, and electrical transmission systems or rights-of-way).

The DEIS also found that the Purple-E-Red and Purple Route Alternatives would provide relatively fewer impacts on the natural environment than the Red or Green Route Alternatives, because of their maximization of existing rights-of-way and property boundaries.⁵⁸

While the Purple-E-Red Route may be the most expensive route (approximately 13 to 15 percent more expensive than the Red, Purple, or Blue Route with double-circuit monopole design),⁵⁹ the costs savings of a less expensive route would not pass through primarily to Minnesota ratepayers. Because the Huntley-Wilmarth Line is a Midcontinent Independent System Operator, Inc. (“MISO”) Market Efficiency Project (“MEP”), regional ratepayers (*i.e.*, ratepayers outside of Minnesota) are to be allocated 80 percent of the project’s costs. The Applicants described this process in their Certificate of Need Application:

⁵⁷ See Comments of DNR on Scope of EIS at 4 (May 18, 2018). The DEIS states that “[i]n sum, the purple and purple-E-red routes best minimize impacts to planned land uses.” DEIS at S-9, 6-1.

⁵⁸ See DEIS Table 6-2.

⁵⁹ DEIS Table 6-12.

Under Attachment FF of the MISO Tariff, recovery of the Project costs will be governed by Attachment GG and Schedules 26 of the MISO Tariff. The MISO Tariff provides that 20 percent of the Project costs for an MEP are allocated to each pricing zone in MISO Classic based on load ratio share (LRS). The remaining 80 percent of the costs of an MEP are allocated to pricing zones based on the distribution of positive APC savings to the Local Resource Zones.

Certificate of Need Application § 2.4.4. And while regional ratepayers are to be allocated 80 percent of the project's costs, it is Minnesota residents who will bear 100 percent of the added impact of a less expensive route option. The cost savings of a cheaper route alternative to Minnesota residents are simply not worth the added impact on Minnesota residents. Indeed, the PUC has previously approved a more expensive transmission route option because that option provided significantly lower impacts on residential areas. In *The Matter of the Application for a Route Permit for the Hiawatha Transmission Line Project*, the PUC chose a significantly more expensive undergrounding option because it reduced impacts on residents and development plans set forth in Minneapolis's comprehensive plan.⁶⁰ In the ALJ report (affirmed by the PUC), Judge Beverly Heydinger stated:

Route D is a feasible and prudent alternative to the Applicant's preferred Route A. Route D does not present a potential for significant adverse environmental effect. Route D will minimize the effects on natural resources, including historic resources, and on persons living and working within the Project Area, and will better serve the public health, safety, and welfare. Route D will not hinder future transit development and will follow an existing transportation right-of-way. Although the cost of Route D is greater than the other alternatives, the factors favoring an underground transmission line in an urban area as densely populated as the Project Area justify the added expense to offset the human and environmental impact of the overhead alternatives.

Id. at Conclusions ¶ 9. *See also id.* at P 254 (“[o]verhead transmission lines would crowd and overwhelm adjoining land because of their size and stigmatize the area as less desirable,

⁶⁰ *See In The Matter of the Application for a Route Permit for the Hiawatha Transmission Line Project*, Slip. Op., Docket No. ET2/TL-09-38 (Oct. 8, 2010).

detracting from further redevelopment and investment. Much of the impact would be avoided with placement of the transmission line underground.”).

As noted above, the Blue Route Alternative is also a less impactful route than the Red or Green Route alternatives because it would come within 1,000 feet of 43 existing residences—less than any other Route Alternative. With respect to the Blue Route, the DEIS stated:

Aesthetic impacts can be minimized by use of the purple and purple-E-red routes. This is because these routes are near relatively fewer residences and make the best use of existing infrastructure right-of-way (ROW). *The purple and blue routes are near the fewest residences* (Figure S-1) . The red and purple-E-red route share the most ROW with existing infrastructure (Table S-3). The green route is near the greatest number of residences and shares relatively little ROW. *The blue route is near the fewest residences*, but shares relatively little ROW with existing infrastructure.

DEIS at S-9 (emphasis added). We further note that following the introduction of alignments by applicants to avoid certain wetlands and the introduction of Alternative Segment CC (an Alternative Segment that shifts the Blue Route to avoid a proposed residence),⁶¹ the Blue Route (if utilizing these alternative segments/alignments) would better conform to the statutory and rule criteria for route selection than it did initially when proposed by the Applicants. The Blue Route is comparable in cost to the Red and Purple Routes.⁶²

Each of the Blue, Purple-E-Red, and Purple Route Alternatives would better meet the PUC’s route selection criteria than the Red or Green Route Alternatives.

B. The Purple-E-Red and Purple Route Alternatives Are Supported by Several Landowners who Are in Close Proximity to these Alternatives, Provided the H-Frame Structures Are Replaced with Monopole Structures.

No single route is unopposed, but statements made at the public hearings and in written comments in the proceeding document the preference of several landowners whose land is

⁶¹ See Applicants’ New Segment Alternative for the Purple Route and Blue Route, at 3-4 (Feb. 1, 2019); Applicants’ Letter Addressing Blue Route Alignment (Mar. 16, 2018).

⁶² See DEIS, Table 6-12.

already impacted by an existing transmission line and right-of-way in proximity to the Purple-E-Red or Purple route Alternative. Several of these landowners commented in favor of these alternatives provided that the existing double pole or H-frame structures are replaced with double circuit monopoles. According to the comments, the single pole structures are more attractive than the H-frame structures and less obstructive for land maintenance and farming/agricultural operations.⁶³ DOC-EERA confirmed this understanding of the impact that the Purple-E-Red and Purple Routes would have, stating:

These routes would have a net benefit to agricultural production—reducing the number of structures in fields and replacing H-frame structures with monopoles. The purple, green, and blue routes with H-frame structures would have the greatest agricultural impacts. H-frame structures impact fields even when they follow existing field and section lines. Additionally, H-frame structures have a larger in-field footprint than monopole structures.⁶⁴

As such, to the extent the PUC is looking for a Route Alternative that is a compromise between the interests of residents in North Mankato and other developed areas, and the interests of agriculture and land-based economies, then the Purple-E-Red or Purple Route Alternatives may represent such an option.

⁶³ See Comments of Dean Sonnabend (Apr. 20, 2018) (farmer along purple route, favoring purple route selection); Comments of Jones Family (May 2, 2018) (farmers along purple route, favoring purple route selection, stating “the old towers should be removed and the new, single pole tower with the ability to carry both the old and new transmission lines, which would be much easier to farm around”); Comments of Donald McGinness (Feb. 5, 2019) (purple route passes through farm and residence, supports purple route monopole option); Comments of Aaron Jones (Mar. 5, 2019) (“We are used to the lines and don’t see any problem with them, other than they are a hassle to farm around. If the purple route is chosen, we would like to see the current line replaced with a single, steel frame pole that can handle both the old transmission lines and the new lines.”); Comments of Bailey Family (Mar. 11, 2019) (“Of all the proposals on the Purple Line, we would favor L or M. Both proposals cut through land that we farm (Michael Masters Trust), but do so in *such away that wouldn’t interfere with the farming of those fields*. If there is a choice, we would prefer single poles vs. “H” structures.”) (emphasis added); Comments of Glend E. May (Mar. 7, 2019) (“the purple E red route does the best job of following existing transmission lines. In the last meeting I have attended plus previous meetings, I heard numerous times that people recommend you follow the existing right ways. That’s why I favor the purple E red route. *I would think that most of the farmers on that route or the purple route have already accepted the presence of poles and see this as an opportunity to address and improve some of their current concerns*”) (emphasis added).

⁶⁴ DEIS at 6-10.

III. If A Route Must Traverse Through North Mankato's Planned Development Areas, Mitigation Should Be Required.

The Administrative Law Judge has before her routing options that avoid the North Mankato area. For the reasons set forth above, North Mankato respectfully urges Your Honor to select from among those routing alternatives. In the February 13, 2019 Notice of Public Hearings, the PUC posed the following question (at p. 2):

If a route permit is issued for the project, what conditions should be included in the permit to mitigate potential impacts of the project?

North Mankato notes that there is no way to completely mitigate the impacts on North Mankato if the northern portions of the Red or Green Route are selected (including Alternative Segment A or B). In response to the question, however, should Your Honor find that the Red or Green Route in the North Mankato area is among the preferred options, notwithstanding North Mankato's objections, then mitigation must be ordered, including undergrounding of the line in the North Mankato area, and full cooperation with the City to ensure minimal disruption to the City's plans as documented in its Comprehensive Plan.

That said, even placing the transmission line underground through the area of North Mankato would only partially mitigate North Mankato's concerns due to the fact that the 150 foot easement required for undergrounding the line would still pass directly through proposed developments in North Mankato preventing construction over the easement, and requiring the City to work around the easement area.

North Mankato notes that Applicants evaluated the costs of undergrounding in their Certificate of Need Application:

Applicants also considered an underground design for the proposed transmission line and concluded that an underground design would not meet the purpose and need for the Project as an MEP due to cost. Specifically, Applicants developed a cost estimate to underground two miles of a 345 kV line using an open trench

construction method. Applicants determined that this open trench underground installation would cost at least \$13 million per mile (2017\$). This compares to the \$2 to \$2.8 million cost per mile for Applicants' overhead designs.

Certificate of Need Application § 5.2.7. DOC-EERA confirmed this view in the Sur-Surrebuttal Testimony of its witness Mr. Mark A. Johnson, submitted on March 7, 2019. Mr. Johnson stated "DOC-DER examined the Applicants' consideration of various alternatives in the Direct Testimony of Matthew Landi;^[65] DOC-DER agreed that none of those alternatives were better options."⁶⁶ North Mankato acknowledges further that the costs of undergrounding an extra-high voltage line is significant, but if the line were to be undergrounded then North Mankato's residents and businesses would not have their plans and quality of life disrupted to such a degree that the growth which the City has envisioned would be completely threatened.

North Mankato's residents should not be left with the adverse economic impacts that would accompany an overhead line through the area. North Mankato is not *per se* opposed to investment in transmission. However, the impacts of the line will be felt locally, while the benefits of the line are measured in terms of the MISO region at large. Applicants will benefit economically through the recovery of rates, which includes a substantial return on equity. Those who shoulder the adverse impacts are the local residents. North Mankato's residents deserve the full use and enjoyment of their City and property in the way they envision, and undergrounding is the only way to mitigate adverse impacts should the northern portions of the Red and Green Routes, including either Alternative Segment A or B, be selected.

⁶⁵ This includes consideration of the undergrounding alternative. See Direct Testimony of DOC-DER Witness Matthew Landi at 6, 12:10 – 13:4 ("The Applicants considered . . . the construction of underground transmission lines . . . Both the Applicants' screening analysis in Chapter 4 of the Application and alternatives analysis in Chapter 5 indicated a number of reasons why these alternatives were not viable, ranging from concerns over reliability of the alternative to the cost-effectiveness of the alternative considered.").

⁶⁶ Johnson Sur-Surrebuttal at 2 (Exhibit No. DER-6).

CONCLUSION

North Mankato respectfully requests that Your Honor and the PUC reject the northern portions of the Red and Green Route Alternatives in the area of North Mankato, including Alternative Segments A and B, because they would significantly and adversely impact past, current, and future investments, future tax revenues, aesthetics, residential growth, the economy, and the environment—all in ways that cannot be adequately mitigated. If the Certificate of Need is granted, then the Purple-E-Red, Purple Route, or Blue Route Alternative should be selected. These are viable route alternatives that contain fewer of the impacts identified in the PUC's criteria for route selection than the Red or Green Route including Alternative Segment A or B.⁶⁷

In the alternative, if Your Honor recommends a routing option in the North Mankato area (either the Red or Green Route Alternative or Alternative Segment A or B), then Your Honor should order mitigation, including placing the line underground in the North Mankato areas to minimize to the greatest extent possible impacts on the growth identified in the City's Comprehensive Plan, and other impacts on human settlement in and around North Mankato.

⁶⁷ See Minn. Rule 7850.4100.

Respectfully Submitted,

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PROOF OF SERVICE

I hereby certify that I have, this 22nd day of March 2019, caused the foregoing document to be filed by electronic eDockets, and eServed, or sent by US Mail, as indicated, to all parties on the service list compiled for this proceeding.

/s/ Debra D. Roby

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