

Staff Briefing Papers

Meeting Date May 21, 2020 Agenda Item 2*

Company Xcel Energy/ITC Midwest, LLC

Docket No. **E002, ET6675/TL-17-185**

In the Matter of the Application of Xcel Energy for Route Permit Amendments for the Huntley to Wilmarth 345 kV Transmission Line Project in Blue Earth,

Faribault, Martin, and Nicollet Counties.

Should the Commission approve the route permit amendments to the 345-kilovolt

Issues high-voltage transmission line?

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Relevant Documents	Date
Xcel Energy /ITC Midwest, LLC– Route Permit Amendment Application	March 18, 2020
EERA – Comments on Permit Amendment Request	April 8, 2020
Office of State Archaeologist – Comments	April 9, 2020
Xcel Energy/ITC Midwest, LLC – Reply Comments	April 21, 2020
EERA – Reply Comments	April 22, 2020
Xcel Energy/ITC Midwest, LLC – Update on Cultural Resource Surveys	May 11, 2020

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



I. Statement of the Issues

Should the Commission approve the route permit amendments to the 345-kilovolt high-voltage transmission line?

II. Background

On August 5, 2019, the Minnesota Public Utilities Commission (Commission) issued its Order Finding Environmental Impact Statement Adequate, Granting Certificate of Need, Issuing Route Permit, And Requiring Additional Analysis for a 345 kilovolt (kV) high-voltage transmission line (HVTL) between the Huntley substation near Mankato, Minnesota and the Wilmarth substation near Winnebago, Minnesota, proposed by Xcel Energy and ITC Midwest, LLC (Permittees).

On September 9, 2019, the Permittees petitioned for a minor alteration for Route Segment L, requesting that the Commission approve one of two preferred routes. On December 12, 2019 the Commission authorized the minor alteration, with conditions, for Route Segment L.

On March 18, 2020, the Permittees petitioned the Commission for Route Permit amendments to address two segments at Structure 1 and Structures 131 to 133, where the engineered alignment is outside the permitted route.

On March 25, 2020, the Commission issued a notice of comment period on the route permit amendment requests asking for initial comments by April 8, 2020, and reply comments by April 22, 2020. The notice was sent to landowners potentially impacted by the proposed amendments, potentially interested agencies, and those expressing interest to receive notice regarding projects processed under the Power Plant Siting Act.¹

On April 8, 2020, the Department of Commerce Energy Environmental Review and Analysis unit (Department or EERA) submitted comments and recommendations in support of the permit amendment requests and recommended they be approved by the Commission.

On April 9, 2020, the Office of the State Archaeologist submitted comments recommending that a qualified archaeologist conduct an archaeological survey of the locations of the proposed route amendment.

On April 21, 2020, Xcel Energy and ITC Midwest, LLC submitted Reply Comments.

On April 22, 2020, EERA submitted Reply Comments.

¹ Minn. Rule 7850.2100 (A). Notification of the general list is required under Minn. Rule 7850.4900, Sub. 2.

On May 11, 2020, Xcel Energy and ITC Midwest, LLC submitted an Update on the Cultural Resource Surveys.

III. Statutes and Rules

Section 4.1 of the Route Permit states that route width variations may be allowed to accommodate unforeseen circumstances encountered during the detailed engineering and design process. The Route Permit further provides that alignment modifications that result in right-of-way placement outside of the designated route shall be reviewed by the Commission under Minn. R. 7850.4900.

The permit amendment process is outlined in Minn. R. 7850.4900. The rule states that the Commission may amend any of the conditions in a route permit for a HVTL upon the request of any person. The person requesting an amendment of a condition in a route permit shall submit an application to the Commission in writing describing the amendment sought and the reasons for the amendment.

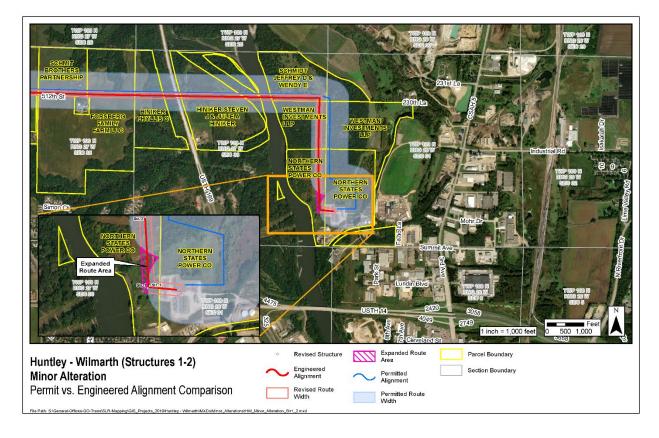
IV. Permit Amendment Request

Route Modification 1

The first proposed modification impacts structure 1 near the Wilmarth substation. The Permittees originally designed the interconnection of the line to occur on the eastern side of the substation. However, during final engineering it was determined that connecting on the western side of the substation provided advantages over the original plans. This proposed design change necessitates an additional .75 acres of land outside of the approved route to implement. The proposed modification would be on land owned by Xcel Energy. In their route permit amendment request, the Permittees included a table that summarizes the human and environmental impacts of the proposed modification in relation to the permitting decision factors listed in 7850.4100.

² See *Page 1, Attachment 1*, Xcel Energy and ITC Midwest, LLC Route Permit Amendment Request. Submitted March 18, 2020. Document ID: 20203-161349-01

³ See *Page 3, Attachment 1*, Xcel Energy and ITC Midwest, LLC Route Permit Amendment Request. Submitted March 18, 2020. Document ID: <u>20203-161349-01</u>



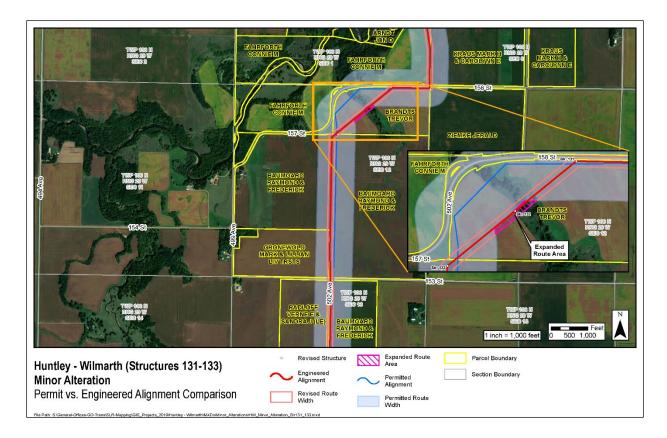
Route Modification 2

The second proposed modification would add approximately 75 feet of route width. While working with local governmental units, Xcel received a request from Blue Earth County to relocate the HVTL further away from the County Road 135.4 Blue Earth County requested the structures near the road be moved further from the road right-of-way to minimize potential impacts on future road work projects. 4 The proposed alignment would also reduce the number of structures on agricultural land and the impacts on wetlands.^{4, 5} The proposed realignment would affect one landowner who has signed easement agreements for the proposed engineered alignment. 6 The Permittees also included a table summarizing the human and environmental impacts of this proposed modification in relation to the permitting decision factors listed in 7850.4100.6

⁴ See Page 4, Attachment 1, Xcel Energy and ITC Midwest, LLC Route Permit Amendment Request. Submitted March 18, 2020. Document ID: 20203-161349-01

⁵ See Page 5, Attachment 1, Xcel Energy and ITC Midwest, LLC Route Permit Amendment Request. Submitted March 18, 2020. Document ID: 20203-161349-01

⁶ See Page 6, Attachment 1, Xcel Energy and ITC Midwest, LLC Route Permit Amendment Request. Submitted March 18, 2020. Document ID: 20203-161349-01



V. Comments

The Commission received comment letters from EERA and the Office of the State Archaeologist. Xcel Energy and ITC Midwest, LLC and EERA submitted comments during the reply comment period.

EERA

On April 8, 2020, EERA submitted comments and recommendations stating it had reviewed the record and that the proposed alignment modifications did not result in significant changes in the human or environmental impacts of the project. EERA recommended the Commission approve the Permittees' permit amendment requests.

Specifically, EERA stated Modification 1 did not move the line closer to residences and that it also reduced the impacts on wetlands and trees as compared to the permitted alignment. With respect to Modification 2, EERA noted the modification is in line with Blue Earth County's guidance, reduces impacts on agricultural lands, and, while the modification will increase the impacts to trees, the impacts would be on forested uplands rather than the relatively rarer forested wetlands.

Office of the State Archaeologist

The Office of the State Archaeologist (OSA) submitted comments on April 9, 2020. In its comments, the State Archaeologist stated that both proposed route amendment locations are

in areas of high archaeological potential. Therefore, the State Archaeologist recommended having a qualified archaeologist perform an archaeological survey in the area of the two modifications.

Xcel Energy and ITC Midwest, LLC – Reply Comments

The Permittees submitted Reply Comments on April 21, 2020, stating they agree with OSA's recommendation to conduct archaeological surveys at the proposed alignment modification locations. The Permittees noted that they had already scheduled the surveys to be completed in April 2020 (update below).

EERA – Reply Comments

In its Reply Comments submitted on April 22, 2020, EERA stated that the OSA's recommendation of an archaeological survey was consistent with route permit sections 5.3.14 and 6, and agreed with the recommendation.

Xcel Energy and ITC Midwest, LLC – Update on Cultural Resource Surveys

The Permittees filed an update on the cultural resource surveys on May 11, 2020. In the update, the Permittees stated the Phase I Archeological Survey was conducted on April 24, 2020. The Permittees noted they are currently scheduling a meeting with the State Historic Preservation Office (SHPO) and the OSA to discuss the results of the survey. The Permittees also stated they will continue to work with SHPO and OSA to avoid and/or minimize and mitigate impacts to cultural resources in the proposed permit amendment areas.

VI. Staff Analysis

Commission staff has reviewed Xcel Energy and ITC Midwest, LLC's request for permit amendments and agrees with EERA that the proposed modifications do not result in significant changes in the human or environmental impacts of the currently approved route. Therefore, staff recommends the Commission approve Xcel Energy and ITC Midwest, LLC's route permit amendment requests.

VII. Decision Options

- A. Approve the amendment requests.
- B. Approve the amendment requests with the following conditions:
 - 1. Authorize Commission staff to make further refinements to the route permit conditions as necessary to ensure consistency with the record and the Commission's decision on this matter.

- C. Deny the amendment request.
- D. Take some other action deemed appropriate.

Staff Recommendation: B1