

MEMO

Date: November 12, 2019

To: Katherine Blauvelt, Assistant Commissioner

Through: Louise Miltich, Supervisor EERA

From: William Cole Storm, Environmental Review Manager
EERA, (651) 539-1844

Subject: Environmental Assessment Scoping Decision for GRE Lake Eunice 115
kilovolt (kV) Conversion Project, PUC Docket No. ET2/TL-19-311

Action Required

The signature of the Assistant Commissioner is requested on the attached Environmental Assessment (EA) Scoping Decision. Once signed, Department of Commerce, Energy Environmental Review and Analysis (EERA) staff will provide notice of the Scoping Decision to those persons on the *Project Contact List* and all affected landowners and begin preparing the EA.

Background

Great River Energy, submitted a Route Permit Application for the project to the Commission on June 4, 2019. The Application was accepted as complete on August 5, 2019. The Applicant expects the project to be operational by the spring of 2021.

The attached scoping process summary and EA Scoping Decision recommendation are intended to advise the Assistant Commissioner on the scoping process for the GRE 115 kV Conversion project. Once finalized, the *EA Scoping Decision* will identify the issues and alternatives that the Department of Commerce and the Public Utilities Commission have determined are appropriate for inclusion in the environmental review document.

Schedule

Please review and provide a signature by November 15, 2019. If you require any changes or have any questions, please contact staff as soon as possible. The EA is scheduled to be completed by the end of January 2020.

In the Matter of the Application of Great
River Energy for a HVTL Route Permit for the
Lake Eunice 115 kilovolt (kV) Conversion
Project in Becker County
PUC Docket No. ET2/TL-19-311

**ENVIRONMENTAL
ASSESSMENT
SCOPING DECISION**

The above matter has come before the Assistant Commissioner of the Department of Commerce (Department) for a decision on the scope of the Environmental Assessment (EA) to be prepared for the Great River Energy (GRE) Lake Eunice 115 kilovolt (kV) Conversion Project in Becker County.

Project Description and Purpose

The project is being proposed to improve electrical service to members in the rural area southwest of Detroit Lakes, Minnesota including Lake Eunice, Dunn and Lake View townships (**Figure 1**). These proposed upgrades will allow over ten miles of 41.6 KV radial transmission to be replaced by a 0.8 mile 115 KV loop fed transmission line. This new line will improve the reliability of the transmission feeding the existing Lake Eunice Substation and thus improve the reliability for the approximate 2,000 members served off of this substation.

After the conversion to 115 kV, the south 0.8 mile and north 2.85 miles of the 41.6 kV conductor will be removed. Lake Region Electric Cooperative will own the remaining 6.59 miles of the 41.6 kV line for distribution purposes and retain all existing distribution lines in the area.

Regulatory Background

In Minnesota, no person may construct a high voltage transmission line (HVTL) without a route permit from the Commission (Minnesota Statute 216E.03). A HVTL is defined as a conductor of electric energy designed for and capable of operation at a voltage of 100 kV or more and greater than 1,500 feet in length (Minnesota Statute 216E.01, Subd. 4).

The proposed project will consist of a new 115 kV transmission line in excess of 1,500 feet and therefore requires a route permit from the Commission.

Route Permit Application and Acceptance

Minnesota Rule 7850.2800 states applicants intending to submit a project under the Commission's alternative permitting process for transmission lines are required to provide a 10-day advance notice of this intent to the Commission before submitting their route permit application. GRE provided that notice¹ on May 8, 2019.

The voltage of the new transmission line will be between 100 and 200 kV, so the project qualifies for the Commission's alternative permitting process (Minnesota Rule 7850.2800, subp. 1C).

Route permit applications for HVTLs must provide specific information about the proposed project including, but not limited to, applicant information, route description, and potential environmental impacts and mitigation measures (Minnesota Rule 7850.3100). Review under the alternative permitting process does not require the applicant to propose

¹ Notice of Intent to Submit a Route Permit Application under the Alternative Permitting Process for the GRE 115 kilovolt conversion, May 8, 2019, eDocket no. 20196-153418-01.

alternative routes in the permit application. However, if the applicant has evaluated and rejected alternative routes they must include these and the reasons for rejecting them in the route permit application.

The Commission may accept an application as complete, reject it and require additional information to be submitted, or accept it as complete upon filing of supplemental information (Minnesota Rule 7850.2000). The environmental review and permitting process begins on the date the Commission determines that a route permit application is complete. The Commission has six months from the date of this determination to reach a route permit decision; though the decision can be extended for three months for cause, or with the applicant's agreement (Minnesota Rule 7850.3900).

In an Order dated August 5, 2019, the Commission accepted the HVTL Route Permit Application as complete and authorized review under the alternative permitting process defined in Minn. Stat. § 216.04 and Minn. R.7850.2800 to 7850.3900 and referred the matter to the Office of Administrative Hearings for appointment of an Administrative Law Judge to prepare a Summary Report.²

Environmental Review

Applications for HVTL route permits are subject to environmental review conducted by EERA staff (Minnesota Rule 7850.3700). Projects proceeding under the alternative permitting process require the preparation of an Environmental Assessment (EA).

An EA is a document which describes the potential human and environmental impacts of the proposed project and potential mitigative measures. This is the only state environmental review document required for the project (Minnesota Statute 216E.04, subd. 5). Staff provides notice and conducts a public scoping meeting to solicit comments on the scope of the EA.

The Department of Commerce Commissioner (delegated to Assistant Commissioner Katherine Blauvelt) determines the scope of the EA. The Department may include alternative routes suggested by the public in the scope of the EA if such alternatives will aid in the Commission's decision on the route permit application.

Under Minn. R. 7850.3700, subp. 3, the scope of the EA must be determined by the Department within 10 days after the closing of the public comment period.

Minn. Stat. § 216E.04, subd. 5 anticipates, however, that the Commission will have the opportunity to identify other routes for consideration prior to environmental review of a project. The statute states that the EA must contain information on the proposed project, as well as on other routes identified by the Commission. The rule's ten-day timeline for determining the scope of the environmental assessment after the close of the public comment period constrains the Commission's ability to evaluate public input and identify other possible routes prior to environmental review.

Under Minn. Rules, part 7829.3200, the Commission has the authority to vary its rules, and in this docket has chosen to vary Minn. R. 7850.3700, subp. 3, to extend the 10-day timeline.

The EA will be completed and made available prior to the public hearing for the project.

Under Minnesota Rule, 7850.3700, subp. 4, the EA must include the following:

- A. A general description of the proposed project;
- B. A list of any alternative sites or routes that are addressed;

² Commission Order finding the application complete and referring the matter to the OAH, August 5, 2019. eDocket No. 20198-154930-01.

- C. A discussion of the potential impacts of the proposed project and each alternative site or route on the human and natural environment;
- D. A discussion of mitigative measures that could reasonably be implemented to eliminate or minimize any adverse impacts identified for the proposed project and each alternative;
- E. An analysis of the feasibility of each alternative site or route considered;
- F. A list of permits required for the project; and
- G. A discussion of other matters identified in the scoping process.

Scoping Summary

On September 9, 2019, Commission and EERA staff sent notice of the place, date and time of the Public Information and Scoping meeting to local government units and those persons on the Project contact/general list.³

Commission staff and EERA staff jointly held a Public Information and EA Scoping meeting at the Holiday Inn in Detroit Lakes on September 25, 2019. The purpose of the meeting was to provide information to the public about the proposed Project, to answer questions, and to allow the public an opportunity to suggest alternatives and impacts (i.e., scope) that should be considered during preparation of the environmental review document. A court reporter was present at the meeting to document oral statements.

Scoping Comments

Three people attended the public information and scoping meeting; during the comment period, which closed on October 9, 2019. No public comments were received, but two letters were received from state agencies.⁴

The Minnesota Department of Natural Resources (MNDNR) requested that EERA include, within the EA document, a discussion on the regulatory requirements, and the potential impacts/mitigative measures associated with Lake Region Cooperative's removal of the 41.6 kV line between Structure 161 and the Audubon Switch.

The Minnesota Department of Transportation (MnDOT) noted that the removal of the 2.85 miles of 41.6 kV line that crosses US 10 will likely require a Miscellaneous Permit (Form 1723) from MnDOT, accompanied by Traffic Control measures. Early coordination with MnDOT District 4 staff is recommended prior to commencement of this work.

Proposed Alternatives

The process for individuals to request that specific alternative routes, alternative route segments, and/or alignment modifications be included in the scope of the environmental review document was discussed at the public meeting.

No alternative routes, alternative route segments, and/or alignment modifications were put forth for consideration during the scoping comment period.

Applicant Comments

Pursuant to Minn. Rule 7850.3700, subpart 2(B), applicants have the right to review proposed alternatives. No requests for alternative routes, alternative route segments, and/or alignment modifications were received during the scoping comment period.

Commission's Consideration of Alternatives

³ Notice of Public Information/Scoping Meeting, September 9, 2019, eDocket no. [20199-155731-01](#) and [-02](#).

⁴ Public Scoping Comments through October 9, 2019, Close of Comment Period (Oral and Written Comments), eDocket No. 201910-156467-01, 201910-156468-01, and 201910-156470-01.

Under Minn. Rules, part 7850.3700, subp. 3, the scope of the EA must be determined by the Department within 10 days after close of the public comment period. However, Minn. Stat. § 216E.04, subd. 5, anticipates Commission input into the identification of routes, in addition to the applicant's proposed route, for inclusion in the environmental review of a project. Since the rule's 10-day timeline for determining the scope of the EA after the close of the public comment period constrains the Commission's ability to provide input, the Commission varied the 10-day timeline. The Commission waived the 10-day timeline.

On October 30, 2019, the issue of what action the Commission should take regarding route alternatives to be evaluated in the environmental document was submitted to the Commission's Consent Agenda. In an Order served on November 7, 2019, the Commission elected to take no action with regards to route alternatives.⁵

Having received no alternative route suggestions during the EA scoping process, EERA staff is not recommending any alternatives routes, alternative route segments, and/or alignment modifications. Related to this finding, the EA Scoping Decision does not contain a relative merits discussion.

HAVING REVIEWED THE MATTER, consulted with Department EERA staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following Scoping Decision:

MATTERS TO BE ADDRESSED

The issues outlined below will be identified and described in the EA for the proposed GRE Lake Eunice 115 kV Conversion Project. The EA will describe the Project and the human and environmental resources at the facility location. The EA will also provide information on the potential impacts of the proposed project as they relate to the topics outlined in this scoping decision, including possible mitigation for identified impacts, identification of irretrievable commitment of resources, and permits from other government entities that may be required for construction of the project.

The EA on the GRE Lake Eunice 115 kV Conversion Project will address and provide information on the following matters:

- I. Project Description**
- II. Project Purpose**
- III. Regulatory Framework**
 - a. Certificate of Need (none required)
 - b. Route Permits
 - c. Scoping Process
 - d. Public Hearing
 - e. Other Permits
 - f. Issues outside the EA
- IV. Proposed Project**
 - a. Proposed Location (Route and ROW/alignment)
 - b. ROW Requirements
 - c. Project Design
 - d. Project Construction
 - e. Project Operation and Maintenance

⁵ Commission Order, Route Alternatives, November 7, 2019. eDocket No. 201911-157326-01.

V. Potential Impacts of Proposed Project

The EA will include a discussion of the following human and environmental resources potentially impacted by the proposed project. Potential impacts, both positive and negative, of the project will be described. Based on the impacts identified, the EA will describe mitigation measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EA will describe any unavoidable impacts resulting from implementation of the proposed Project.

Data and analyses in the EA will be commensurate with the importance of potential impacts and the relevance of the information to a reasoned decision and to the consideration of the need for mitigation measures (Minnesota Rule 4410.2300). EERA staff will consider the relationship between the cost of data and analyses and the relevance and importance of the information in determining the level of detail of information to be prepared for the EA. Less important material may be summarized, consolidated or simply referenced.

If relevant information cannot be obtained within timelines prescribed by statute and rule, or if the costs of obtaining such information is excessive, or the means to obtain it is not known, EERA staff will include in the EA a statement that such information is incomplete or unavailable and describe the relevance of the information in evaluating potential impacts or mitigation (Minnesota Rule 4410.2500).

a. Human Settlement

- i. Public Health and Safety (including EMF, stray voltage/induced current)
- ii. Displacement
- iii. Noise
- iv. Aesthetics
- v. Socioeconomics (including property values, agriculture business)
- vi. Cultural Values
- vii. Recreation
- viii. Public Services and Infrastructure (including TV/internet interference, transportation, and ROW access and trespass control)
- ix. Land Use and Zoning

b. Land Based Economies

- i. Agriculture
- ii. Forestry
- iii. Tourism
- iv. Mining

c. Archaeological and Cultural Resources

d. Natural Environment

- i. Air
- ii. Geology, Soils and Groundwater
- iii. Surface Water
- iv. Wetlands
- v. Vegetation
- vi. Wildlife
- vii. Rare and Unique Natural Resources

VI. Cumulative Impacts

- a. Other projects, if any, under construction or reasonably foreseeable projects in the area

- b. Associated Actions (Lake Region Cooperative's removal of the 41.6 kV line between Structure 161 and the Audubon Switch and upgrade to the Lake Eunice Substation)

VII. Unavoidable Impacts

VIII. Irreversible and Irretrievable Commitments of Resources

The above outline is not intended to serve as a table of contents for the EA document itself. Therefore, the organization and structure of the document may not be the same as that appearing here.

ROUTES TO BE EVALUATED IN THE ENVIRONMENTAL ASSESSMENT

No alternative routes, alternative route segments, and/or alignment modifications were put forth for consideration during the scoping comment period.

IDENTIFICATION OF PERMITS

The EA will include a list and description of permits or approvals from other government entities that may be required for the proposed project.

ISSUES OUTSIDE THE SCOPE OF THE ENVIRONMENTAL ASSESSMENT

The EA for the GRE Lake Eunice 115 kV Conversion Project will not consider the following:

- A. No-build alternative or other system alternatives related to Project need, per Minnesota Statutes 216E.02, Subd. 2.
- B. Any route alternative(s) not specifically identified in this scoping decision.
- C. The manner in which land owners are compensated for route easements, as that is outside the jurisdiction of the Commission.

SCHEDULE

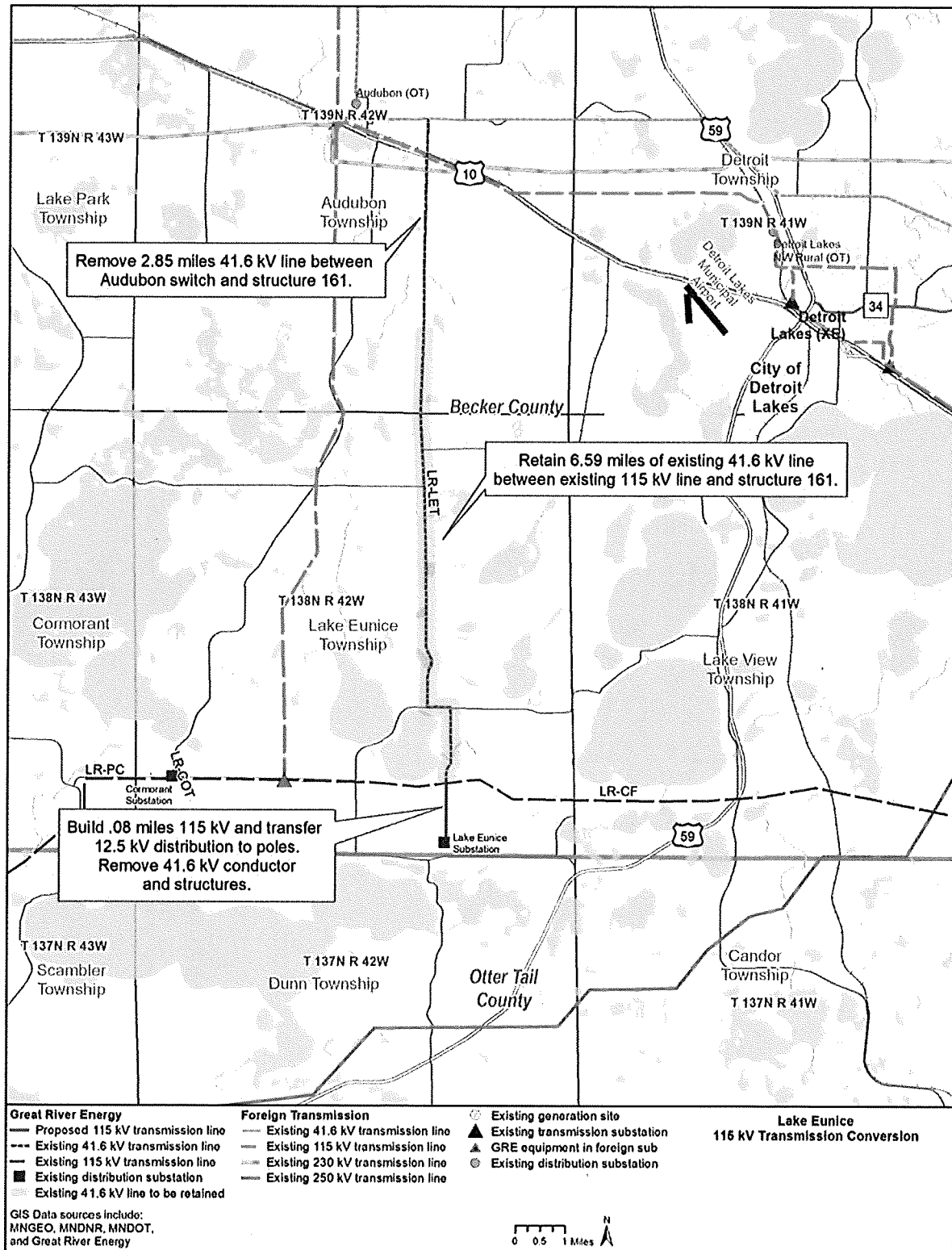
The EA is anticipated to be completed and available by the end of January 2020. A public hearing will be held in the project area after the Environmental Assessment has been issued and notice served.

Signed this 14 day of November, 2019

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE


Katherine Blauvelt, Assistant Commissioner

FIGURE 1 PROJECT LOCATION



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 Assessment Scoping Decision**

Docket No. ET2/TL-19-311

Dated this 15th day of **November 2019**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_19-311_TL-19-311
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_19-311_TL-19-311
Dan	Leshner	dlesher@greenergy.com	Great River Energy	12300 Elm Creek Blvd Maple Grove, MN 55369	Electronic Service	No	OFF_SL_19-311_TL-19-311
Patrick	Mahlberg	pmahlberg@fredlaw.com	Fredrikson & Byron, P.A.	200 S 6th St Ste 4000 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-311_TL-19-311
Marsha	Parlow	mparlow@greenergy.com	Great River Energy	12300 Elm Creek Boulevard Maple Grove, MN 553694718	Electronic Service	No	OFF_SL_19-311_TL-19-311
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_19-311_TL-19-311
Haley	Waller Pitts	hwallerpitts@fredlaw.com	Fredrikson & Byron, P.A.	200 S 6th St Ste 4000 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-311_TL-19-311
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_19-311_TL-19-311