



ENVIRONMENTAL IMPACT STATEMENT

DRAFT SCOPING DOCUMENT

1.0 INTRODUCTION

On October 1, 2009, Xcel Energy and Great River Energy (Applicants) submitted a high voltage transmission line (HVTL) Route Permit application to the Minnesota Public Utilities Commission (Commission) for the proposed Fargo to St. Cloud 345 kV Transmission Line Project (Project).

Minnesota Statute 216B.243, subd. 2, states that no large energy facility shall be sited or constructed in Minnesota without the issuance of a Certificate of Need by the Commission. A large energy facility is defined as any high-voltage transmission line with a capacity of 200 kilovolts or more and greater than 1,500 feet in length (Minnesota Statute 216B.2421, subd. 2(2)). The 345 kV transmission lines proposed for the Project qualify as a large energy facility and require a Certificate of Need. A Certificate of Need for the CapX 2020 projects, of which this application is a part, was issued by the Commission on May 22, 2009.

Minnesota Statute 216E.03, subd. 2, provides that no person may construct a high voltage transmission line without a route permit from the Commission. An HVTL is defined as a transmission line of 100 kV or more and greater than 1,500 feet in length in Minnesota Statute 216E.01, subd. 4. The 345 kV transmission line proposed here is an HVTL and therefore a route permit is required prior to construction. The application was submitted pursuant to the provisions of the Full Permitting Process outlined in Minn. Rule 7850.1000 to 7850.1700.

The route permit review process began with the determination by the Commission in its Order of November 13, 2009, that the application is complete. The Commission has one year to reach a final decision on the route permit application from the date the application is determined to be complete. The Commission may extend this limit for up to three months for just cause or upon agreement of the applicant (Minn. Rule 7849.5340).

2.0 PROJECT DESCRIPTION

Xcel Energy and Great River Energy are making this Application to construct a new 345 kV high voltage transmission line (HVTL) between the Red River, either at a location south of Moorhead or south of Breckenridge, and the new Quarry Substation west of St. Cloud.

The Minnesota portion of the proposed Fargo to St. Cloud 345 kV Project will be approximately 169 to 180 miles long, extending from the Red River to the existing Alexandria Switching Station located south of Alexandria and to the new Quarry Substation to be located west of St. Cloud. The North Dakota portion of the Project from a new Bison Substation west of Fargo to the Red River, depending on the route selected, will be approximately 31 to 81 miles.

The proposed structures will primarily include single-pole, double-circuit capable, self-weathering or galvanized steel structures that will range in height between 130 and 175 feet. The span length between structures will range between 600 and 1,000 feet depending on site-specific considerations. Although the proposed line will be built using double-circuit capable poles, only one circuit will be installed for this Project. The second position will be left available for a future additional circuit, as per the Commission's Certificate of Need (CN) Order. The right-of-way for the proposed 345 kV electrical transmission line will generally be 150 feet in width.

Construction of the Project is expected to begin in 2014 and be completed and in service by the third quarter of 2015.

3.0 EIS SCOPING PROCESS

The purpose of the scoping process is to provide the public with an opportunity to participate in the development of the scope of the EIS by holding a public meeting and soliciting public comment.

From January 19 to January 28, 2010, the Office of Energy Security (OES) Energy Facility Permitting staff (EFP) will hold 12 public information meetings in six cities along the route: Barnesville, Fergus Falls, Elbow Lake, Alexandria, Melrose and St. Joseph. The meetings will start at 1:30 pm and 6:30 pm. The purpose of the meeting is 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 that should be considered during preparation of the environmental review document. Written comments may also be submitted; written comments must be submitted no later than Friday, February 12, 2010.

Written comments should be mailed or emailed to David Birkholz (david.birkholz@state.mn.us), Minnesota Department of Commerce, Office of Energy Security, 85 7th Place, Suite 500, St. Paul, Minnesota 55101-2198; or fax 651.297.7891.

The scoping process also includes the convening of an advisory task force (ATF). The ATF members will assist the OES in determining specific impacts and issues of local concern between Freeport and St. Cloud that should be evaluated in the EIS. The ATF will focus primarily on land use planning issues and impacts. ATF members will also assist the OES in determining potential route alternatives that should be assessed in the EIS.

Persons who want to be advised of the OES scoping decision can register their names with the OES EFP staff at the public meeting, on the Public Utilities Commission's website or contact David Birkholz at (651) 296-2878. The final scoping decision will also be posted on the Public Utilities Commission's website.

4.0 COMMENTS

This section will address substantive comments received during the scoping process. The scoping document will discuss here the questions and comments received and approaches to addressing those questions envisioned for the EIS.

The section will also address possible alternatives raised by the public and the advisory task force. It will explain here which alternative routes or line segments will be included in the environmental impact statement.

5.0 DRAFT SCOPING OUTLINE

The Environmental Impact Statement on the Fargo to St. Cloud 345 kV Transmission Line Project will address and provide information on the following matters (and other matters that arise through the scoping process):

A. GENERAL DESCRIPTION OF THE PROPOSAL

1. Purpose of the Purposed Transmission Line.
2. Regulatory Framework
3. Project Location and Setting
4. Project Description/Engineering and Operation Design
 - Transmission Line and Structures
 - Transmission Capacity
 - Construction Procedures
 - ROW Requirements

B. ALTERNATIVES TO BE ADDRESSED IN THE EIS

At this time the OES EFP staff is not recommending that any additional routes, other than those presented in Xcel Energy's HVTL Route Permit Application, be evaluated in the EIS. However, alternatives may well arise through the public comment and advisory task force processes.

C. IMPACTS AND MITIGATIVE MEASURES

1. Human Settlements
2. Noise
3. Aesthetics
4. Recreation
5. Transportation
6. Land Use
7. Prime Farmland
8. Soils and Geology
9. Flora
10. Fauna

11. Archaeological and Historic Features
12. Air Quality
13. Surface Water
14. Wetlands
15. Human Health and Safety
 - Electric and Magnetic Fields (EMF)
 - Stray Voltage
16. Potential for radio, television and cell phone interference from transmission lines

6.0 SCHEDULE FOR COMPLETION OF EIS

A draft Environmental Impact Statement on the HVTL should be completed by July 2010.

Upon completion of the draft EIS, the OES EFP staff will notify those persons who have asked to be notified of the completion. In addition, the OES EFP staff will publish notice of the availability of the draft EIS in the EQB Monitor (the bi-weekly newsletter of the EQB). The draft EIS will be made available for review and will be posted on the Public Utilities Commission's webpage. The OES EFP staff will hold public meetings in the project areas to provide an opportunity for the public to ask questions and to comment on the draft EIS. The public will also have a period of time (at least 10 days) after the hearing to submit written comments.

Comments on the draft EIS shall become part of the record in the proceeding for this docket.

Applications for high voltage transmission line route permits under the full permitting process require a contested-case hearing upon completion of the draft EIS pursuant to Minn. Rule 7850.2600. The hearing must be conducted by an administrative law judge from the Office of Administrative Hearings pursuant to the contested case procedures of Minnesota Statutes, chapter 14. Notice of the hearing must be given in accordance with Minnesota Statutes, section 216E.03, subdivision 6. A portion of the hearing will be held in the areas where the proposed project would be located.

7.0 IDENTIFICATION OF PERMITS

The Environmental Impact Statement will include a list of permits that will be required for the project proposers to construct this project.