

July 22, 2003

House Regulated Industries Committee

Chair - Torrey Westrom, 381 State Office Building

Lead Minority - Irv Anderson, 321 State Office Building

House Environmental and Natural Resources Finance Committee

Chair - Dennis Ozment, 479 State Office Building

Lead Minority - Jean Wagenius, 251 State Office Building

House Environmental and Natural Resources Policy Committee

Chair - Tom Hackbarth, 409 State Office Building

Lead Minority - Karen Clark, 307 State Office Building

Senate Commerce and Utilities Committee

Chair - Ellen Anderson, 120 Capitol

Lead Minority - Mady Reiter, 132D State Office Building

Senate Environmental and Natural Resources Committee

Chair - John Marty, 323 Capitol

Lead Minority - Pat Pariseau, 117 State Office Building

Senate Finance Committee, Environment, Agriculture and Economic
Development Division

Chair - Dallas Sams, 328 Capitol

Lead Minority - Steve Dille, 103 State Office Building;

Dennis Frederickson, 139 State Office Building

Re: The Proposed Amendment of Environmental Review Rules of the Minnesota
Environmental Quality Board Relating to Large Electric Power Plants and High-
Voltage Transmission Lines

Dear Legislators:

The Minnesota Environmental Quality Board intends to amend environmental review rules relating to environmental review of large electric power plants and high-voltage transmission lines in proceedings before the Public Utilities Commission, Minnesota Rules, chapter 4410, and to make technical amendments to rules governing power plant siting and high-voltage transmission line routing, Minnesota Rules, chapter 4400. EQB had originally intended to adopt these rules without a public hearing. However, EQB received 30 requests to hold a public hearing on the proposed rules and so has scheduled that hearing for September 4, 2003 as described in the enclosed notice. The EQB plans to publish a Notice of Public Hearing in the July 21, 2003 *State Register*.

As required by Minnesota Statutes, sections 14.131 and 14.23, EQB sent you a letter on May 9, 2003 advising of the rulemaking. A copy of the proposed rules and the Statement of Need and Reasonableness was included in that mailing. Another copy of each is not enclosed in this mailing but is available on request. Copies are also available on our website at www.eqb.state.mn.us.

The proposed amendments require the Environmental Quality Board to prepare an Environmental Report on every proposed large energy facility at the time the project proposer applies to the Minnesota Public Utilities Commission for a certificate of need or other need certification. Large energy facilities are generally power plants with a capacity of 50 megawatts or more and transmission lines in excess of 100 kilovolts.

The rules establish a procedure for the EQB to follow in determining what matters will be considered as part of the environmental review. The procedures require the EQB to hold a public meeting to answer questions about the project and to provide an opportunity for the public to comment about the alternatives and possible impacts to evaluate in the Environmental Report. The proposed rules require the EQB to complete the Environmental Report within four months of commencement of the process. Upon completion of the Report, the EQB will provide a copy to the PUC for its consideration in making a final decision on the need for the project. The proposed rules recognize that in the event the applicant for a certificate of need has also applied to the EQB for a permit for a specific site or route, the EQB could elect to combine environmental review into one process. The rules also provide that the applicant for the certificate of need must pay the reasonable fees incurred by the EQB in conducting environmental review.

If you have any questions, please contact me at 651-296-3714.

Yours very truly,

Alan Mitchell
Power Plant Siting Manager

Enclosure: Notice of Public Hearing