



In the Matter of the Application of Otter Tail Power Company, Minnesota Power, and Minnkota Power Cooperative for a Route Permit for a 230-kV Transmission Line from Bemidji to Grand Rapids, Minnesota

**ENVIRONMENTAL IMPACT
STATEMENT
REVISED SCOPING DECISION**

**PUC Docket No. E017, E015, ET6/
TL-07-1327**

The above matter has come before the Director of the Office of Energy Security (OES) for a decision on the content of the Environmental Impact Statement (EIS) to be prepared in consideration of the Otter Tail Power Company, et al., Application for a Route Permit for a 230 kilovolt (kV) high voltage transmission line (HVTL) between the Wilton Substation, located east of Bemidji and the Boswell Substation in Cohasset (project). The project would affect portions of Beltrami, Hubbard, Cass and Itasca counties.

A Route Permit Application (E017, E015, ET6/ TL-07-1327) for the project was filed on June 4, 2008, and accepted on June 30, 2008. The Director issued a Scoping Decision for the EIS on March 31, 2009.

During the development of the Draft EIS, routing constraints and additional routing opportunities were identified in certain areas. In order to avoid the identified constraints it is possible that a final route may be located somewhat outside of the route alternatives identified in the March 31, 2009 scoping decision. In addition to the routing constraints, certain opportunities to route along existing transmission lines and pipelines were also identified. OES staff, with the assistance of the Applicants, developed nine additional segment alternatives to route around the identified constraints and allow the opportunity to consolidate with existing infrastructure. These new segments range in length from 0.2 to 5.6 miles. All of these areas are within the area noticed by the Applicants prior to the scoping meetings held in August, 2008.

In order to develop a more complete record on these new segments, OES staff recommended that these segments be included in the EIS being prepared for the Project.

Having reviewed the matter, and having consulted with staff, I hereby make the following Order on the content of the EIS:

MATTERS TO BE ADDRESSED

The EIS on the proposed Bemidji – Grand Rapids 230 kV High Voltage Transmission Line Project will address and provide information on the following matters:

A. GENERAL DESCRIPTION OF THE PROPOSAL: The EIS will describe the proposed project, including a summary of the project background and a description of the general study area as identified in the March 31, 2009 Scoping Decision.

B. REGULATORY FRAMEWORK: The EIS will provide information on the regulatory framework as described in the March 31, 2009 Scoping Decision.

C. AFFECTED ENVIRONMENT AND ENVIRONMENTAL CONSEQUENCES: The EIS will include a discussion of the social and environmental resources potentially impacted by the project and its alternatives as identified in the March 31, 2009 Scoping Decision.

D. ALTERNATIVES TO BE EVALUATED IN EIS: The EIS will identify and discuss alternatives to the proposed project as identified in the March 31, 2009, Scoping Decision. In addition to the three route alternatives identified in the March 31, 2009, Scoping Decision, the EIS will evaluate 20 segment alternatives. Eleven of the 20 segment alternatives were identified in the route map attached to the March 31, 2009, Scoping Decision. Nine additional route segments will be evaluated in the EIS, to allow for the Project to be routed around the identified constraints and possibly consolidate with existing transmission lines or adjacent to existing pipelines:

- Segment Alternative F is a 1.3 mile segment that would provide an alternative route through Cass Lake between Minnesota Highway 371 and Pike Bay. The segment would deviate from Route Alternative 2 by heading south along Minnesota Highway 371, then east across a Chippewa National Forest parcel.
- Segment Alternative G is a 1.6-mile segment in the Bemidji area that follows Enbridge pipeline and 115 kV transmission line from the Wilton Substation to the point where the pipeline and transmission line diverge north of Division Street.
- Segment Alternative H is a one-mile segment that could connect Segment Alternative G with Route Alternative 2 along the same 115 kV transmission line followed by Segment Alternative G.
- Segment Alternative I is a 0.5 miles segment connecting Segment Alternative G with Route Alternative 2 parallel to the Enbridge pipeline.
- Segment Alternative K is a 5.9 mile segment connecting Route Alternatives 1 and 2 between approximately Hubbard County Road 15 and the existing Cass Lake Substation.
- Segment Alternative L is a 2.5 mile segment connecting Segment Alternative A with Route 1 along Otter Tail Power Company's Nary-to-Cass Lake 115 kV transmission line. This segment would terminate at a new Cass Lake Substation location in Pike Bay Township.
- Segment Alternative M is a 2.4-mile segment connecting Routes 1 and 2 along the Otter Tail Power Company's Nary-to-Cass Lake 115 kV transmission line.
- Segment Alternative P is a 0.4-mile segment connecting Route Alternatives 1 and 2 across US Highway 2 between the Mississippi River and Ball Club Lake.

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- Segment Alternative Q is a 0.2-mile segment connecting Route Alternatives 1 and 2 east of Deer River.

E. IDENTIFICATION OF PERMITS: The EIS will include a list of permits required for the applicant to construct this project as described in the March 31, 2009 Scoping Decision.

ISSUES OUTSIDE THE SCOPE OF THE EIS

The Draft Environmental Impact Statement will not consider the following materials:

1. The manner in which land owners are paid for transmission right-of-way easements, as that is outside the PUC route permitting jurisdiction
2. Any route alternatives not specifically identified in this Scoping Decision

STATE AND FEDERAL COORDINATION

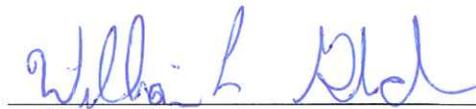
Minnesota Rule 4410.3900 anticipates coordinating state and federal review where possible. The OES, through the Department of Commerce, has entered into a Memorandum of Understanding with the Rural Utilities Service to prepare an EIS to meet both federal and state requirements. OES will prepare both an Environmental Report and EIS for the project to meet the state requirements. OES anticipates continued cooperation with RUS on the EIS being prepared for the route permit proceedings.

SCHEDULE

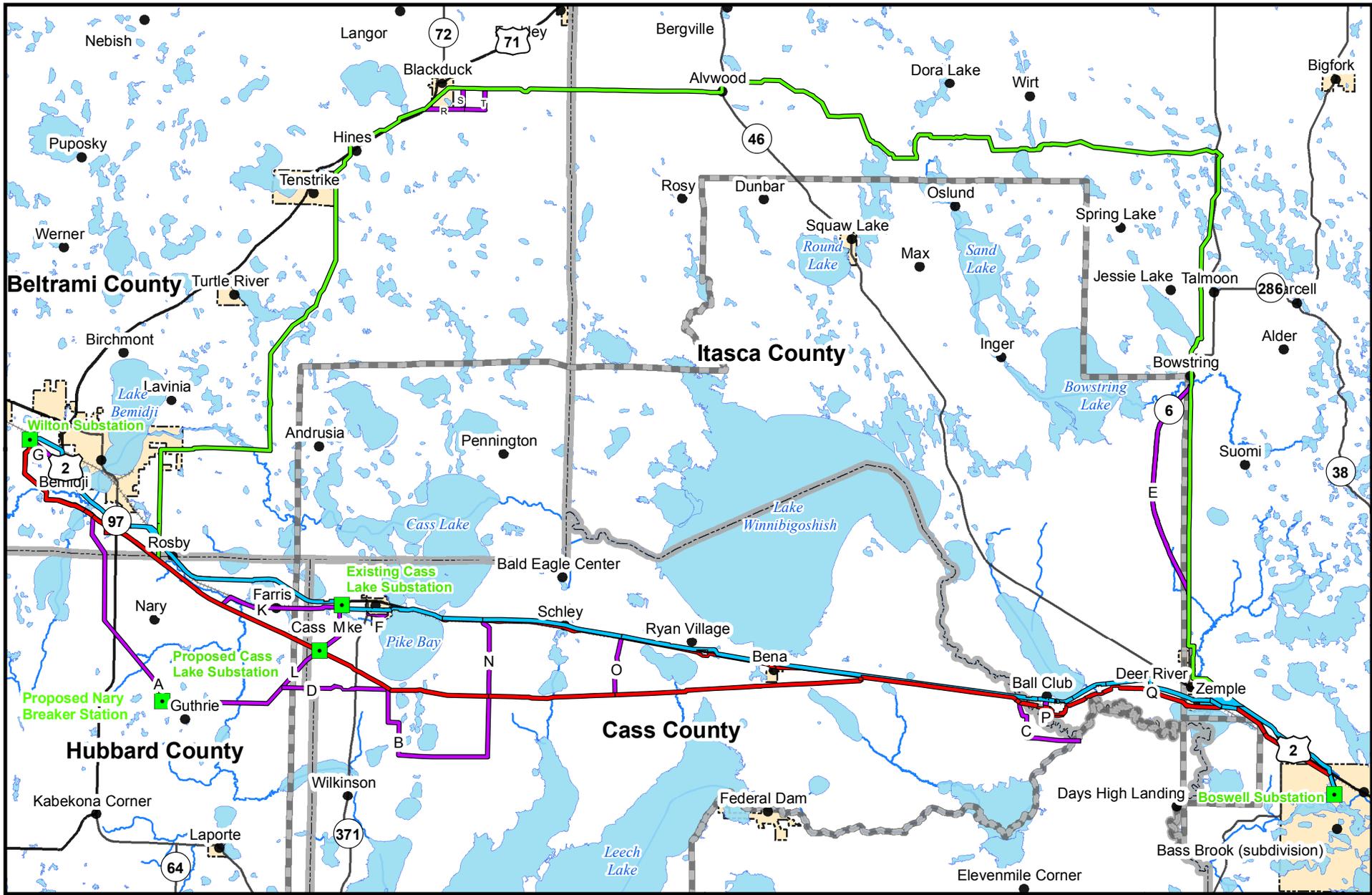
The Draft EIS shall be completed and available by February, 2010.

Signed this 5th day of February, 2010

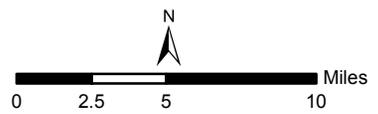
STATE OF MINNESOTA
OFFICE OF ENERGY SECURITY



William Glahn, Director



- Substation/Breaker Station
- Leech Lake Reservation
- County Boundary
- US Highway
- State/County Highway
- Route Alternative 1
- Route Alternative 2
- Route Alternative 3
- Segment Alternatives



Alternative Overview Map
230kV Bemidji to Grand Rapids Transmission Line Project
 February 2010

