



Management
Analysis
& Development

- **Minnesota Department of
Commerce**

Advisory Task Force Report Bemidji to Grand Rapids 230-kV Transmission Line

PUC Docket No. E017, E015, ET-6/TL-07-1327

September 24, 2008

Project team
Charlie Petersen

Division director
Bill Clausen

Contact information
Voice: 651-201-2290
E-mail: manalysis@state.mn.us
Fax: 651-297-1117
Website: www.admin.state.mn.us/mad
Address:
203 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

Other formats

To obtain these materials in an alternative format, — for example, large print or cassette tape — call voice 651-201-2290 or Minnesota relay, 7-1-1 or 800-627-3529 (voice, TTY, ASCII).

Copies of this report

For more information or copies of this report, contact the Minnesota Department of Commerce.

Management Analysis & Development

Management Analysis & Development is Minnesota government's in-house fee-for-service management consulting group. We are in our 23rd year of helping public managers increase their organization's effectiveness and efficiency. We provide quality management consultation services to local, regional, state, and federal government agencies, and public institutions.

Contents

Introduction	1
Methodology	2
Impacts and Issues to Consider in the EIS	2
Benefits and Issues of the Proposed Routes	3
Routes to Consider in the EIS	4
Conclusions	4
Appendices	5

Introduction

On March 17, 2008, Otter Tail Power Company, Minnesota Power, and Minnkota Power Cooperative (the Applicants) filed an application for a certificate of need with the Minnesota Public Utilities Commission (PUC) for a 230 kV transmission line from Bemidji to Grand Rapids, MN (“project” or “transmission line project”). On June 4, 2008, the Applicants filed an application for a route permit with PUC for the proposed transmission line project.

The proposed Bemidji – Grand Rapids project is a 68-mile, 230 kV transmission line from the Wilton Substation, just west of Bemidji, MN, to the Boswell Substation in Cohasset, MN, just northwest of Grand Rapids, MN. Pursuant to Minnesota Rule 7849.5220, the applicants proposed two possible routes for the transmission line – a preferred route (Route 1) and an alternate route (Route 2). Route 1 generally follows the Great Lakes Gas Transmission Company pipeline right-of-way from the Wilton Substation to just east of Deer River, where it then follows a Minnesota Power 115 kV transmission line to the Boswell Substation. Route 2 generally follows U.S. Highway 2 and Enbridge Energy pipeline rights-of-way. Several smaller route segments were identified within these routes to avoid impacts to sensitive resource areas (See Appendix A for maps of the applicants’ proposed routes).

On April 24, 2008, the Minnesota Public Utilities Commission (PUC) authorized the Department of Commerce, Office of Energy Security (OES) to establish an Advisory Task Force (ATF) to advise the PUC on: (1) what routes should be evaluated, and (2) what impacts and issues should be considered in the environmental impact statement (EIS) for the Bemidji – Grand Rapids project (See Appendix B for ATF Charge).

OES staff solicited ATF nominations from 25 local units of government located along the routes proposed by the applicants. On July 2, 2008, the OES appointed eight persons to the Advisory Task Force:

Advisory Task Force Member	Governmental Unit
Jack Frost	Beltrami County
Dave Olsonawski	Hubbard County
Lori Dowling	Itasca County
Donna Andersen	Frohn Township, Beltrami County
Wanda Arenz	Farden Township, Hubbard County
Vernon Barsness Sr.	Pike Bay Township, Cass County
Larry Martinson	Wilkinson Township, Cass County
Jeanne Bixby	Morse Township, Itasca County

Methodology

The Advisory Task Force met July 14 and August 13, 2008 (See Appendix C for ATF meeting notices). The meetings were open to the public, and in addition to task force members were attended by OES staff, representatives of federal agencies, and the applicants. The ATF, through a facilitated process, discussed the proposed project and the charge of the task force. It was determined that before addressing the first part of the charge – “what routes should be evaluated” – it would serve the task force well to first flesh out the impacts and issues that should be considered in the EIS. Impacts and issues were discussed at the first meeting and task force members were given “homework” of identifying specific issues and impacts that would be important to consider for the Bemidji – Grand Rapids project.

At the second meeting of the ATF, task force members reviewed and prioritized the issues and impacts to be considered in the EIS. Task force members reviewed in detail the applicants’ preferred and alternate routes for the transmission line to address questions of clarity. After further discussion, ATF members were asked to identify the potential benefits and issues with each of the routes. ATF members then discussed whether there were any additional routes or route segments – beyond those proposed by the applicants – that should be included and evaluated in the EIS.

Impacts and Issues to Consider in the EIS

ATF members identified the issues and impacts by responding to the following question: “What impacts and issues should be considered in the environmental impact statement (EIS) prepared for the proposed project?”

ATF members identified the following impacts and issues, in order of importance:

Most important issues:

- Impacts on homeowners; the location of the line and easements
- Impacts on wetlands
- Forestry and logging impacts

Very important issues:

- Vegetation control; pesticides and water quality
- Agricultural impacts; pastures, grazing animals; health effects on animals

Less important issues:

- Right-of-way widths; sharing easements
- Health effects on humans

Other issues identified:

- Canoeing, recreation, wild rice; changes in the water table due to the line, especially in the Necktie River area

- Local emergency services; impacts on response capabilities; power shut-offs
- Increased storm activity; impacts on service and reliability
- Poles used as nesting sites by birds; impacts on eagles
- Interference with radios, TV, electronics
- Noise from the line
- One hundred year-old oak trees around Heart Lake
- Impact on cedar trees especially around Necktie River but also in other areas

Benefits and Issues of the Proposed Routes

To better understand how impacts and issues interact with route development and the possibility of alternative routes, ATF members reviewed the two proposed routes. For each route, they identified the benefits and issues associated with the route. The benefits and issues included:

Route 1 (Applicants' Preferred Route)

Benefits Identified

- Fewer people will be impacted by the construction and operation of the line.
- Less expensive because it follows existing rights-of-way.
- Where rights-of-way need to be purchased, cost should be minimal because the area is not developed.
- Community of Deer River impacted minimally because line goes south of community.
- May be able to co-locate power lines on existing power poles (check).

Issues Identified

- Route is not the most direct line, has to go around some areas to reduce impact.
- May have limited accessibility when further away from U.S. Highway 2.
- Some impact on environment when away from U.S. Highway 2 corridor.
- Crosses migratory waterfowl flyway on Pike Bay.
- Some areas in wetlands may only be accessible in winter for line maintenance.

Possible Mitigation for Issues

- To address waterfowl flyway, consider altering line between Pike Bay and Moss Lake in Cass County; consider option to follow existing pipeline right-of-way.

Route 2 (Alternate Route)

Benefits Identified

- Shorter route in miles than Route 1.
- Easier to access in all weather for maintenance.
- Uses existing corridor (U.S. Highway 2).

Issues Identified

- Limited ability to add more lines or expand.
- Impacts a larger number of homes and businesses (than Route 1).
- Crosses U.S. Highway 2 a number of times.
- Density of items in corridor; co-location with other utilities.
- Interferes with car radios on U.S. Highway 2.
- Higher cost of right-of-way (than Route 1).
- Negative visual impact for cars on highway.
- New Enbridge pipeline also uses same area (density, overburden on homeowners).

Routes to Consider in the EIS

ATF members discussed whether there were any additional routes or route segments that should be included in the EIS. ATF members considered the routes and route segments proposed by the applicants as well as the route corridors (macrocorridors) that were studied by the applicants prior to deciding on the two proposed routes. ATF members recommended no additional routes to be evaluated in the EIS.

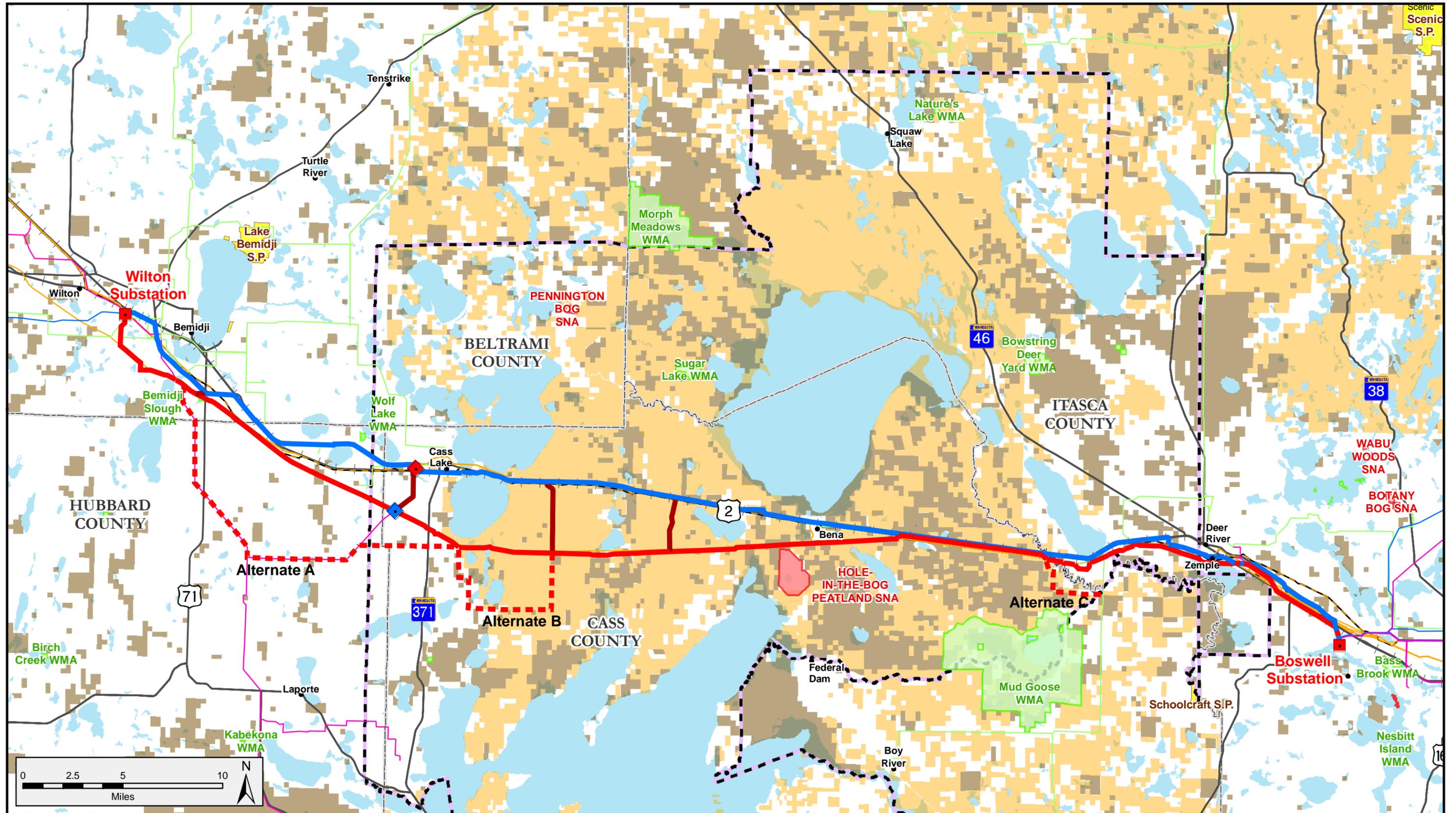
ATF members determined that other corridors and routes, beyond those proposed by the applicants, were too far out of the way and would add too much cost to the project thereby out-weighting any benefit they might have in avoiding sensitive environmental areas. Additionally, their length, which would be greater than the proposed routes, would likely mean greater environmental impact than the proposed routes.

Conclusions

1. **Impacts and Issues Identified:** The ATF identified and prioritized 15 impacts and issues to be considered in the EIS (noted above).
2. **No New Routes Identified:** The ATF identified no additional routes, beyond those proposed by the applicants, to be evaluated in the EIS.

Appendix A

Maps of Routes and Macrocorridors



Map Document: (N:\GIS\Proj\Other\48496\map_docs\mnd\MN route app\Report\Revised\Fig_01_Overview_11x17_052108.mxd) 5/21/2008 - 5:58:39 PM



Proposed Route Segments

- Route 1
- Route 2
- Alternate Route Segments
- Routes 1 & 2
- Crossover Segments

- Project Endpoint
- Potential Cass Lake Substation Expansion
- Potential New Substation

Existing Transmission Lines

- 69 kV
- 115 kV
- 230 kV

- Proposed Pipelines
- Existing Pipelines
- Leech Lake Reservation
- Chippewa NF Owned Lands

- MN DNR State Forest
- MN DNR WMA
- MN DNR State Park
- MN DNR SNA

Figure 1 - Overview
230 kV Bemidji to Grand Rapids
Transmission Line Project
Minnkota Power Cooperative,
Otter Tail Power Company & Minnesota Power

Map Document: (N:\GIS\Proj\OterTail\48496\map_docs\mxo\RU5_apps\macro_corridor\report\Special_edit\map_11x17L_corridor_overview_map.mxd) 3/4/2008 - 11:50:54 AM

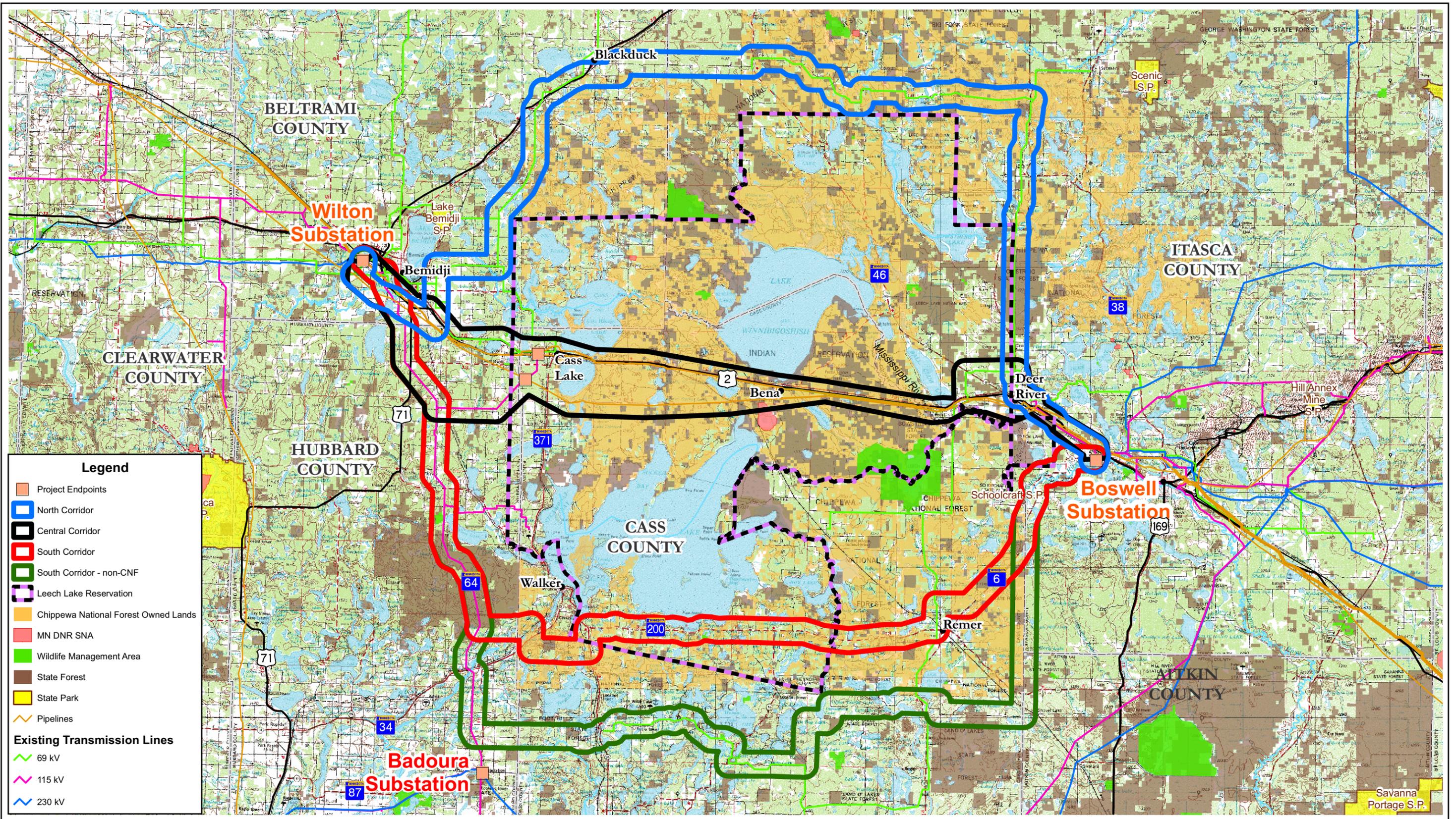


Figure 2 - Corridors Map
 230 kV Bemidji to Grand Rapids Transmission Line Project
 Minnkota Power Cooperative, Otter Tail Power Company and Minnesota Power

CapX2020
 Delivering electricity you can rely on

Bemidji-Grand Rapids
 230-kV line

Appendix B

Advisory Task Force Charge



In the Matter of the Application of Otter Tail Power Company, Minnesota Power and Minnkota Power Cooperative for A Route Permit for the Bemidji – Grand Rapids 230 kV Transmission Project

ADVISORY TASK FORCE DECISION AND CHARGE

PUC Docket E017, E015, ET-6/TL-07-1327

The above-entitled matter came before the Director of the Department of Commerce Office of Energy Security (OES) for a decision on the appointment of an Advisory Task Force (ATF) to advise the Public Utility Commission (Commission) on the application of Otter Tail Power Company, Minnesota Power, and Minnkota Power Cooperative (the Applicants) for a High Voltage Transmission Line Route Permit for the Bemidji – Grand Rapids 230 kV Transmission Project.

WHEREAS, the Applicants submitted an application for a Certificate of Need for the Bemidji – Grand Rapids Transmission Project on March 17, 2008; and

WHEREAS, Minnesota Statute 216E.08 provides for the establishment of an ATF to assist the Commission in carrying out its duties. Under the statute, the Commission shall provide guidance to the ATF in the form of a charge to the ATF and through specific requests to it; and

WHEREAS, Minnesota Statute 216E.08 establishes that an ATF be comprised of at least one representative from each of the following: regional development commissions, counties, municipal corporations, and a town board from each county in which a route is proposed to be located. This rule further stipulates that no officer, agent, or employee of the applicant shall serve on the citizen's advisory committee; and

WHEREAS, on April 10, 2008, the Commission authorized the OES to establish an ATF for the project, and

THEREFORE, having reviewed this information, the OES makes the following determination with regard to the need for and charge to an ATF relating to this matter.

Advisory Task Force Authorization

As authorized by the Commission, the OES establishes an ATF to advise it in identifying impacts and route alternatives to be evaluated in the Environmental Impact Statement prepared by OES Energy Facility Permitting (EFP) staff for the proposed Bemidji –

Grand Rapids Transmission Project. ATF members will be solicited, as required by Minnesota Statute 216E.08, subpart 1, from the following governmental units:

- Arrowhead Regional Development Commission
- Headwaters Regional Development Commission
- Region 5 Regional Development Commission
- Beltrami County
- Bemidji
- Rosby
- Bemidji Township
- Frohn Township
- Grant Valley Township
- Hubbard County
- Farris
- Guthrie
- Nary
- Farden Township
- Guthrie Township
- Hart Lake Township
- Helga Township
- Cass County
- Bena
- Cass Lake
- Federal Dam
- Otter Tail Peninsula NW Township
- Otter Tail Peninsula NE Township
- Pike Bay Township
- Wilkinson Township
- Itasca County
- Ball Club
- Zemple
- Cohasset Township
- Deer River Township
- Morse Township

The ATF will comprise no more than 24 members.

The OES charges the advisory task force members as follows:

The ATF members will assist the OES in determining (1) what routes should be evaluated and (2) what impacts and issues should be considered in the environmental impact statement prepared for the Bemidji – Grand Rapids Transmission Project. ATF members are expected to participate with OES EFP staff in up to five working meetings and develop a summary report for the Director containing their recommendations. The ATF will expire upon the EIS scoping decision.

The OES EFP staff is directed to compile a list of names for possible appointment to the ATF.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
OFFICE OF ENERGY SECURITY



Edward A. Garvey, Director

Appendix C

Advisory Task Force Notices



**State of Minnesota
Office of Energy Security**

Issued: July 2, 2008

**NOTICE OF THE APPOINTMENT OF AN
ADVISORY TASK FORCE
FOR THE BEMIDJI – GRAND RAPIDS TRANSMISSION LINE PROJECT**

PUC Docket Number: E017, E015, ET-6/TL-07-1237

PLEASE TAKE NOTICE that the Minnesota Department of Commerce, Office of Energy Security (OES) has appointed the following individuals to serve as members of an Advisory Task Force (ATF) for the proposed Bemidji – Grand Rapids transmission line project. Additional appointments may be made; the final task force membership may be larger.

Bemidji – Grand Rapids Advisory Task Force

Name	Governmental Body
Jack Frost	Beltrami County
Dave Olsonawski	Hubbard County
Lori Dowling	Itasca County
Donna Andersen	Frohn Township
Wanda Arenz	Farden Township
Vernon Barsness Sr.	Pike Bay Township
Larry Martinson	Wilkinson Township
Jeanne Bixby	Morse Township

The ATF will assist OES staff throughout the Environmental Impact Statement (EIS) scoping process and assist OES staff in determining the following:

1. What routes should be evaluated for the proposed transmission line project, and
2. What impacts and issues should be considered in the EIS for the project.

The project application from Otter Tail Power Company, Minnesota Power, and Minnkota Power Cooperative was accepted by the Public Utilities Commission (PUC) on June 26, 2008. Copies of the application can be viewed on the PUC website, where persons can also request to be added to the project mailing list: <http://energyfacilities.puc.state.mn.us/Docket.html?Id=19344>

Questions about the ATF should be directed to Ray Kirsch (raymond.kirsch@state.mn.us), Public Advisor, Department of Commerce, 85 7th Place East, Suite 500, St. Paul, MN 55101. Telephone 651.296.7588, facsimile 651.297.7891 (TTY relay service 800.627.3529).



**State of Minnesota
Office of Energy Security**



Issued: July 2, 2008

NOTICE OF ADVISORY TASK FORCE MEETING

PUC Docket Number: E017, E015, ET-6/TL-07-1237

PLEASE TAKE NOTICE that a meeting of the Advisory Task Force for the proposed Bemidji – Grand Rapids transmission line project will be held at the date and location listed below.

ADVISORY TASK FORCE MEETING

Monday, July 14, 2008

1:00 – 4:00 P.M.

Cass Lake City Council Chambers

330 2nd Street NW

Cass Lake, MN

Otter Tail Power Company, Minnesota Power, and Minnkota Power Cooperative are proposing to build a 230 kilovolt (kV) transmission line from Bemidji to Grand Rapids, MN. These companies have identified an initial 68-mile corridor through which the line could be routed.

The Minnesota Public Utilities Commission (PUC) has authorized the Department of Commerce, Office of Energy Security (OES) to establish an Advisory Task Force (ATF) to advise the PUC on the routes to be evaluated and the impacts and issues to be considered in the environmental impact statement. OES staff has solicited ATF nominations from local units of government located along the proposed and alternative routes identified in the application.

The first meeting of the ATF will be from 1:00 to 4:00 P.M. on July 14, 2008, at the Cass Lake City Council Chambers. This meeting is open to the public, but participation will be limited to task force members. A series of public scoping meetings to gather input on routes to be evaluated and impacts and issues to be considered in the environmental impact statement will be held in the project area in August. A notice announcing the public scoping meetings will be issued once locations and times have been finalized.

PROJECT INFORMATION

A detailed explanation of the proposed project is contained in the application for a route permit filed with the PUC. Copies of the application can be viewed on the PUC website:

<http://energyfacilities.puc.state.mn.us/Docket.html?Id=19344>

If you have questions or would like more information about this project, please contact Project Manager, Suzanne Steinhauer (Tel: 651.296.2888 or suzanne.steinhauer@state.mn.us) or Public Advisor, Ray Kirsch (Tel: 651.296.7588, or raymond.kirsch@state.mn.us).



**STATE OF MINNESOTA
Office of Energy Security**



Issued: August 4, 2008

NOTICE OF ADVISORY TASK FORCE MEETING

PUC Docket Number: E017, E015, ET-6/TL-07-1237

PLEASE TAKE NOTICE that a meeting of the Advisory Task Force for the proposed Bemidji – Grand Rapids transmission line project will be held at the date and location listed below.

ADVISORY TASK FORCE MEETING

Wednesday, August 13, 2008

12:30 – 3:30 PM

Cass Lake City Council Chambers

330 2nd Street NW

Cass Lake, MN

Otter Tail Power Company, Minnesota Power, and Minnkota Power Cooperative are proposing to build a 230 kilovolt (kV) transmission line from Bemidji to Grand Rapids, MN. These companies have identified an initial 68-mile corridor through which the line could be routed.

The Minnesota Public Utilities Commission (PUC) has authorized the Department of Commerce, Office of Energy Security (OES) to establish an Advisory Task Force (ATF) to advise the PUC on the routes to be evaluated and the impacts and issues to be considered in the environmental impact statement. OES staff has solicited ATF nominations from local units of government located along the proposed and alternative routes identified in the application.

This is the second meeting of the ATF. The meeting is open to the public, but participation will be limited to task force members. The public is invited to participate in the public information and scoping meetings that will be held the week of August 11, 2008, in the towns of Blackduck, Cass Lake, Deer River, Bemidji, and Walker.

PROJECT INFORMATION

A description of the proposed project, public meeting notices, and permitting process documents can be viewed on the PUC website:

<http://energyfacilities.puc.state.mn.us/Docket.html?Id=19344>

If you have questions or would like more information about this project, please contact Project Manager, Suzanne Steinhauer (Tel: 651.296.2888 or suzanne.steinhauer@state.mn.us) or Public Advisor, Ray Kirsch (Tel: 651.296.7588, or raymond.kirsch@state.mn.us).