



**In the Matter of the Application of
EcoHarmony West Wind, LLC, for a
Certificate of Need for a Large Energy
Facility, a 280 MW Wind Energy Farm in
Fillmore County**

**ENVIRONMENTAL REPORT
SCOPING DECISION
PUC Docket No. IP-6688/CN-08-961**

The above matter has come before the Director of the Office of Energy Security (OES) for a decision on the content of the environmental report (ER) to be prepared for the EcoHarmony West Wind Project (“project”). EcoHarmony West Wind, LLC, a Minnesota limited liability company, is proposing to construct the project.

The proposed project is a 280 megawatt (MW) large wind energy conversion system located in Fillmore County, Minnesota. A final decision on turbine selection and design has not been made, but the project will consist of turbines with a rated output between 1.5 and 3.0 MW in such number and combination as to yield 280 MW. Facilities associated with the project include gravel access roads, a new substation, an operation and maintenance building, meteorological towers, and an electrical collection system.

The project will interconnect to the transmission grid through a 161 kilovolt (kV) transmission line, approximately 8.5 miles long, which will connect the new project substation to a switching station and an existing 161 kV transmission line owned by ITC-Midwest.

The project requires a certificate of need (CON), a site permit for the wind farm, and a route permit for the 161 kV transmission line from the Minnesota Public Utilities Commission (Commission). The site permit (WS-08-973) and route permit (TL-09-601) are being considered by the Commission in separate dockets.

On October 22, 2008, EcoHarmony West Wind, LLC, filed a certificate of need application with the Commission for the EcoHarmony West Wind project.¹ On January 15, 2009, the Commission issued an order accepting the application as complete and authorizing an informal review process. The proposed project is a large energy facility (Minn. Stat. § 216B.2421). As such, it requires the Minnesota Department of Commerce to prepare an environmental report (ER) for the project (Minn. Rules 7849.7030).

¹ The applicant requested a certificate of need for a 200 MW project. On July 13, 2009, the applicant requested that the Commission consider the EcoHarmony West Wind project to be a 280 MW project. To address the possibility that the Commission will grant a certificate of need for this larger size, the environmental report for this project will examine alternatives of this size.

A public meeting was held on April 15, 2009, in Harmony, Minnesota, to receive comments on the scope of the environmental report. Approximately 62 persons attended the meeting. Concerns raised by attendees included potential impacts related to noise, flicker, aesthetics, traffic, property values, and the general appropriateness of the project for the region, given its karst topography.

A public comment period followed the meeting; the comment period closed on May 20, 2009. Ten written comments were received during the comment period – five letters from citizens, four letters from state agencies, and one letter from the applicant. Issues raised by commenters included setbacks (noise, flicker, aesthetics, viewshed), and potential impacts on wetlands, waters, and bats.

The proposed project is intended to produce renewable energy in furtherance of Minnesota's renewable energy objectives. Accordingly, alternatives examined in the ER will be limited to "eligible energy technologies" that support these objectives (Minn. Stat. § 216B.1691). These alternatives include: (1) a generic 280 MW wind generation project sited elsewhere in Minnesota, (2) a 106 MW biomass plant, and (3) a "no-build" option.

Having reviewed the matter, consulted with the OES Energy Facility Permitting staff, and in accordance with Minnesota Rules 7849.7050 and 7849.7060, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The environmental report for the EcoHarmony West Wind project will address and provide information on the following matters:

1.0 Description of the EcoHarmony West Wind Project

Project description and location
Sources of information

2.0 Regulatory Framework

3.0 Description of Alternatives

- 3.1 Generic 280 MW wind project
- 3.2 A 106 MW biomass plant
- 3.3 No-build option

4.0 Human and Environmental Impacts (Impacts reviewed for each alternative)

- 4.1 Emissions – pollutants
- 4.2 Emissions – hazardous air pollutants
- 4.3 Visibility impairment
 - Shadow flicker
 - Viewshed
 - Turbine lighting
- 4.4 Fuel availability
- 4.5 Associated transmission facilities
- 4.6 Ozone formation
- 4.7 Water
 - Water appropriations
 - Surface waters
 - Ground water / karst topography
 - Wetlands
- 4.8 Wastewater
- 4.9 Solid and hazardous wastes
- 4.10 Noise
- 4.11 Traffic
- 4.12 Property values
- 4.13 Wildlife impacts
 - Bats

5.0 Mitigation Measures

- 5.1 EcoHarmony West Wind project
- 5.2 Generic 280 MW wind project
- 5.3 A 106 MW biomass plant
- 5.4 No-build option

6.0 Feasibility and Availability of Alternatives

- 6.1 EcoHarmony West Wind project
- 6.2 Generic 280 MW wind project
- 6.3 A 106 MW biomass plant
- 6.4 No-build option

7.0 Required Permits

ISSUES OUTSIDE OF THE ENVIRONMENTAL REPORT

The environmental report will not consider the following matters:

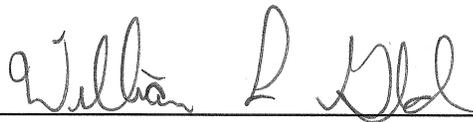
1. Impacts or mitigative measures associated with specific sites, including specific tower or road locations for the proposed project and alternatives.
2. The negotiation and content of easement agreements by which land owners are paid for property rights, including wind rights.
3. Any alternatives not specifically described in this scoping decision

SCHEDULE

The environmental report will be completed in October 2009. A public hearing will be held in Fillmore County before an Administrative Law Judge after the environmental report has been issued and notice served.

Signed this 14th day of September, 2009

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
OFFICE OF ENERGY SECURITY



William Glahn, Director