



85 7th Place East, Suite 500, St. Paul, MN 55101-2198
main: 651.296.4026 tty: 651.296.2860 fax: 651.297.7891
www.commerce.state.mn.us

**In the Matter of the Application of
Lakefield Wind Project, LLC, for a
Certificate of Need for the
205.5 MW Lakefield Wind Project
in Jackson, County**

**ENVIRONMENTAL REPORT
SCOPING DECISION
PUC Docket No. IP-6829/CN-09-1046**

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 to be prepared in consideration of the Lakefield Wind Project, LLC, Application for a Certificate of Need for the proposed 205.5 Megawatt (MW) Lakefield Wind Project (Project) in Jackson County.

The proposed Project will include up to 137 General Electric (GE) 1.5 MW wind turbine generators, with a hub height of 262.5 feet (80 meters) and a rotor diameter of 252 feet (77 meters). In addition to the wind turbines, the Project will include gravel access roads, two permanent meteorological towers, an electrical collection system, and junction boxes delivering power to the proposed project substation and a short 345 kV transmission (less than 1,500 feet) connecting the project substation to the Lakefield Junction Substation. There will also be an operations and maintenance building.

The Project site is located in Heron Lake, Belmont, Des Moines and Hunter townships about six miles west of Jackson, MN. Lakefield Wind has over 19,780 acres under easement agreement within the proposed 28,622 acre project area.

The Project requires a Certificate of Need (CN) and a site permit from the Minnesota Public Utilities Commission (Commission). The CN (CN-09-1046) and site permit (WS-08-1239) are under consideration by the Commission in separate dockets.

On September 2, 2009, Lakefield Wind, LLC, (Applicant) filed a CN application with the Commission for the Lakefield Wind Project. On December 3, 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, the Office of Energy Security is required to prepare an Environmental Report for the Project (Minn. Rules 7849.1200).

On April 8, 2010, an evening meeting was held in Lakefield, Minnesota, to receive comments on the scope of the Environmental Report. Approximately 80 people attended the meeting. No concerns or issues were expressed at the scoping meeting.

A public comment period followed the meeting, which closed on April 29, 2010. Only one written comment was received during the comment period.

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 205.5 MW wind generation project sited elsewhere in Minnesota, (2) a 80 MW biomass plant, (3) a "no-build" option, and (4) alternative renewable technologies. An Environmental Report provides an environmental analysis of the proposed Project and system alternatives, and reviews environmental impacts associated with named and alternative projects. It is only one part of a larger OES investigation of the CN application. The OES in its overall review will address all the issues and alternatives required by rule.

Having reviewed the matter, consulted with the OES Energy Facility Permitting staff, and in accordance with Minnesota Rules 7849.1400 and 7849.1500, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The Environmental Report for the Lakefield Wind Project will address and provide information on the following matters:

- 1.0 Description of the Lakefield Wind Project [Minn. Rule 7849.1500, subp. 1, A]**
- 2.0 Regulatory Framework**
- 3.0 Description of Alternatives [Minn. Rule 7849.1500, subp. 1, B]**
 - 3.1 Generic 205.5 MW wind project
 - 3.2 A 80 MW biomass plant
 - 3.3 No-build option
 - 3.4 Alternative renewable technologies
- 4.0 Feasibility and Availability of Alternatives [Minn. Rule 7849.1500, subp 1, F]**
 - 4.1 Lakefield Wind Project
 - 4.2 Generic 205.5 MW wind project
 - 4.3 A 80 MW biomass plant
 - 4.4 No-build alternative
 - 4.5 Alternative renewable technologies
- 5.0 Human and Environmental Impacts and Mitigation [Minn. Rule 7849.1500, subp 1, C, D and E]**
 - 5.1 Emissions – pollutants [Minn. Rule 7849.1500, subp. 2, A]
 - 5.2 Emissions – hazardous air pollutants [Minn. Rule 7849.1500, subp. 2, B]
 - 5.3 Aesthetic impact and visibility impairment [Minn. Rule 7849.1500, subp. 2, C]
 - 5.3.1 Shadow flicker

- 5.3.2 Viewshed
- 5.3.3 Turbine lighting
- 5.4 Ozone formation [Minn. Rule 7849.1500, subp. 2, D]
- 5.5 Fuel availability [Minn. Rule 7849.1500, subp. 2, E]
- 5.6 Associated transmission facilities [Minn. Rule 7949.1500, subp. 2, F]
- 5.7 Water appropriations [Minn. Rule 7849.1500, subp. 2, G]
- 5.8 Wastewater [Minn. Rule 7849.1500, subp. 2, H]
- 5.9 Solid and hazardous wastes [Minn. Rule 7849.1500, subp. 2, I]
- 5.10 Noise [Minn. Rule 7849.1500, subp. 2, J]
- 5.11 Property values
- 5.12 Communication signals
- 5.13 Wildlife and domestic animals
- 5.14 Natural Environment (topography, flora, fauna)
- 5.15 Aviation

6.0 Required Permits [Minn. Rule 7849.1500, subp. 1 G]

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 June 2010. A public hearing will be held in or near the Project area before an Administrative Law Judge after the Environmental Report has been issued and notice served.

Signed this 4th day of June, 2010

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
OFFICE OF ENERGY SECURITY


/s/ WILLIAM GLAHN, Director