OAH 7-2500-22655-2
PUC Docket No. E002-TL-11-800

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

FOR THE PUBLIC UTILITIES COMMISSION

In the Matter of the Route Permit Application for the North Rochester to Chester 161kV Transmission Line Project in Goodhue, Olmsted and Wabasha Counties, Minnesota

SUMMARY OF TESTIMONY AT PUBLIC HEARING AND SUMMARY OF WRITTEN COMMENTS

A Public Hearing was conducted in this matter at the Oronoco City Hall on March 29, 2012. Testimony was heard from the Applicant, Xcel Energy, and several members of the public. The record closed on May 14, 2012.

Lisa Agrimonti, Briggs & Morgan, represented Xcel Energy (Company, Xcel). Tom Hillstrom, Supervisor of Siting and Permitting, also appeared on behalf of the Company. Michael Kaluzniak, Planning Director, appeared on behalf of the Staff of the Minnesota Public Utilities Commission (Commission, PUC). Planning Director Matthew Langan appeared for the Minnesota Department of Commerce, along with Planner Principal Ray Kirsch, the Public Advisor.

SUMMARY OF COMPANY TESTIMONY

1. On September 19, 2011, Xcel filed an Application with the Minnesota Public Utilities Commission to construct a 161kV line between a new (North Rochester) substation north of Pine Island, Minnesota, and the existing Chester substation east of Rochester. This project has come to be known as the "Chester Line".[1]

2. Application for the North Rochester Substation is part of the related Hampton-Rochester-LaCrosse 345kV line docket, 09-1148.[2]

3. The purpose of the Chester Line is to route a 161kV line to the existing Chester substation. As part of this docket, the Chester substation would add a 161kV circuit breaker and associated equipment.[3] The line would run north and south, for a

[1] Exhibit 2.
[2] Environmental Assessment (EA), at 12.
[3] *Id.*

maximum of approximately 30 miles (depending on the east-west connecting route chosen.[4]

4. Portions of the line will be a single circuit 161kV line, and part will be double-circuited with an existing 69kV line already present on the south portion of the proposed route.[5]

5. A major factor in the Company's proposal is which alternative of the Hampton to LaCrosse 345kV line would be (and now is) approved by the Commission in its CapX2020 deliberations.[6]

6. Three different route proposals which tie into the Chester line were proposed in the CapX2020 proceeding. They are referred to as the north crossing of the Zumbro River, the dam route that crosses the Zumbro River at the Zumbro Dam, and the White Bridge Road alternative which runs south of the other two alternatives, crossing the Zumbro River at the White Bridge Road.

7. In the CapX2020 Docket, the Administrative Law Judge (ALJ) recommended the 345kV route to cross the Zumbro River at the Zumbro Dam. If that route was chosen by the PUC, then the Chester line would split off of the 345 double circuit configuration and head south at a location referred to as "Tap 2".

8. At the time of the Public Hearing the Company, which had initially recommended the White Bridge Road Crossing Segment to "Tap 3", was not opposed to the ALJ's recommendation.

9. After the White Bridge Road Segment splits off from the 345kV line at "Tap 3", the 161kV line moves a half mile to the east in a double circuit with a 69kV line and encounters another road, at which point the route proceeds due south, in a single circuit for 5 miles, and then in double circuit with a 69kV line for 6.5 miles to the Chester Substation near County Highway 14.[7]

COMMENT ON THE COMMISSION'S VOTE

10. The Commission now has chosen the White Bridge Road Crossing, as proposed in the Company's original filing.[8] Based on the Commission's vote at its meeting on April 12, 2012, in which the Commission selected the White Bridge Road 345kV route for the "LaCrosse Project", the Chester Line is currently proposed to be co-located with the 345kV line for 17.8 miles between the Rochester substation along the modified preferred (White Bridge Road) 345kV route to "Tap 3".[9]

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[4] Testimony of Tom Hillstrom.
[5] *Id.*
[6] *Id.*
[7] Testimony of Hillstrom, Exhibit 10 at 10-11.
[8] Agrimonti letter to the Administrative Law Judge, 4/26/12.
[9] *Id.*

11. The Commission's route decision for the LaCrosse Project provides an opportunity to utilize route segment Alternative A. If that alternative is selected, Ms. Agrimonti pointed out in her letter that the Tap point could be moved south of Tap 3, to a point where the 345kV line makes a right angle and heads north. This alternative would eliminate one-half mile of 161kV/69kV double circuit transmission facilities that would otherwise be required to run from Tap 3 to the east before the line heads south along 50th Avenue Northeast.

12. Ms. Agrimonti wrote that residential impact would also be reduced under the Alternative A alignment because there would be one less home within 300 feet of the line.

13. The Company notes also that the alignment within route segment Alternative A could be adjusted within the 600-foot proposed route width to create greater distance between the line and a home on 50th Avenue. At the present time, based on a review of the Scoping Decision in this matter, the proposed alignment is approximately 200 feet or more from that home.

14. The effect of the Commission's decision on testimony by witnesses in Oronoco is also analyzed in the Agrimonti letter. Those testimonies will be discussed below, but Ms. Agrimonti notes that four of the eight speakers (the Normans and Mr. Hayden) were opposed to the crossing of the 345kV route at the Zumbro Dam. After selection of the modified preferred (White Bridge Road) route, the concerns of those four persons are addressed.

15. One of the speakers, Mr. Markham, owns property near the Zumbro River along the White Bridge Road crossing, and he would be affected by the route approved by the Commission.

16. Two speakers (Mr. and Mrs. Pesch) are opposed to Route Segment Alternative A, and Mr. Val Lowe owns land in Haverhill Township that may be affected by the line.[10]

17. Ms. Agrimonti notes that the Company will continue to work with landowners to minimize impacts once the Commission makes a final route determination in this proceeding.

18. The general right-of-way width is 80 feet for the route, and the height of the structures varies between 70 to 120 feet high. The Company intends to use whichever route gets approved for the Chester Line to carry its 161kV line on the opposite side of the double circuit 345kV line chosen by the Commission in the CapX2020 (Hampton to LaCrosse) proceeding.[11]

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[10] Agrimonti Letter, 4/16/12.
[11] *Id.*

19. Deployment of those pole structures would not require any additional right-of-way acquisition or any additional environmental impact than what is already impacted by construction of the 345kV line.

20. As Mr. Hillstrom summarized, the east-west portion of the Chester line would be (and now was) decided in the 345kV docket, and the north-south portion of the Chester Line is being decided in this docket.[12]

SUMMARY OF PUBLIC TESTIMONY

21. Dan and Kristi Pesch oppose Route Segment Alternative A (the White Bridge Road alignment). Alternative A runs east to west across their north property line. Mr. Pesch noted that during the scoping proceedings, he had proposed the line originally to intercept at Tap 3 and follow a side road east to west and then start southward, based on the fact that the land is largely unoccupied and follows a previously accepted right-of-way (roads and pre-existing power lines).

22. Mr. Pesch noted that the first version of the 345kV line crisscrossed his property without recognition of the fact that the two 80-acre segments involved were all one piece of land, so the proposal was changed to travel on the road dividing his property. Mr. Pesch noted that Segment Alternative A travels diagonally across his property.[13]

23. Anna Mae, Merl and Elgin Norman are all founders and remain involved in an entity known as Woodland Camp. Their camp property lies adjacent to the proposed alternative favored by the ALJ in the CapX2020 proceeding, east of the Zumbro Dam.[14]

24. Gary Hayden owns property on which he has developed Camp Victory. He expressed the same concerns as the Normans regarding the impact of the wooded area east of the Zumbro Dam.[15]

25. Both of the camp properties that would be impacted if the PUC had routed the 345kV line across the Zumbro Dam are carved out of a portion of the State of Minnesota's Dorer Memorial Hardwood Forest.[16]

26. Val Lowe raised an issue regarding the difference between route width and right-of-way. Mr. Langan explained that "route width" defines the boundary within which a utility is granted permission to purchase/acquire its right-of-way, which is generally acquired by easement negotiated with landowners and is much more narrow than the route width. Route widths generally are wider to give the utility company

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[12] Testimony of Hillstrom.
[13] Testimony of Dan Pesch.
[14] Testimony of the Normans.
[15] Testimony of Gary Hayden.
[16] Testimony of Anna Mae Norman

flexibility in precise location of its poles. This flexibility can be exercised to avoid existing structures and other important features that lie within or outside the route.[17]

27. Kristi Pesch inquired as to why only one basic route was in the Application.[18]

28. Mr. Langan replied to Ms. Pesch and noted that the scoping process yielded Route Segment Alternative A (which was discussed by her husband) at the time of the Scoping Decision on December 28, 2011.

29. In response to Ms. Pesch, Mr. Hillstrom noted that under the alternative route process used in the proceeding, only one proposed route is required. T he Company did consider other route segments. It found that the route proposed in the Application was clearly superior to the others that were studied.[19]

30. Xcel found the segment it chose to be superior to the alternatives because it was the most direct and shortest route, and it follows existing roads and existing power lines. It is in an area where there are some homes along the existing road, but they are far enough apart that an alignment could be designed across the road from those houses, thus reducing the impact on them and windbreaks that protect farmsteads.[20]

31. Ms. Pesch favors routing the line along Highway 52, where power lines exist already.[21]

32. John Markham farms property along the White Bridge Road segment that now has been approved by the PUC for the 345kV line.[22]

33. Mr. Markham is a dairy farmer who is concerned because the white blood cell count in the milk produced by his cows is high. He is concerned that stray voltage would ruin his dairy operation.[23]

34. Mr. Markham notes also that he has rare wildlife on his property, such as owls, horned owls, screech owls, sparrow owls and sparrow hawks.

35. Mr. Markham is bordered by other power lines, and believes the stray voltage from them has thrown off the white blood cell count in his cows' milk.

36. In response to Mr. Markham, Mr. Hillstrom noted that stray voltage is a phenomenon that occurs primarily from distribution lines or the wiring on farms, and that transmission lines generally do not cause it.

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[17] Testimonies of Val Lowe and Matthew Langan.
[18] Testimony of Kristie Pesch.
[19] Testimony of Hillstrom.
[20] Testimony of Hillstrom.
[21] Testimony of Kristie Pesch.
[22] Testimony of John Markham.
[23] *Id.*

SUMMARY OF WRITTEN COMMENTS

1. In addition to the filing by Ms. Agrimonti discussed above, Stephen Hackman noted that he supported, in general, routing the lines so that the Tap 3 location was used. He was in favor of that choice because its location would utilize an existing 69kV line and road right-of-way. The Tap 3 location also involves use of the southernmost route, which creates the shortest, most direct route to the Chester Substation.

2. Mr. Hackman noted that Tap 3 is located at a road on relatively flat ground, which will provide access to the location during the construction phase of the project, and minimize the impact of construction activities and recurring maintenance.

3. Mr. Hackman noted also that Route Segment Alternative A would not present a situation where a practical, neat and orderly expansion of the system at any or all electrical power levels (69kV, 161kV and 345kV) could occur, should future expansion be required.

4. Suzanne Rohlfing has been involved in the proceedings in the 345kV docket mentioned earlier. She favors use of Tap 3 along the White Bridge Road, and points out that the modified preferred route enables use of the Chester Line Alternative A segment, in a shorter Chester line. She notes also that the White Bridge Road crossing was preferred by the Minnesota DNR for crossing the Zumbro River. She made a similar point about future expansion to that made by Mr. Hackman, and Ms. Rohlfing emphasized that using the southern route would keep the 345kV line outside the R.J. Dorer Memorial Hardwood State Forest.[24]

5. Ms. Rohlfing notes also that use of Tap 3 and the modified preferred route would use the only corridor that crosses the Zumbro River that already has a road, bridge and electric lines. She notes that the Tap 3 and modified preferred (White Bridge Road) route is the most compliant when Minnesota Transmission Line Siting Criteria and Non-Proliferation Policy are taken into consideration.

6. Betty Seidlitz presented a letter at the Hearing from the Minnesota Historical Society noting the presence on her property of the Benike Family Barn in Farmington Township of Olmsted County, which is listed on the National Register of Historic Places.[25]

7. Also received at the Hearing was a written submission from John Tiedeman, owner-operator of a dairy in Oronoco Township. Mr. Tiedeman presented data he contends supports the argument that stray voltage from power lines is harmful to dairy cattle.[26]

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[24] Letter of Suzanne Rohlfing.
[25] Exhibit 15.
[26] Exhibit 17.

8. Lisa Joyal of the Minnesota Department of Natural Resources (DNR) reviewed the Environmental Assessment by the Department of Commerce and noted that the Assessment should indicate that all federally listed species, except for the Canada lynx, and all state-listed species, except for the gray wolf, are tracked in the Natural Heritage Information System.

9. Also Ms. Joyal noted that paragraph two on page 57 of the EA omits a reptile species documented within one mile of the proposed line (the timber rattlesnake).

10. Ms. Joyal also recommended spanning of an area to help identify the presence of another type of rattlesnake in a Dry Bedrock Bluff Prairie inside a Site of Moderate Biodiversity Significance.

11. In a letter to Mr. Langan regarding preparation of the E.A., Jamie Schrenzel, Principal Planner with the Environmental Review Unit of the DNR noted that the DNR recommends utilizing the White Bridge Road crossing, rather than the other two alternatives for connection to the Chester Line.

12. A comment filed by Craig Affeldt, Supervisor of the Environmental Review Unit of the Minnesota Pollution Control Agency (PCA) notes that if the total project disturbs one acre or more of land, a National Pollution Discharge Elimination System/State Disposal System Construction Storm Water Permit would be required from the MPCA.

13. Jay and Margaret Janssen of Zumbrota wrote in opposition to the substation siting area proposed for the new (North Rochester) substation between Pine Island and Zumbrota. The Janssens note that their house falls directly within the zone of the substation siting area and that power lines currently run near their home.

14. The Janssens note also that the livestock on their small farm have their health and behavior affected by the "humming" and "snapping" from existing power lines, and that the lines affect electronics in their home and interfere with wireless devices to the point of making them unusable. They argue that the additional voltage related to substation development likely would increase their problems and add to adverse effects on the livestock. As a result, their property value would be diminished and the aesthetics in the Zumbro Watershed Area would be compromised.

15. Sara Anderson of Mazeppa wrote in opposition to CapX2020. In that connection, she opposes the Zumbro Dam route. As noted above, the Public Utilities Commission has adopted the White Bridge Road Route instead.

16. Ms. Anderson's concerns relate to the effect that stress has on her husband's blood sugar control, adding that his stress would increase if the 161kV line were nearby. Ms. Anderson recommends adoption of the County Road 12 Route (White Bridge Road), and the Commission has voted that way.

17. Richard and Shirley Sonsalla have filed a Comment relating to recommendation of the Administrative Law Judge in CapX2020 proceeding, which

would route the 345kV line to be co-located with the part of the 161kV line proposed in this proceeding. The ALJ recommended routing the line off Douglas Trail at 70th Avenue West, then heading due south to 65th Street Northwest and turning due east to rejoin Douglas Trail at 60th Avenue Northwest, before continuing to the Northern Hills Power Station in Rochester.

18. That configuration was recommended by the ALJ (according to the Sonsallas) in order to avoid a stand of trees. The Sonsallas emphasize that the trees to be avoided are box elders, which they maintain are undesirable. Their proposal is to leave the 161kV power line in place, following Douglas Trail to 60th Avenue Northwest directly without making the departure south to 65th Street Northwest, then east to 60th Northwest.

19. Vladimir and Bonnie Sokolov of Rochester submitted a letter questioning the actual need for the 161kV line under consideration in this proceeding. They ask why that new line, together with the rest of the CapX2020 Project, is being proposed at all. They are skeptical as to whether there is an actual need for an energy upgrade in the vicinity of the line.

20. The Sokolovs note that if there is a need for the Projects, the professed need is in conflict with Xcel's current reassessment of its plan to boost power at its Red Wing Nuclear Plant (Prairie Island), because circumstances have changed. They cite a recent article in the *Minneapolis Star Tribune* to the effect that Xcel believes its power uprate at Prairie Island may not be as advantageous as envisioned. The additional power may not be urgently needed in light of forecasts for lower demand growth.

21. The Sokolovs maintain the need for the Chester Line Project has not been made sufficiently clear in this proceeding. They request consideration of their arguments by the PUC as it decides whether the extra energy upgrade related to CapX2020, including the Pine Island-to-Chester 161kV line, really is necessary.

Dated: May 29, 2012

Richard C. Luis

RICHARD C. LUIS
Administrative Law Judge

Reported: Angie Threlkeld
Shaddix & Associates
Transcript Prepared

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May 29, 2012

See Attached Service List

Re: ***In the Matter of the Route Permit Application for the North Rochester to Chester 161kV Transmission Line Project in Goodhue, Olmsted and Wabasha Counties, Minnesota*;**
PUC Docket No. E002-TL-11-800
OAH Docket No. 7-2500-22655-2

Dear Parties:

The document listed below has been filed with the E-Docket system and served as specified on the attached service list.

Summary of Testimony at Public Hearing
and Summary of Written Comments

Very truly yours,

RICHARD C. LUIS
Administrative Law Judge

Telephone: (651) 361-7843

RCL:mo

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CERTIFICATE OF SERVICE

Case Title: ***In the Matter of the Route Permit Application for the North Rochester to Chester 161kV Transmission Line Project in Goodhue, Olmsted and Wabasha Counties, Minnesota***	**OAH Docket No. 7-2500-22655-2** **PUC Docket No. E002-TL-11-800**

Mary Osborn certifies that on Tuesday, May 29, 2012, she served a true and correct copy of the attached Summary of Testimony at Public Hearing and Summary of Written Comments; by placing it in the United States mail with postage prepaid, or as indicated on the attached service list, addressed to the following individuals:

See Attached Service List	

cc: Susan Schleisman

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret
Lisa	Agrimonti	lagrimonti@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center80 South 8th Street Minneapolis, MN 55402	Electronic Service	No
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 55101-2134	Electronic Service	Yes
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 55101-2198	Electronic Service	No
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101-2147	Electronic Service	Yes
Tom	Hillstrom		Xcel Energy	7th Floor 414 Nicollet Mall Minneapolis, MN 55401-1993	Paper Service	No
Stacy	Kotch	Stacy.Kotch@state.mn.us	MINNESOTA DEPARTMENT OF TRANSPORTATION	395 John Ireland Blvd. St. Paul, MN 55155	Electronic Service	No
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