



**In the Matter of the Applications for a
Certificate of Need and Route Permit for
the Scott County-Westgate 69 kV-115 kV
Transmission Upgrade Project**

**ENVIRONMENTAL ASSESSMENT
SCOPING DECISION**

**PUC Docket No. E002/CN-11-332
PUC Docket No. E002/TL-11-948**

The above matter has come before the Deputy Commissioner of the Department of Commerce (DOC) for a decision on the scope of the Environmental Assessment (EA) to be prepared for the Xcel Energy (Applicant) applications for a Certificate of Need (CN) and a Route Permit to upgrade 69 kilovolt (kV) transmissions lines to 115 kV in Carver, Scott and Hennepin counties. Xcel Energy is a wholly-owned subsidiary of Xcel Energy, Inc., a utility holding company headquartered in Minneapolis.

Project

The Project as described in the Application includes 10 segments. It involves converting the existing double-circuit 115/69 kV transmission line to 115/115 kV operation from Scott County Substation, through Chanhassen Substation, to Structure #57 north of Bluff Creek Substation. Conversion to 115/115 kV operation will not require the rebuilding or replacement of any existing structures. The Project also includes rebuilding the existing single-circuit 69 kV to a single-circuit 115 kV line between Structure #57 to the Excelsior Substation, which will be converted for 115 kV use; rebuilding the line between Excelsior Substation and Deephaven Substation, which will also be converted for 115 kV use; and rebuilding the line between the Deephaven Substation and the Westgate Substation.

Project Need

The need for this Project is identified in the *Southwest Twin Cities Phase 2 Study Update Review* dated July 8, 2011. That study evaluated the need to address overload and low voltage conditions in the Project Area when certain transmission lines are out of service. The transmission studies indicate there are existing overloads and low voltages that need to be addressed immediately and, without the proposed Project, there would be additional overloads of transmission line facilities and low voltages in the Project Area in the future.

Regulatory Process

Two separate approvals from the Minnesota Public Utilities Commission (Commission) are required for the construction of the Project – a Certificate of Need (CN) and a Route Permit. The Applicant submitted a CN application to the Commission on March 9, 2012. The application was accepted as complete by the Commission on June 8, 2012. Xcel Energy submitted a route permit application (RPA) to the Commission on April 12, 2012. The RPA was accepted as complete by the Commission on May 24, 2012.

DOC Energy Facility Permitting (EFP) staff is responsible for conducting the environmental review for CN applications submitted to the Commission (Minn. Rule 7849.1200) and the environmental review for route permit applications to the Commission (Minn. Rule 7850.3700).

As two concurrent environmental reviews are required – one for the CN application and one for the Route Permit application – the Department has elected to combine the environmental review for the two applications (Minn. Rule 7849.1900). Thus, an Environmental Assessment will be prepared to meet the requirements of both review processes.

Scoping Process

EFP staff held a public information and environmental assessment scoping meeting on July 18, 2012, at Minnetonka High School in Minnetonka, Minnesota, to discuss the project with the public and gather public input on the scope of the Environmental Assessment to be prepared. Approximately 100 people attended the meeting over two sessions. Comments were recorded by a court reporter at the meeting. Additionally, the public was given until August 1, 2012, to submit written comments.

Public Comments

EFP received over 40 comment letters to review and consider during preparation of the scope of the Environmental Assessment. People raised topics consistent with the draft scoping document, which described issues that EFP would typically include in an EA. Particularly, the public expressed interest in issues about possible health effects, including EMF, aesthetics, property values and potential noise.

As to possible route alternatives, Ms. Holly Olson, et al., recommended moving Segment 3 west to run along Highway 41. With some dissenting voices, a number of people expressed interest in some variation of moving the route, and possibly Deephaven Substation, along Highway 7. Highway 41 and 7 alternatives have been developed for consideration in the EA.

Mr. Fletcher and Mr. Steussi discussed the possibility of using the existing transmission system along Highway 5. This is not being considered in the EA as a route alternative, as it does not meet the proposed need presented in the Certificate of Need Application. However, it will be discussed as a system alternative to the proposed project.

The city of Greenwood, along with a number of people, expressed an interest that the EA evaluate the use of undergrounding a portion of the line, especially along the Lake Minnetonka LRT Trail. The EA will consider the use of undergrounding as a mitigative strategy along parts of Segments 5 and 6.

The Minnesota Department of Natural Resources (DNR) recommended the project design should be adjusted to relocate poles outside of wetlands, floodplains and sensitive areas as much as possible. The DNR has also requested a plan from the Applicants for noxious weeds and invasive species management for state and non-state lands for the project and proposes the EA include this discussion as well.

The Minnesota Department of Transportation's (MnDOT) fundamental interest is "to ensure that the EA identifies and quantifies, to the extent possible, any impacts the proposed high voltage transmission line (HVTL) may have on the safety of the transportation system, the effectiveness of the operations or maintenance of the state trunk highway system and any additional costs that may be imposed on the state trunk highway fund as a result of the location of the proposed HVTL." Any alternatives or placement along trunk highways (including Highways 5, 7 and 41) could require MnDOT permits or authorization.

All comments can be reviewed at:

[http://mn.gov/commerce/energyfacilities/documents/32547/Scoping Public Comments.pdf](http://mn.gov/commerce/energyfacilities/documents/32547/Scoping%20Public%20Comments.pdf)

Having reviewed the matter, consulted with DOC Energy Facility Permitting staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following Scoping Decision.

MATTERS TO BE ADDRESSED IN THE EA

Based on the requirements of statute and rule, EFPs experience with past environmental reviews, and the comments received by the public, the EA on the proposed Scott County to Westgate Upgrade Project will address and provide information on the following matters:

1.0 PROJECT DESCRIPTION

- Purpose of the Transmission Line
- Project Location
- Route Description
- Substation Description
- Route Width
- Rights-of-Way Requirements
- Project Cost

2.0 REGULATORY FRAMEWORK

- CN Process and Procedures
- HVTL Route Permit Process
- Environmental Review Process

3.0 ENGINEERING AND OPERATION DESIGN

- Transmission Line Conductors
- Transmission Line Structures
- Substations

4.0 CONSTRUCTION

- Transmission Line and Structures
- Substations
- Property/Right-of-Way Acquisition
- Cleanup and Restoration
- Damage Compensation
- Maintenance

5.0 AFFECTED POTENTIAL ENVIRONMENT, IMPACTS AND MITIGATIVE MEASURES

The EA will include a discussion of the following potential human and environmental impacts of the project and its alternatives. Based on the impacts identified, the EA will describe mitigative measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EA will describe any unavoidable impacts resulting from implementation of the proposed project.

- Environmental Setting
- Socioeconomic Setting
- Human Settlement
 - Displacement
- Noise
 - HVTL & Substation
 - Construction Activities
- Aesthetics
 - Visual and View-shed
 - Lighting Requirements
- Proximity to Structures
 - Residences
 - Businesses
 - Schools/Daycares
 - Hospitals
 - Cemeteries
 - Existing Utilities
- Public Health and Safety
 - Electric and Magnetic Fields
 - Implantable Medical Devices
 - Stray Voltage
 - Tower Collapse
 - Security of Facilities, emergency provisions
- Recreation
 - Parks
 - Trails

- Transportation and Public Services
 - Emergency Services
 - Airports
 - Highways, Roads and Bike Paths
 - Traffic (during construction)
- Interference
 - Radio and Television (digital and satellite)
 - Internet (Wi-Fi)
 - Cellular Phone
 - Current and Future Infrastructure
 - Emergency vehicle pre-emption devices
- Archaeological and Historic Resources
- Zoning and Compatibility/Federal, State and Local Government Planning
- Land-Based Economies
 - Agriculture
 - Forestry
- Property Values
 - Residential
 - Industrial
 - Agriculture
- Air Quality
 - Henshaw Effect
 - Construction (heavy equipment, dust)
- Natural Resources
 - Surface Water
 - Lakes
 - Surface/stormwater Flows
 - Groundwater
 - Wetlands
 - Floodplains
 - State Wildlife Management Areas/Scientific Natural Areas
 - National Wildlife Refuge/Waterfowl Production Areas
- Flora
- Fauna
- Rare and Unique Natural Resources/Critical Habitat

6.0 ALTERNATIVES TO THE PROPOSED HVTL

- No-build Alternative
- Demand Side Management
- Purchase Power
- Alternative Fuels
 - Fossil Fuel Technologies
 - Renewable Resource Technologies
- Upgrading Existing Facilities
- New Generation

7.0 ALTERNATIVE ROUTES AND SUBSTATION LOCATIONS

The EA will identify and evaluate alternative routes and route segments to the proposed project. The following alternatives suggested through public comment will be evaluated in the EA.

1. Highway 41 Alternative: For proposed Segment 3, the route alternative follows Highway 5 west to where it intersects with Highway 41 and then follows Highway 41 north to connect with the existing 69 kV line near Brendan Pond. (Attachment A)
2. For the area traversed by the proposed Segments 5 and 6, four different route alternatives will be examined along Hwy 7:
 - a. Highway 7 Alternative 1: This route alternative follows Highway 7 east from the Excelsior Substation to Vinehill Road, then goes north along Vinehill Road to the Deephaven Substation. Highway 7 Alternative 1 then follows the existing 69 kV line east out of the Deephaven Substation. (Attachment B)
 - b. Highway 7 Alternative 2: This route alternative follows Highway 7 east from the Excelsior Substation to Vinehill Road, then goes north along Vinehill Road to the Deephaven Substation. The transmission line would return along Vinehill Road as a double circuited 115/115 kV line. From the intersection of Vinehill Road and Highway 7, this route alternative then follows Highway 7 east to connect with the existing 69 kV line at the intersection of Highway 7 and Highway 101. (Attachment C)
 - c. Highway 7 Alternative 3: This route alternative includes moving the existing Deephaven Substation to a new location near the intersection of Highway 7 and Highway 101. This route alternative places the new 115 kV transmission line along Highway 7 between the Excelsior Substation and the new Deephaven Substation near the intersection of Highway 7 and Highway 101. (Attachment D)
 - d. Highway 7 Alternative 4: This route alternative includes moving the existing Deephaven Substation to a new location near the intersection of Highway 7 and Vinehill Road. This route alternative places the new 115 kV transmission line along Highway 7 between the Excelsior Substation and the new Deephaven Substation near the intersection of Highway 7 and Vinehill Road. (Attachment E)

8.0 REJECTED ALTERNATIVE ROUTES

No proposed alternative routes were rejected from consideration in the EA.

9.0 REQUIRED PERMITS AND APPROVALS

The EA will include a list of permits and approvals that may be required for the project.

(Note: The above outline is not intended to serve as a “Table of Contents” for the EA document. The organization (i.e., structure of the document) of the data and analysis may not exactly reflect that appearing in the EA.)

ISSUES OUTSIDE THE SCOPE OF THE EA

The following issues will not be considered or evaluated in the EA:

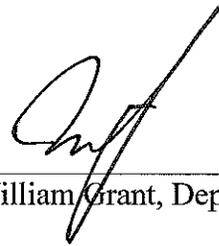
- Any route or substation alternatives not specifically identified in this scoping decision.
- Any system alternatives not specifically identified in this scoping decision.
- The manner in which landowners are paid for transmission rights-of-way easements.

SCHEDULE

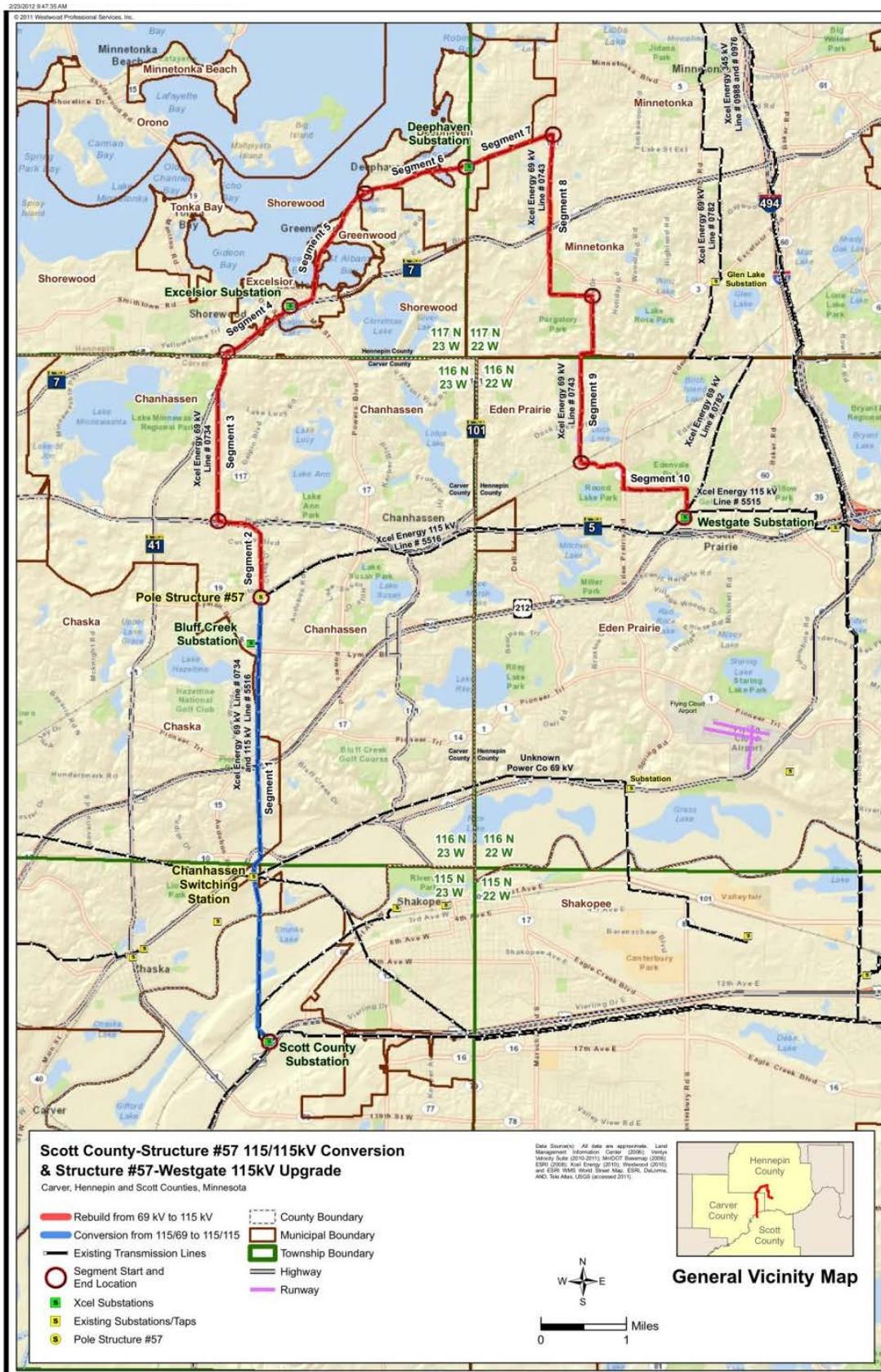
The EA is scheduled to be available by November 2012

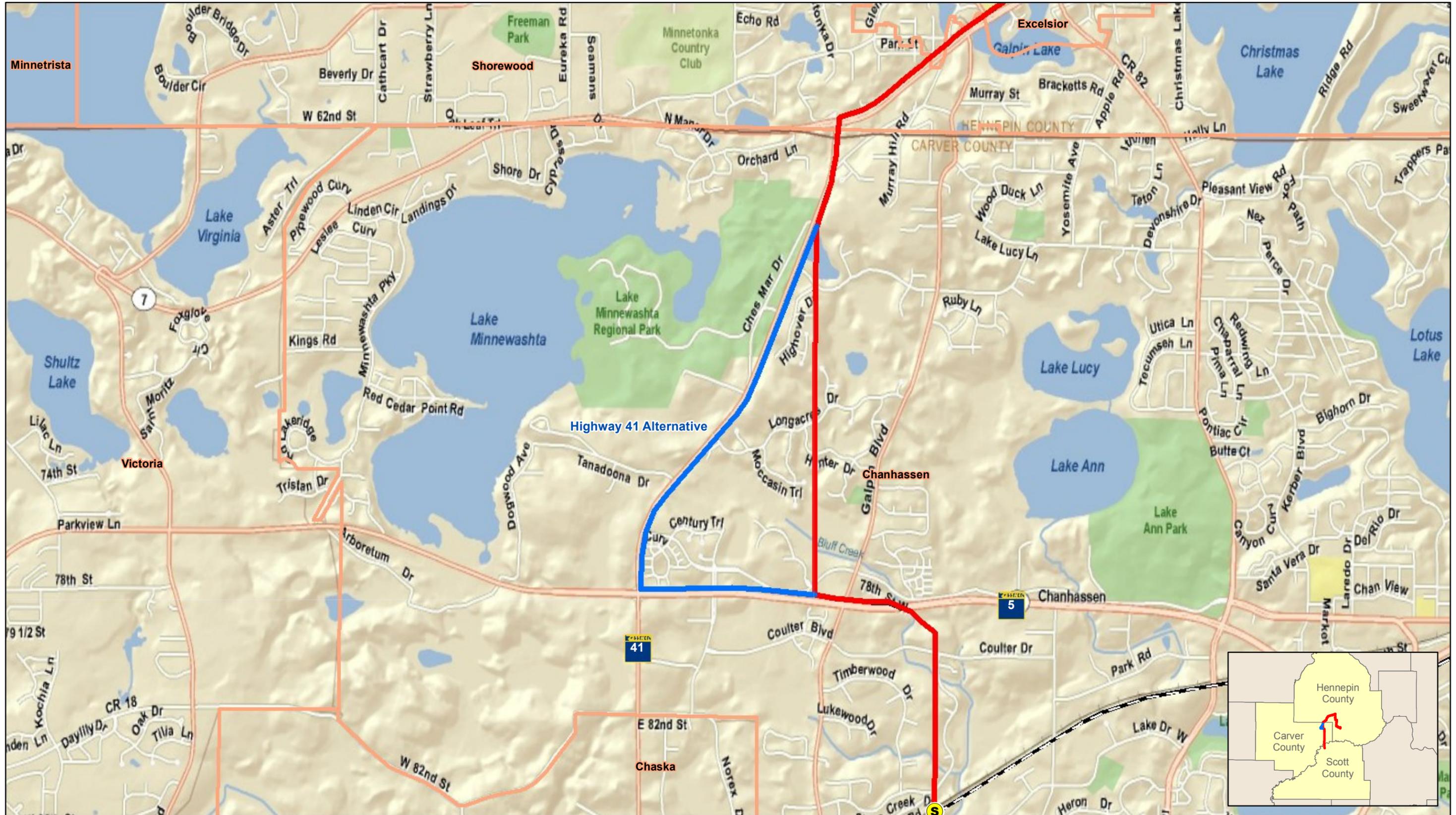
Signed this 14th day of August 2012

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE



William Grant, Deputy Commissioner





Data Source(s): Westwood (2012); Xcel (2012); esri (2012)

Legend

- S Pole Structure #57
- S Xcel Substations
- Highway 41 Alternative
- Applicant's Proposed Route for the Scott County-Westgate Project
- Municipal Boundary
- Approximate Existing Transmission Line



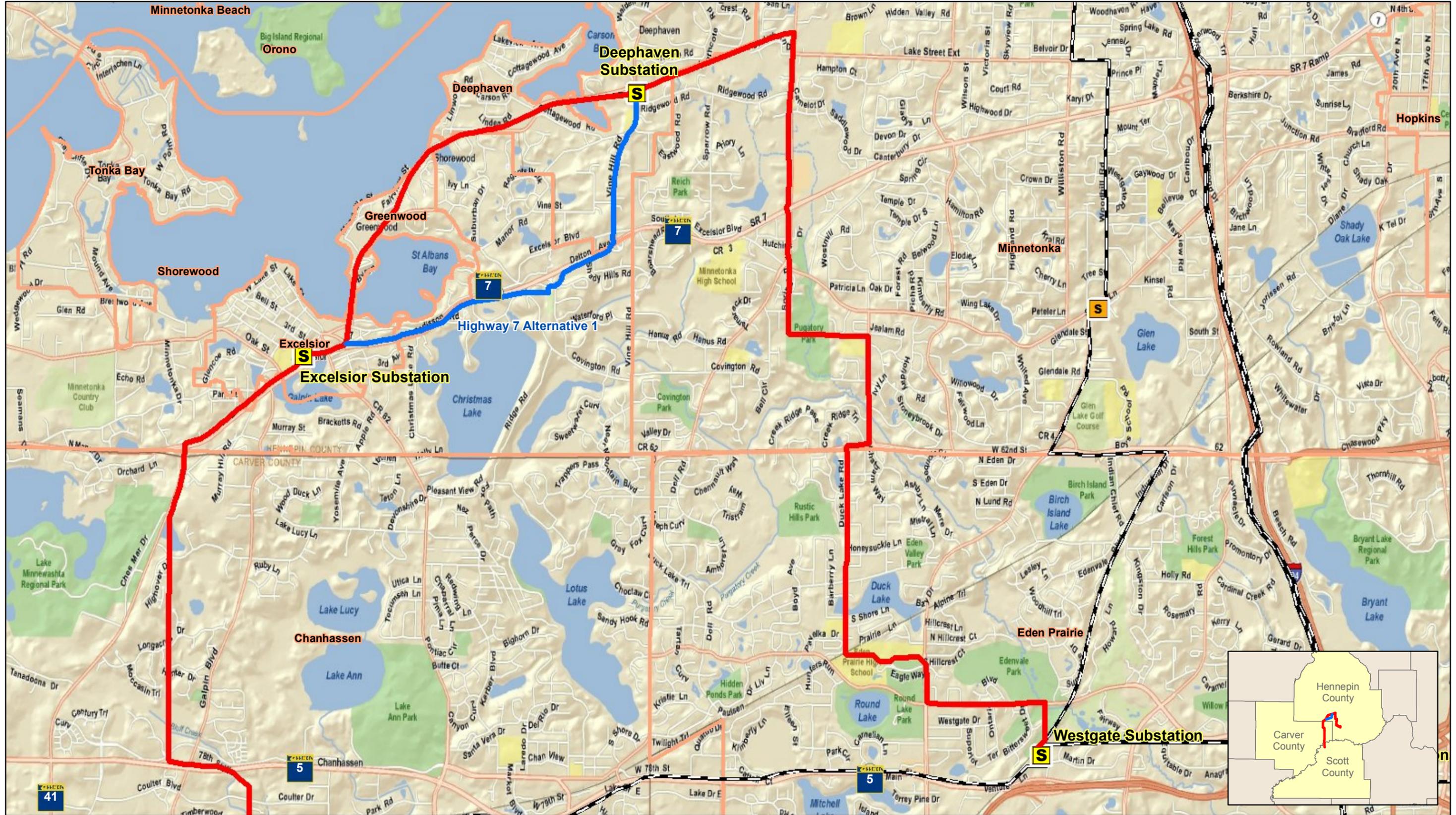
Scott County - Westgate 115kV Upgrade

Carver, Hennepin and Scott Counties, Minnesota

Highway 41 Alternative

ATTACHMENT A

Map Document: P:\20091075_01\GIS\Xcel_AIR\Re_hwy41.mxd 8/10/2012 2:53:11 PM



Data Source(s): Westwood (2012); Xcel (2012); esri (2012)

Legend

- S Xcel Substations
- Highway 7 Alternative 1
- Applicant's Proposed Route for the Scott County-Westgate Project
- Approximate Existing Transmission Line
- Municipal Boundary

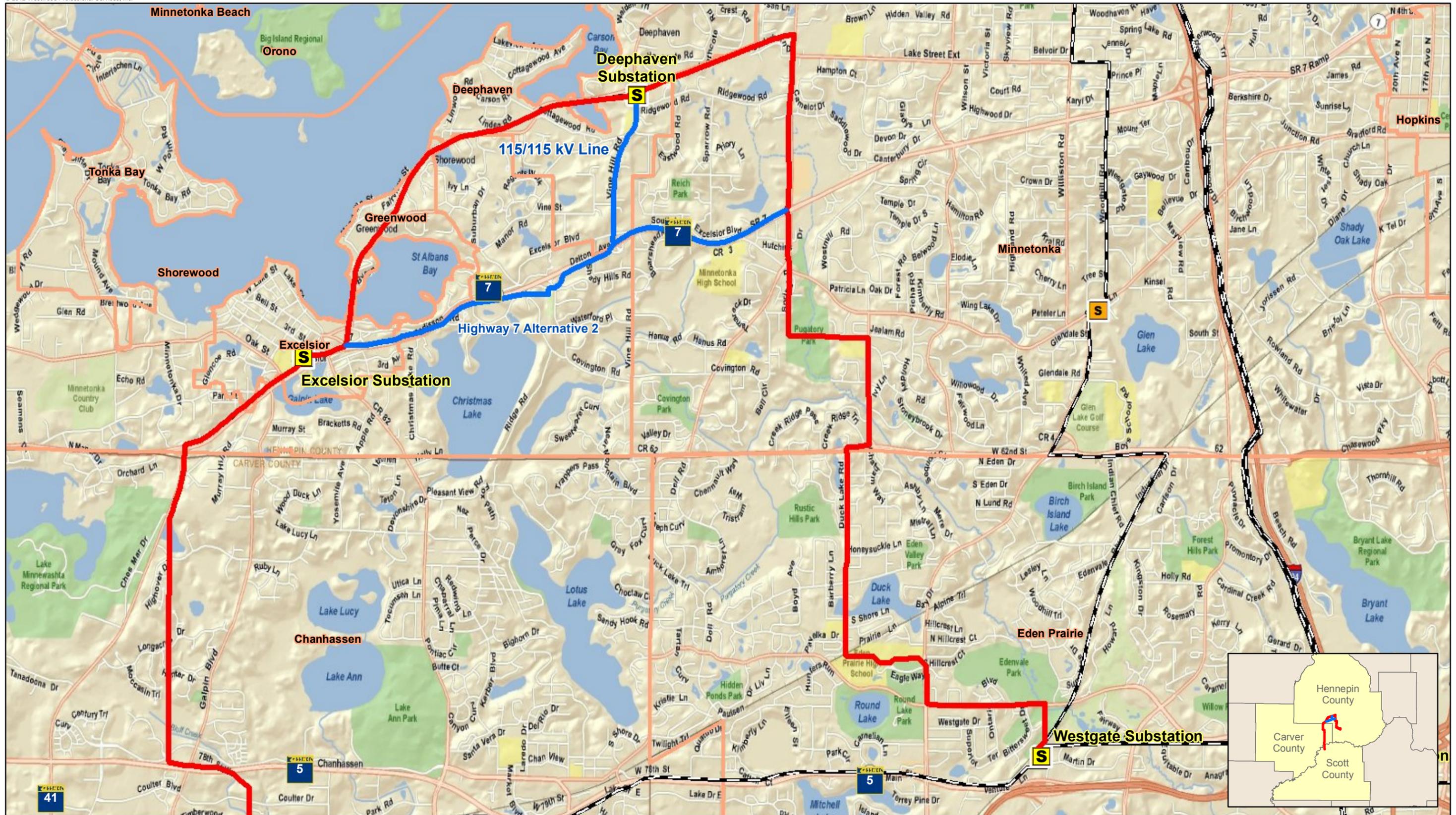


Scott County - Westgate 115kV Upgrade

Carver, Hennepin and Scott Counties, Minnesota

Highway 7 Alternative 1

ATTACHMENT B



Data Source(s): Westwood (2012); Xcel (2012); esri (2012)

Legend

- S Xcel Substations
- Highway 7 Alternative 2
- Applicant's Proposed Route for the Scott County-Westgate Project
- Approximate Existing Transmission Line
- Municipal Boundary

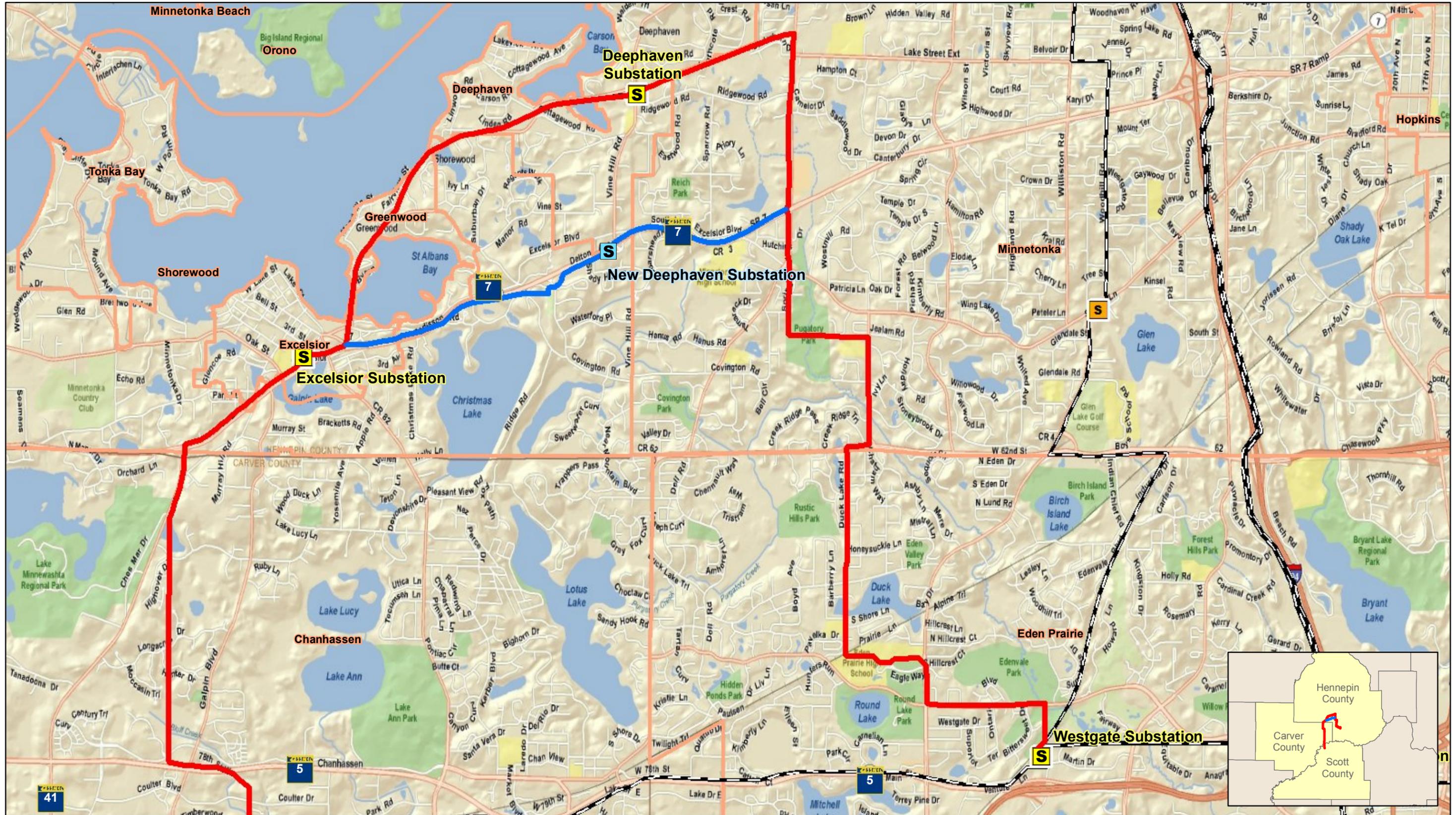


Scott County - Westgate 115kV Upgrade

Carver, Hennepin and Scott Counties, Minnesota

Highway 7 Alternative 2

ATTACHMENT C



Data Source(s): Westwood (2012); Xcel (2012); esri (2012)

Legend

- S Xcel Substations
- Highway 7 Alternative 4
- Applicant's Proposed Route for the Scott County-Westgate Project
- Approximate Existing Transmission Line
- Municipal Boundary



Scott County - Westgate 115kV Upgrade

Carver, Hennepin and Scott Counties, Minnesota

Highway 7 Alternative 4

ATTACHMENT E