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# **DRAFT SCOPING DOCUMENT**

## **SWTC CHASKA AREA HVTL UPGRADE PROJECT**

**PUC DOCKET No. E002/CN-11-826**

**PUC DOCKET No. E002/TL-12-401**

**Prepared by the Staff of the Energy Facility Permitting**



**September 10, 2012**

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## 1.0 INTRODUCTION

This scoping document is intended to advise the public of the scoping process and the process for the preparation of the Environmental Review document. The scoping decision will identify for the public the issues and alternatives that the Department of Commerce Energy Facility Permitting (EFP) staff has determined are appropriate for inclusion in the environmental review document.

Northern States Power Company (dba Xcel Energy) and the Great River Energy (GRE) propose to construct new 115 kilovolt (kV) transmission lines (approximately 2.4 miles), and to upgrade an existing 69 kV transmission line (approximately 10.4 miles total) to 115 kV, in eastern Carver County and northern Scott County near and within the city of Chaska, and through Laketown, Dahlgren, and Jackson townships.

Two separate approvals from the Minnesota Public Utilities Commission (Commission) are required for the construction/operation of the SWTC Chaska Area HVTL project – a certificate of need (CN) and a high voltage transmission line (HVTL) route permit.

On May 15, 2012, Xcel and GRE (Applicants) submitted an application<sup>1</sup> to the Commission for a Certificate of Need (CN) for the proposed transmission line upgrade of the Chaska Area 69 kV system to 115 kV. The docket number for the CN proceedings is E002/CN-11-826. The application was accepted as complete by the Commission on August 14, 2012.

On July 11, 2012, the Applicants submitted a HVTL Route Permit Application<sup>2</sup> (RPA) under the alternative permitting process to the Commission for the proposed transmission line upgrade of the SWTC Chaska Area 69 kV transmission system to 115 kV. The docket number for the route permit proceedings is E002/TL-12-401. The RPA was accepted as complete by the Commission in its regularly scheduled meeting on August 14, 2012.

### CERTIFICATE OF NEED

Before any large HVTL can be constructed in Minnesota, the Commission must determine that they are necessary and in the best interest of the state. The certificate of need process includes environmental review and public hearings, and typically takes 12 months. This process is the only proceeding in which a no-build alternative and the size, type, timing, system configuration and voltage of the proposed project will be considered.

A copy of the certificate of need application, along with other relevant documents, can be reviewed at the Energy Facility Permitting web page at:

<http://mn.gov/commerce/energyfacilities/Docket.html?Id=32771>

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<sup>1</sup> Certificate of Need Application, eDockets Document ID 20125-74730-01

<sup>2</sup> Route Permit Application (RPA), eDockets Document ID 20124-73545-01

The Department of Commerce Energy Facility Permitting (EFP) staff is responsible for administering the environmental review process. The Commission is responsible for determining if the transmission lines proposed are needed.

Potential routes that the transmission lines would follow, if approved, will be put forth and evaluated in the HVTL route permit proceeding (See Below). The transmission line routes will be determined through the HVTL route permit process, which is expected to run concurrently with the certificate of need process.

### **Environmental Review**

The environmental review process under the certificate of need procedures includes public information/scoping meetings and the preparation of an environmental review document, the Environmental Report (ER). The environmental report is a written document that describes the human and environmental impacts of the proposed project, alternatives to the project and methods to mitigate anticipated adverse impacts. The ER must be prepared before the Commission can make a decision on the certificate of need application.

### **HVTL ROUTE PERMITTING**

Minnesota Statutes Section 216E.03, subd. 2, provides that no person may construct a HVTL without a route permit from the Commission. An HVTL is defined as a transmission line of 100 kV or more and greater than 1,500 feet in length in Minnesota Statutes Section 216E.01, subd. 4. The proposed transmission lines are HVTLs and therefore a route permit is required prior to construction.

The Applicants submitted the HVTL route permit application for the proposed transmission line upgrades to the Chaska Area 69 kV system pursuant to the provisions of the Alternative Permitting Process outlined in Minnesota Rules 7849.2900. The alternative permitting process includes environmental review and public hearings, and typically takes six months.

A copy of the HVTL route permit application, along with other relevant documents, can be reviewed at the Energy Facility Permitting web page at:

<http://mn.gov/commerce/energyfacilities/Docket.html?Id=32771>

The EFP staff is responsible for evaluating the HVTL route permit application and administering the environmental review process. The Commission is responsible for selecting the transmission lines routes and issuing the HVTL route permit.

### **Environmental Review**

Environmental review under the alternative permitting process includes public information/scoping meetings and the preparation of an environmental review document, the Environmental Assessment (EA) (Minn. R. 7850.3700). The environmental assessment is a written document that describes the human and environmental impacts of the transmission line project (and selected alternative routes) and methods to mitigate such impacts.

The EA must be completed and made available prior to the public hearing.

Minnesota Rule 7849.1900, Subpart 1, provides that in the event an applicant for a certificate of need for a HVTL applies to the Commission for a HVTL route permit prior to the time the EFP staff completes the environmental report, the EFP may elect to prepare an environmental assessment in lieu of the required environmental report. If the documents are combined, EFP staff includes in the EA the analysis of alternatives required by part 7849.1500, but is not required to prepare an environmental report under part 7849.1200.

The EFP has concluded that combining the ER and EA into a single environmental review document is warranted in this case. The HVTL route permit application was filed prior the completion of the ER required for the CN and prior to initiation of the scoping process for the ER. Preparing an EA in lieu of the ER will enable staff to solicit comments pertinent to the scoping of both the environmental report (CN process) and the environmental assessment (HVTL Routing process) at a single public informational meeting. The EFP will then develop and release a single *Scoping Decision* and one environmental document (an *Environmental Assessment*) for both applications.

If issued a certificate of need and route permit by the Commission, the Applicant may exercise the power of eminent domain to acquire the land necessary for the project pursuant to Minnesota Statute 216E.12 and Minnesota Statute 117.

## 2.0 PROJECT DESCRIPTION

The project is located in eastern Carver County and northern Scott County near and within the city of Chaska, and through Laketown, Dahlgren, and Jackson townships. The western end of the project area is located in Dahlgren Township, Carver County, west of Aue Lake at existing structure #142. The project extends north along the existing Great River Energy MV-VTT line through Laketown Township, and east through the city of Chaska. The project route continues across the Minnesota River into Jackson Township in Scott County to the eastern terminus of the project at the Scott County Substation.<sup>3</sup>

The proposed project covers a total of approximately 12.75 miles, contains six segments, and primarily follows existing transmission line rights-of-way (ROW). The Applicants propose to:

- Upgrade approximately 6.1 miles of existing single circuit 69 kilovolt (kV) transmission line (Line #0740) to a single circuit 115 kV transmission line (**Segments 1 , 4, & 6**);
- Change the operating voltage of approximately 2.9 miles of existing Great River Energy 69 kV transmission line to operate at 115 kV (**Segment 2**);
- Construct two segments of new 115 kV single circuit transmission line totaling approximately 2.4 miles (**Segments 3 & 5**);

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<sup>3</sup> RPA at 11

- Abandon in place (de-energized under normal conditions) approximately 1.0 mile of existing 69 kV transmission line (**Segment 3a**); and
- Remove approximately 0.39 miles of existing 69 kV transmission line through the middle of the city of Chaska (**Segment 5a**).
- Modify five substations (Scott County, Chaska, West Creek, Victoria and Augusta Substations).

The need for the proposed project was identified in the *Southwest Twin Cities Load Serving Study Review (Highway 212 Corridor 115 kV Conversion)* dated August 8, 2011, prepared by Xcel Energy Services Inc. The study was conducted to address the growing demand for electric power in the southwest Twin Cities area due, in part, to the proposed construction of a new 190,000 square-foot data center<sup>4</sup> in Chaska, Minnesota, that will add 20 megawatts of additional load to the area when it is fully operational.

According to the Applicants, without the proposed Scott County-Westgate 115 kV Transmission Line Rebuild Project transmission upgrades, overloading and low voltage conditions will worsen as the area experiences continued growth and development.<sup>5</sup>

### **3.0 ENVIRONMENTAL REVIEW DOCUMENT**

As discussed in Section 1.0, the EFP staff will be combining the environmental review under the Certificate of Need process with the environmental review procedures under the HVTL Route Permit procedures. The result will be a single environmental review document, an Environmental Assessment.

#### ***Certificate of Need Procedures***

The environmental review document under the certificate of need procedures (Minnesota Rules 7849.1500, subpart 1) must include the following:

- A. A general description of the proposed project and associated facilities;
- B. A general description of the alternatives to the proposed project; these shall include:
  - The no-build alternative,
  - Demand side management;
  - Purchased power;
  - Facilities of a different size or using a different energy source;
  - Upgrading of existing facilities;
  - Transmission rather than generation; and
  - Use of renewable energy sources.
- C. An analysis of the human and environmental impacts of a project of the type proposed and of the alternatives identified;

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<sup>4</sup> UnitedHealth plans 2nd Twin Cities data center, Minneapolis | St. Paul Business Journal, <http://www.bizjournals.com/twincities/stories/2010/03/22/story1.html?page=all> (March 21, 2010).

<sup>5</sup> RPA at 13

- D. Analysis of the potential impacts that are project specific;
- E. An analysis of mitigative measures that could reasonably be implemented to eliminate or minimize any adverse impacts identified for the proposed project and each alternative;
- F. An analysis of the feasibility and availability of each alternative considered;
- G. A list of permits required for the project; and
- H. A discussion of other matters identified in the *Scoping Decision*.

### ***HVTL Route Permit Procedures***

The environmental review document under the HVTL Route Permit procedures (Minnesota Rules, 7850.3700, subpart 4) must include the following:

- A. A general description of the proposed project;
- B. A list of any alternative sites or routes that are addressed;
- C. A discussion of the potential impacts of the proposed project and each alternative site or route on the human and natural environment;
- D. A discussion of mitigative measures that could reasonably be implemented to eliminate or minimize any adverse impacts identified for the proposed project and each alternative;
- E. An analysis of the feasibility of each alternative site or route considered;
- F. A list of permits required for the project; and
- G. A discussion of other matters identified in the scoping process.

## **4.0 EA SCOPING PROCESS**

The purpose of the scoping process is to provide the public with an opportunity to participate in the development of the scope of the EA by holding a public meeting and soliciting public comment.

The public information/scoping meetings and the comment period listed below are your opportunity to participate in the determination of the content or “scope” of the EA.

**Wednesday, September 26, 2012**  
**Afternoon Session – 2:00 p.m.**  
**Evening Session – 6:00 p.m.**

**Chaska City Hall**  
**Council Chambers**  
**One City Hall Plaza**  
**Chaska, MN 55318**  
**952-448-9200**

The meetings will inform the public about the project and the regulatory proceedings; provide a forum to discuss the environmental, social and economic issues of importance in the areas potentially affected; and gather public input into the scope of the EA to be prepared for the project. The meetings provide the public an opportunity to ask questions about the project and suggest alternatives and specific impacts that should be addressed in the EA.

Representatives of EFP, the Commission and the Applicants will be at the meetings to describe the proposed project and answer questions.

Written public comments can be submitted to the EFP staff until **Friday, October 12, 2012**. Once the scope is determined, EFP staff will prepare the EA and introduce it into the record at a public hearing to be scheduled, noticed and held at a later date.

## **5.0 DRAFT SCOPE FOR COMPLETION OF EA**

The environmental assessment will address the following matters:

### **1.0 INTRODUCTION**

- 1.1 Purpose and Need
- 1.2 Regulatory requirements

### **2.0 PROJECT DESCRIPTION**

- 2.1 HVTL
  - 2.1.1 General
  - 2.1.2 Design
  - 2.1.3 Right-of-Way Requirements and Acquisition
  - 2.1.4 Construction
  - 2.1.5 Operation and Maintenance
  - 2.1.6 Permits

### **3.0 ALTERNATIVES TO THE PROPOSED HVTL**

- 3.1 No-build Alternative
- 3.2 Demand Side Management
- 3.3 Purchase Power
  - 3.3.1 Long term Purchase Power
  - 3.3.2 Short term Purchase Power
- 3.4 Alternative Fuels
  - 3.4.1 Fossil Fuel Technologies
  - 3.4.2 Renewable Resource Technologies
- 3.5 Up-grading Existing Facilities
- 3.6 New Generation

### **4.0 ENVIRONMENTAL AFFECTS**

- 4.1 Air Quality
- 4.2 Biological Resources
- 4.3 Culture Resources

- 4.4 Geology and Soils
- 4.5 Health and Safety
- 4.6 Land Use
- 4.7 Noise
- 4.8 Socioeconomics
- 4.9 Transportation
- 4.10 Visual Impacts and Aesthetics
- 4.11 Water Resources (surface, groundwater, wetlands)
- 4.12 Waste Management and Disposal

## **6.0 SCHEDULE FOR COMPLETION OF EA**

The Environmental Assessment on the Chaska Area HVTL Route Permit application will be completed by March 15, 2013.

Upon completion of the EA, the EFP staff will notify those persons who have asked to be notified of the completion. In addition, the EFP staff will publish notice of the availability of the EA in the EQB Monitor. The EA will be made available for review and will be posted on the EFP webpage.