DRAFT SCOPING DOCUMENT

MP 39 LINE RELOCATION PROJECT

PUC DOCKET No. E015/TL-12-1123

Prepared by the Staff of the Energy Facility Permitting

February 4, 2013

1.0 INTRODUCTION

This draft 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 (DOC) has determined are appropriate for inclusion in the environmental review document.

Minnesota Power (Applicant) proposes to construct an approximate 3.0-mile-long, 115 kV HVTL in St. Louis County near the city of Eveleth, Minnesota. Minnesota Power would also, at the request of United Taconite, remove approximately 1.9 miles of existing 39 Line that runs through United Taconite's north pit.

United Taconite requested that Minnesota Power remove an existing 115 kV HVTL to accommodate United Taconite's plans to extend its mining operation located west of the city of Eveleth. The project (i.e., installation of 3.0 miles of HVTL) is needed to allow this existing line to be removed without degrading the area's high voltage transmission system.

On November 26, 2012, Minnesota Power (MP) submitted a high voltage transmission line (HVTL) Route Permit Application[1] under the alternative permitting process to the Commission for the proposed transmission line relocation of the MP Line 39.

The docket number for this route permit proceedings is E015/TL-12-1123. The Route Permit Application (RPA) was accepted as complete by the Commission in its regularly scheduled meeting on January 8, 2013.

CERTIFICATE OF NEED

A Certificate of Need is not required for the project because it is not classified as a large energy facility under Minnesota Statutes Sections 216B.243 and 216B.2421, subdivision 2(3). While the Project is a HVTL with a capacity of 100 kV or more, it is not more than 10 miles long in Minnesota and it does not cross a state line. Therefore, the project is exempt from the Certificate of Need requirements

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 line is a HVTL and therefore a route permit is required prior to construction.

The Applicants submitted the HVTL RPA for the proposed MP 39 transmission line relocation 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.

[1] Route Permit Application (RPA), eDockets Document ID 201211-81223-01 to 05

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

http://mn.gov/commerce/energyfacilities/Docket.html?Id=32972

The EFP staff is responsible for 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.

If issued a HVTL 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 involves installing a new 115 kV HVTL using both monopole and H-frame structures and removing the existing transmission line that is currently located within United Taconite's north pit west of the City of Eveleth.

Of the three mile length of new transmission line, approximately 22 percent of land is owned by the Oliver Iron Mining Company, approximately 21 percent is owned by the USX Corporation, approximately 5 percent is owned by the United Taconite Company, and approximately 17 percent owned by the Minnesota DNR. The remaining 35 percent is privately held land.[2]

The proposed route for the new 115 kV HVTL is 3.0 miles long between the existing Line 39 connection west of the City of Eveleth to the connection with the existing 37 Line connection northwest of the City of Leonidas. The length of existing transmission line that will be removed is approximately 1.9 miles long.

3.0 ENVIRONMENTAL REVIEW DOCUMENT

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;

[2] RPA at 4-1

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.

PUBLIC INFORMATION AND SCOPING MEETINGS

Monday, February 25, 2013
Afternoon Session – 2:00pm
Evening Session – 6:00pm

Leonidas Community Center
141 2nd Street North
Eveleth, MN 55734

Each public meeting will offer the same process information,
interested persons need to attend only one meetings.

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 the DOC EFP, the Commission and the Applicant will be at the meetings to describe the proposed project and answer questions.

Written public comments can be submitted to the DOC EFP staff until **Monday, March 11, 2013**. Once the scope is determined, the DOC 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:

Abstract
Acronyms, Abbreviations and Definitions
1.0 Introduction
- 1.1 Project Description
- 1.2 Project Location
- 1.3 Project Purpose
- 1.4 Sources of Information

2.0 Regulatory Framework
- 2.1 Certificate of Need
- 2.2 Route Permit
- 2.3 Combining Processes
- 2.4 Scoping Process
- 2.5 Public Hearing
- 2.6 Other Permits
- 2.7 Applicable Codes
- 2.8 Issues Outside the Scope of the EA

3.0 Proposed Project
- 3.1 Project Segments
- 3.2 Right-of-Way Requirements
- 3.3 Project Construction and Maintenance
- 3.4 Project Implementation

4.0 Alternative Routes and/or Route Segments*
5.0 Potential Impacts of the Proposed Route
- 5.1 Description of Environmental Setting
- 5.2 Socioeconomic
- 5.3 Displacement
- 5.4 Anticipated Noise Impacts
- 5.5 Radio and Television Interference
- 5.6 Aesthetics
- 5.7 Public Health and Safety Including EMF
- 5.8 Recreation
- 5.9 Land-based Economies
- 5.10 Commercial, Industrial, Residential Land Use
- 5.11 Public Services and Transportation
- 5.12 Archaeological and Historic Resources
- 5.13 Natural Environment
  - Air Quality
  - Water Quality
  - Flora
  - Fauna

5.14 Rare and Unique Natural Resources
6.0 Potential Impacts Comparison of Alternate Routes*
7.0 Unavoidable Impacts

(*) – If applicable

6.0 SCHEDULE FOR COMPLETION OF EA

It is anticipated that the Environmental Assessment on the MP 39 Relocation Route Permit application will be completed by July 1, 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.