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12-1163 SCOPING MEETING - BAUDETTE
FEBRUARY 12, 2014 - 6:00 P.M.
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Request of Minnesota Power for a
Certificate of Need for the Great Northern Transmission
Line Project

PUC DOCKET NO. E-015/CN-12-1163
OAH DOCKET NO. 2500-31196

Baudette Ambulance Garage
111 First Avenue NW
Baudette, Minnesota

February 12, 2014

COURT REPORTER: Janet Shaddix Elling, RPR

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1 MS. TRACY SMETANA: Good evening
2 everyone, and thank you for coming out on this
3 chilly evening.

4 My name is Tracy Smetana, I'm with the
5 Minnesota Public Utilities Commission, and we're
6 here for the Information and Scoping Meeting for the
7 Certificate of Need for the Great Northern
8 Transmission Line Project.

9 So just to give you an idea of where
10 we're going tonight. We'll start out with the
11 introduction, I'll be doing that, then I'll move
12 into talking about the certificate of need, kind of
13 the roles and processes involved in that
14 decision-making. We'll ask Minnesota Power to give
15 us a brief summary of the project. And then the
16 Department of Commerce will talk about the
17 environmental review process. And then we'll get to
18 the main event, which is your comments and
19 questions.

20 I always like to start out with who is
21 the Public Utilities Commission. So I'm guessing a
22 lot of folks don't know about us. I can tell you I
23 didn't know this agency existed until I applied for
24 a job there. So I always like to give a little
25 introduction.

1 We regulate permitting for power plants,
2 pipelines, transmission lines, so that's clearly why
3 we're here this evening. But we also deal with
4 local and in-state long distance telephone companies
5 and rates and services for investor-owned electric
6 and natural gas utilities.

7 We have five commissioners that are
8 appointed by the governor, and they serve staggered
9 terms so they don't all come in in a fresh batch
10 when we get a new governor like some other agencies
11 you might see that. It's also full-time employment
12 for our Commissioners, so they're in the office 40
13 hours a week just like the rest of us are. So it's
14 different from, say, a small-town city council where
15 they might come in for a couple meetings a month and
16 that's the extent of their duties, they have another
17 job on the side or whatever it might be. This is
18 full-time employment for our Commissioners. We also
19 have about 50 staff that help analyze the issues and
20 help them get to decisions.

21 A little bit more on who is who in this
22 process. As we work through the certificate of need
23 there are some terms that you might hear and it's
24 helpful to know upfront what those are all about.

25 So, first off, the applicant. That's

1 what we call the company that's asking for the
2 certificate of need. So in this case the applicant
3 is Minnesota Power. So if you hear anyone use that
4 term, applicant, that's who we're talking about.

5 We also have the Department of Commerce.
6 We have two different arms that are involved in this
7 process. The first is the Energy Environmental
8 Review and Analysis, you might see it abbreviated as
9 EERA. Many of you met Mr. Storm on your way in, he
10 is with that side of the Department of Commerce.
11 And their job is to conduct the environmental review
12 for this project.

13 The other side of Commerce is the Energy
14 Regulation and Planning. They are also a state
15 agency and their job is to represent the public
16 interest when utilities ask to change their rates,
17 services, and so on. So they will do an analysis of
18 some other issues in the project as well.

19 Later on we'll be asking the Office of
20 Administrative Hearings, sometimes abbreviated as
21 OAH -- you're going to get a lot of acronyms here,
22 right -- they're another state agency, and an
23 administrative law judge -- here we go again with
24 another abbreviation, an ALJ, you might see that out
25 there -- will hold hearings, collect facts in the

1 record, and ultimately make a recommendation to the
2 Public Utilities Commission about this project and
3 whether it's needed.

4 We've talked a little bit about the
5 Public Utilities Commission and there's two
6 different folks that you may interact with as part
7 of this process. The first is the public advisor,
8 and that's me. And so my job is to help you figure
9 out what is this process, how does it work, where
10 can you plug in, answer questions, that type of
11 thing. My job is to be neutral. I'm not an
12 attorney, I don't give legal advice. I'm also not
13 an advocate for an individual person or property
14 owner, I'm not an advocate for the Company saying,
15 yeah, you should like this project. My job is to be
16 neutral and work with the process.

17 The other person at the Commission that
18 you may interact with is a staff analyst. And their
19 job is to assist in building the record, analyzing
20 some facts, informing Commissioners on impacts of
21 various decision options. Again, Commission staff,
22 we're all neutral, we're not going to give you legal
23 advice, we're not going to advocate for one party or
24 another. The staff analyst working on this project
25 is here tonight, it's Mr. Michael Kaluzniak, he's in

1 the back of the room here, so give a shout out to
2 Mike there.

3 And so why does the Commission get
4 involved in this particular project? As I said, we
5 do regulate permitting for transmission lines and
6 other energy infrastructure type projects. And this
7 one we care about, and it becomes part of our
8 process, because it's a large energy facility. What
9 does that mean? Well, it's based on the size and
10 the capacity. Those are the two elements that the
11 rules and statutes tell us to consider in order for
12 it to bump up to the state level for review, 'cause
13 there's other projects that could happen in the
14 local area where the local government can review
15 that instead.

16 And so I'm not going to read through all
17 of these specs here, you've got that in your handout
18 and you can follow along on your screen, in terms of
19 the length and the capacity.

20 I've also included, for those that are
21 looking for some really interesting reading, the
22 statutes and rules that apply to this process and
23 how it works. So for those that want to do a little
24 extra research, that's where you can find that.

25 This line is also considered a high

1 voltage transmission line in terms of the rules and
2 statutes. And, again, that's based on -- excuse
3 me -- the capacity and the length of the line. So
4 if it's going to operate at 100 kV or more and it's
5 greater than 1500 feet in length, then the state
6 requires a route permit from the Public Utilities
7 Commission.

8 And the route's going to be decided in a
9 separate process for this particular project. So
10 what's going to happen right now is there's two
11 different questions that need to be answered before
12 this project could be built. Number one, is the
13 project needed. And that's what we're talking about
14 first. So kind of first things first, do we need
15 the project.

16 The second part is going to be the route.
17 If we need it, where is it going to go. And so that
18 will come in a separate process, kind of similar to
19 what we're going through now on the question of
20 need, but the question of where does it go will come
21 later down the road.

22 So what are some things that the Public
23 Utilities Commission has to look at in determining
24 is this thing needed? Well, the rules and statutes
25 lay that out for us. So some of the things that our

1 Commissioners will consider are what if the project
2 isn't built, what would happen. We're going to look
3 at the future of adequate, reliable, efficient
4 service for Minnesota and for neighboring states.
5 So things like when we flip the switch is the light
6 still going to go on, because we all want that to
7 happen, right? Is there a better solution? Maybe
8 there's a different size line or a type or timing,
9 cost, reliability, we look at all of those factors
10 as well. To say if, you know, there is indeed a
11 problem that needs to be fixed, is this the best way
12 to fix it. Does it fix the problem while protecting
13 the environment? We certainly want to consider the
14 impacts on wildlife, human health, other factors
15 that are out there, 'cause we know they exist if
16 this is the answer.

17 And does the project meet other
18 government requirements. There's going to be other
19 local, state, federal requirements that this project
20 would have to meet in order to be built as well.
21 For example, there might be some DNR requirements
22 they have to meet, or if they're proposing to be
23 close to a highway there might be Department of
24 Transportation rules. So while the Public Utilities
25 Commission doesn't oversee those rules and we're not

1 responsible for enforcing them, we're going to tell
2 the Company, if this project is determined that it's
3 needed, hey, you've got to follow their rules, too.

4 Okay. So for those of you who like
5 pictures, this is a little chart that shows what the
6 process looks like. It's kind of a big picture
7 overview. There are some other smaller steps that
8 happen in between, but I wanted you to be able to
9 read the chart and I think we've captured the
10 highlights here.

11 So you can see at the top there's a box
12 that says application accepted. And what that means
13 is, think of it as sort of like a checklist. You
14 know, if there's ten things the Company is supposed
15 to tell us about in their application, if they've
16 told us about all those things and we've checked
17 them off the list, we say, yes, it's complete. It
18 doesn't mean it's good to go, it doesn't mean it's
19 needed, all it means is it's ready to start the
20 review process, we can call it a complete
21 application and we're ready to move into the next
22 step.

23 And the next step is where we're at
24 today, the Public Information and Scoping Meeting.
25 So you can see we're very early on in the process.

1 Decisions really have not been made, the only big
2 decision that's been made so far is that the
3 application is complete so we can move on with our
4 review.

5 And so what's going to happen from here?
6 We've kind of got two different branches that happen
7 from here. So over on this side, which I'm not
8 going to talk about a lot because Mr. Storm from
9 Commerce is here to tell you about that, the
10 environmental report process. So that's going to
11 happen over on one side. On the other side we've
12 got what we're calling review of facts and merits.
13 And that's where folks are going to submit
14 additional facts and details on Minnesota Power's
15 part to support their application for why this is
16 needed, and other folks might submit information
17 saying why they don't agree that it's needed or why
18 something else is better.

19 As part of that process, there are ways
20 that people can be involved. And one of those is to
21 file for intervention where you would be
22 participating in the more formal side of the
23 process. And if people have questions about that
24 I'll be happy to answer those as well.

25 We'll also be back up in this area for

1 public hearings once we have that environmental
2 report and we have some more information on the
3 facts of the case. And so folks again will be
4 invited back to come and share their thoughts,
5 concerns, questions and so on about the project at
6 that time.

7 And from there we'll move into
8 evidentiary hearings, where it's more like a court
9 type situation. Where people, you know, swear to
10 tell the truth and they present facts and people can
11 cross-examine them and that type of thing.

12 From there the administrative law judge
13 is going to take all the information collected up
14 here to write a report for the Commission. And then
15 ultimately the Commission, in this box that's kind
16 of cut off by the bottom here, the Commission will
17 ultimately make a decision. And in this particular
18 project we're anticipating, from this top box to the
19 decision, is about 15 to 18 months. So you can see
20 we're very early on in the process.

21 Now, if you're not a picture person and
22 you like a list better, like I do, this is your
23 slide. It gives you a little bit more about the
24 timelines. Keep in mind, these are estimates. You
25 know, the only things that are carved in stone at

1 this point really are the meetings that we're having
2 right now 'cause we're having them, and the comment
3 period that Mr. Storm will discuss in a moment. All
4 of these other things are yet to come. And, again,
5 we're anticipating a decision probably in May of
6 2015 on the question of need.

7 Now, some of you may be saying, hmm, how
8 can I get more information, how can I learn more
9 about this project. There's a bunch of different
10 ways you can do that. The Department of Commerce
11 maintains a project page on their website that talks
12 specifically about this project and includes links
13 to various documents that may be of interest to you.
14 So there's the address there. You also can get to
15 that page from our website. This presentation is
16 there so that might be easier instead of trying to
17 type that long address in.

18 If you want to see everything that's been
19 submitted in this project, all of it is filed on our
20 website through what we call our eDocket system.
21 And that would include, you know, anything that
22 Minnesota Power has submitted, saying, hey, here's
23 why we need this thing. It would include any
24 citizen comments. If you write in and say here is
25 why I think it's not needed, or whatever else it is

1 that you might say about it, all of those comments
2 are included in this eDocket page as well. So it's
3 the complete record. And the instructions are
4 there.

5 Now, I've included instructions both for
6 the certificate of need docket, which is -- the 12
7 is the year and 1163 is the number. And that's the
8 one that we're here to talk about tonight, that's
9 the one that's actually been filed and we're
10 starting to work on and process.

11 I've also included the docket number for
12 the route permit. 14 is the year and 21 is the
13 number. The Company hasn't yet submitted that
14 application so there's really nothing there. If you
15 follow these steps you'll end up with no results
16 today, I'm pretty sure. But I thought, you know,
17 for folks that have an interest in the project, they
18 may be interested in the route side as well.

19 And then you also can sign up for the
20 project mailing list. Many of you have already
21 turned these in, the orange cards that are in the
22 back of the room. You can receive information by
23 U.S. mail or by e-mail. If you include your e-mail
24 address on there we'll be happy to send it to you by
25 e-mail. And you'll get information about upcoming

1 meetings, opportunities to submit written comments,
2 decision points, such as when the environmental
3 report is completed, and those types of things. So
4 it kind of gives you more of the overview of what's
5 happening and doesn't bombard you with a lot of
6 stuff that maybe you don't want to receive. On the
7 other hand, if you really want to receive everything
8 that happens in the process, we have an e-mail
9 subscription feature that you can use to receive an
10 e-mail saying, hey, something new happened in this
11 case, and it includes a link where you can follow
12 along to get to that document. Now, for some people
13 that is too much e-mail and they don't like e-mail
14 and they don't want to go this route, but for folks
15 that want to receive notice about everything, we do
16 have that feature as well.

17 Included is some information on some
18 additional resources. The Department of Commerce
19 has a web page, as I mentioned. They do a project
20 page specific for this project, but they also have
21 some general information about the process and how
22 it works and some Q and As that you might find
23 helpful. The statutes and rules, if you're
24 interested in some good bedtime reading, I've
25 provided those citations earlier in the

1 presentation, and then the website for the Public
2 Utilities Commission.

3 And then here's the contact information
4 for me and for Mr. Kaluzniak. If you have any
5 questions down the road, we'll be happy to answer
6 those or point you in the right direction.

7 And, with that, I'm going to turn it over
8 to Mr. Jim Atkinson with Minnesota Power.

9 MR. JIM ATKINSON: Thank you. I think I
10 recognize most of the faces here from the last year
11 and a half of doing open houses out here. I think
12 we've done four at this venue, in particular, or in
13 this town anyway.

14 We're here to talk about the same project
15 that you've been hearing about for a while now,
16 which is the Great Northern Transmission Line. And
17 that is a 500 kV single-circuit line from the
18 corridor of Manitoba down to the Iron Range,
19 specifically to a substation called Blackberry,
20 which is about 20 miles east of Grand Rapids.

21 So overall, probably about a 200- to
22 250-mile line. And also would require about a
23 200-foot-wide right-of-way for the entire line. The
24 structures are about 150 feet tall at the tallest
25 and they're anywhere from about 1000 to 1450 feet

1 apart, so they're pretty far in between structures.
2 The average would probably be closer to that high
3 end, not the low end.

4 Overall, it'll have a capacity that's
5 estimated right now based on modeling to be about
6 750 megawatts, which is quite a bit. And we need to
7 have it in service by June 1st of 2020 to meet the
8 terms of a Power Purchase Agreement that we have
9 with Manitoba Hydro for 250 megawatts. That Power
10 Purchase Agreement is already approved by the
11 Minnesota Public Utilities Commission, so part of
12 the need question is already there.

13 We're also going to be getting another
14 133 megawatts, if we can get our second Power
15 Purchase Agreement approved by the Minnesota Public
16 Utilities Commission. So that one is still pending.

17 There's a couple big reasons why we're
18 proposing the line. The first one is is we're
19 trying to change the way we make electricity. Right
20 now, over three-quarters of our electricity comes
21 from burning coal and we're going to be reducing
22 that significantly over the next few years and
23 likely be down to about a third. So a big part of
24 that strategy is bringing in hydropower from Canada.
25 It's not the only thing, but it's a very important

1 part of that strategy. We'll also be doing things
2 like converting coal plants into gas plants and
3 we'll be building some solar and other things.

4 At the same time we're doing that, we
5 actually have been seeing an increase in demand on
6 our system, which is different from most utilities
7 right now, which have very little or no load growth.
8 And some of them are even declining because of the
9 economy and what it's been doing. But we serve the
10 Iron Range so that makes us different and we're
11 actually seeing substantial load growth and have
12 good reason to project that well into the future.

13 I don't know if you can see them very
14 well from the back, but these are some common
15 structures. We also have them on the boards back
16 there. And we've had them out here several times in
17 the past to show you. But some of the structures
18 that would require guys would be used more in the
19 forested or wetland areas, going through the large
20 expansive peat areas we would use guyed structures.
21 And then in agricultural settings we'd use
22 self-supported four-legged variety so we would not
23 need guy wires.

24 And similarly, if you want to stay
25 engaged in the project, you can do that through

1 Minnesota Power as well as through the state, and
2 here's just some of the ways you can do that. We
3 have a hotline number, we have a website, we have
4 Jim Atkinson's business card, which I can give you
5 one if you want and you can get ahold of us at any
6 time. And we also have links to the state's website
7 and ways to make those connections as well.

8 That's about it. Thank you.

9 MR. BILL STORM: Good afternoon -- good
10 evening. My name is Bill Storm. As Tracy said, I'm
11 with the Department of Commerce.

12 The Department of Commerce's role in
13 dockets concerning certificate of need that come
14 before the Commission is to do the environmental
15 review. And before I go into what environmental
16 review is under the certificate of need, I just want
17 to make a little clarification so that you know
18 there are two processes that are -- two state
19 processes that are going to be involved for this
20 project.

21 The process that we're here now for is
22 the certificate of need. Minnesota Power has
23 submitted an application to the Commission, the
24 Public Utilities Commission, requesting a
25 certificate of need. They've identified a need and

1 they've identified a solution of transmission to
2 meet that need.

3 There is another process in order for
4 them to get to the point where they're actually
5 building this thing, there is a second process which
6 is the routing process. And the routing process is
7 where the Public Utilities Commission determines
8 where the line will go, whose land will be impacted,
9 what resources will be impacted, where it'll go.

10 Both those processes involve public
11 information and scoping meetings, involve
12 environmental review and an environmental review
13 document, involve a public hearing, and involve a
14 final decision by the Commission.

15 So this schematic that Tracy showed you
16 on page 10 for the certificate of need docket, there
17 is another almost identical schematic that will
18 be -- that exists for the routing process. We
19 haven't started the routing process since Minnesota
20 Power has not yet submitted an application for a
21 route. They need -- like I said, to ultimately
22 build this project they need two approvals. They
23 need a need -- a certificate of need from the Public
24 Utilities Commission, and they need a route before
25 they can go with it.

1 What we're here tonight to do is to give
2 you information about the process around the need,
3 about the project, and also what environmental
4 review means in the context of a need docket.

5 If you picked it up from the desk,
6 there's a document that describes what environmental
7 review is when it comes to the certificate of need.
8 I'm going to run through it kind of quickly for you
9 just to give you an idea of what it's about.

10 The most important part for the
11 environmental review is the scoping, and that's what
12 I'm here to do tonight. I'm here to get input from
13 the public on what issues and concerns do you want
14 to make sure I cover when I write the environmental
15 document that describes the environmental impacts
16 with this need docket.

17 So as Tracy said, the Energy
18 Environmental Review and Analysis staff prepares the
19 environmental document, and in the need proceeding
20 the environmental document is referred to as the
21 environmental report. In the routing proceeding,
22 the environmental document is referred to as the
23 environmental impact statement, and most people are
24 familiar with that term, the environmental impact
25 statement.

1 There's a difference in those two
2 documents in what areas or how they approach the
3 review. In the need docket, the ER must -- the
4 environmental report must contain information on the
5 human and environmental impacts of a proposed
6 project from the perspective of size, type, timing,
7 and system configuration and voltage. That means
8 I'm preparing an environmental document for the
9 Commission that compares ways to meet the need. So
10 the Commission can look at what are the generic
11 impacts of a transmission line versus another way to
12 meet the need, which is maybe build a local power
13 plant. So that's what -- the environmental review
14 for the need docket is a higher elevation review to
15 give the Commission an idea of what are the generic
16 environmental impacts associated with different ways
17 to meet this need.

18 The rules specify what my document has to
19 contain, what are the issues I have to talk about in
20 the environmental report. And basically they are
21 I've got to give a general description of the
22 project and its facility, I have to describe
23 alternatives to the project, alternatives that are
24 boilerplate that are in the rule. And they would
25 include the no-build option, demand-side management,

1 power purchase, other ways of meeting that need.
2 Okay. And then I have to look at the human and
3 environmental impacts associated with the proposed
4 project and with these alternatives to meeting that
5 need.

6 I also have to look at how can we
7 mitigate the impacts that this project has at the
8 need level. I also have to look at what downstream
9 permits may be required if the applicant does get a
10 certificate of need granted to them, and they go to
11 the routing process, what kind of permits can we
12 anticipate that they'll need from the DNR, from
13 MnDOT, and from other state agencies.

14 Part of scoping is to get input from the
15 public. Now, the public or state agencies or other
16 entities can give me input on what impacts and
17 alternatives they would like me to look at in my
18 environmental report. And if you desire to have me
19 look at an impact or look at an alternative way of
20 meeting the need, you need to submit your comment
21 during the comment period. The comment period for
22 this docket, this need docket is open until
23 March 14th of this year. And what you need to do in
24 that request is to identify the alternative that you
25 want me to evaluate, an alternative way of meeting

1 the stated need, or the impact, whether it be EMF or
2 forest fragmentation or other types of impacts that
3 are associated with transmission lines. Then you
4 need to provide me an explanation of why you want me
5 to look at this alternative or this impact, and then
6 also submit any supporting information you want me
7 to consider as I develop my recommendation for a
8 scope.

9 As Tracy pointed out, the Public
10 Utilities Commission makes the final determination
11 on whether there is a need and whether transmission
12 is the way to answer that need. But from the
13 environmental review standpoint, the Department of
14 Commerce commissioner determines what the
15 environmental review should be. And that's called a
16 scope, a scoping decision. Basically, a table of
17 contents that lists for the public, here's all the
18 things we're going to cover in our environmental
19 review.

20 And, as I said, the commissioner of the
21 Department of Commerce makes that determination.
22 And how that comes about is, after the close of the
23 comment period tonight, I'll take all the comments I
24 got and I will look at them, give the applicant an
25 opportunity to comment on them, and then I'll put

1 forth a recommendation to my commissioner on what
2 the scope of the environmental document should look
3 like.

4 And if you turn to the page 6 of this
5 draft scoping document, this is basically what
6 you're looking at, the scope is basically a table of
7 contents for the environmental document. And
8 considering agency comments that I get, other
9 comments I get, and the reply comments that I get
10 from the applicant, I will formulate a
11 recommendation to my commissioner, the commissioner
12 will sign a scoping decision and that will lock in
13 the table of contents for the environmental report.

14 Now, the commissioner can exclude from
15 analysis in the environmental report certain
16 alternatives. If the alternative does not meet the
17 underlying need or purpose of the project, or if the
18 alternative is not likely to have a significant
19 environmental benefit over the proposed project, or
20 if there's another alternative that is similar
21 enough and has less environmental impact.

22 The commissioner must, though, include in
23 the scope any alternative or impact that the
24 Commission -- the PUC, the Public Utilities
25 Commission wants to be in there. So if the Public

1 Utilities Commission weighs in with an alternative
2 or an impact, that automatically makes it into the
3 scope.

4 And to give you an idea of what I mean by
5 suggesting an impact or soliciting an alternative, I
6 have this little schematic here that shows first for
7 an impact. If you look at the table of contents on
8 page 6 of my document you'll see that that's a draft
9 scope. That's what I think the broad categories
10 that I should cover in my environmental report are.
11 And what I'm asking from the public and state
12 agencies is help me fill in that detail.

13 And this is an example. You can see one
14 of my broad categories that I'm going to cover as a
15 broad category is health and safety. And health and
16 safety may involve a lot of things, towers falling
17 over, EMF, that type of thing. So if you see when
18 you look through this draft and look at the broad
19 categories, if you think there's a subcategory, in
20 this case the primary category being health and
21 safety, the subcategory being, Bill, I want to make
22 sure you talk about electric and magnetic fields in
23 your environmental report. Submit your comments
24 during the comment period or submit it tonight after
25 the presentation here and I'll consider having that

1 put into the scope.

2 The same is true for alternatives. In
3 the certificate of need it's a little -- I try to
4 make a clarification in the certificate of need in
5 that later on when I come back for the routing and
6 I'm doing the same process for the routing, when I
7 get to suggest alternatives to me, that's going to
8 be easy for the general public to comprehend because
9 you're going to see a line on a map and you're going
10 to say, well, that line, the way the applicant had
11 it down crosses a mature stand of cedars I'm
12 concerned about, or crosses a deer wintering area
13 that I'm concerned about, and so I want you, Bill,
14 to look at an alternative that goes around that,
15 that avoids that area. You know, so that's nice and
16 clear cut when we get to the routing 'cause that's
17 sort of tangible, everybody can see that.

18 In the need, when I'm asking for
19 alternatives, I'm asking for alternatives that deal
20 with size, type, timing, and system configuration.
21 And this is more complex, more engineering involved.
22 And an example would be they're proposing a 500
23 kilovolt line, okay, to meet a need of 700 megawatts
24 need that they say they have. And you may say,
25 well, Bill, why not look at a 763 or 65 kilovolt

1 line. Or why not look at a 230 kilovolt line. Look
2 at an alternative that I think might have less
3 environmental impact or greater societal benefit.
4 So that's what I mean when I'm asking for
5 alternatives inside the need question. And it's
6 harder to grapple with than it is on the routing
7 side, and we'll be back up here probably in May and
8 you'll have an opportunity for that. But I'd just
9 like to clarify that because I know it can be
10 confusing.

11 And as I said, the comment period, to
12 tell me of an impact that you want to make sure I
13 cover, or if you want to put an alternative on the
14 table to meet the need, the stated need, the comment
15 period closes March 14th of this year. You can
16 e-mail me your comments, you can snail mail me your
17 comments through U.S. mail, you can come up tonight
18 and make your comment to the court reporter so it
19 goes on the record tonight.

20 If, as you think about this, you go home
21 and you think about this and you need help teasing
22 out the language that you want to use or how to get
23 that to me, give me a call and I can walk you
24 through it. Like I said, the -- and the need
25 question is a little bit more high elevation, a

1 little bit more complicated than when we get back up
2 for the routing. 'Cause routing, it's tangible, you
3 can see where the line is on the map, you know what
4 concerns you have where the rubber meets the road on
5 the ground. So I'm trying to clarify that. And if
6 I've confused you more, certainly come up and tell
7 me that and I'll try to straighten it out. So
8 that's when the comment period closes. So that's
9 basically what environmental review is about during
10 the need docket.

11 So at this point I'd like to -- I had
12 people -- the way I usually do it -- it's a small
13 group tonight so the cards aren't that significant,
14 but what I usually do is have people fill out a card
15 and then when I'm done speaking, which I hopefully
16 will get to, I'll call you up, stand up, state and
17 spell your name for the court reporter, and then
18 make your comment. It can be a comment, it can be a
19 question, or it can be an impact alternative that
20 you want me to study.

21 Speak slower than I do so the court
22 reporter can actually get down what you're saying.
23 Once I go through the two cards then I'll ask for a
24 show of hands and you can certainly come up to
25 speak.

1 So the first person I have on my cards is
2 David Leonhardt. So if you'd please stand up and
3 state and spell your name.

4 MR. DAVID LEONHARDT: Oh, boy.

5 (Cell phone ringing.)

6 MR. BILL STORM: Talk about timing, huh?

7 MR. DAVID LEONHARDT: Okay. My name is
8 David Leonhardt, that's D-A-V-I-D, of course, and
9 the last name is spelled L-E-O-N-H-A-R-D-T. And I'm
10 the chairman of the Citizen Advisory Committee, or
11 Friends of Big Bog of the Big Bog State Recreation
12 Area south of here. And I suppose you're all
13 familiar with the Big Bog and the Big Bog Walk out
14 there. We have the longest bog walk in the world
15 there, a one mile long elevated boardwalk.

16 And our -- the reason that I came to the
17 meeting was to express a concern that we have, but
18 it has to do with the routing of it, so I'm not
19 really probably at the right meeting. But as long
20 as I'm here I figured I should probably get it out
21 there anyway so it will be in your minds when you're
22 thinking of further along -- further along on this
23 project.

24 And that is, the point that we're
25 concerned about, is if they follow the one route

1 that they have that goes down through Waskish, the
2 line would come awful close to the terminus of the
3 boardwalk. And currently that is an unspoiled view
4 from the terminus of the boardwalk the way it is
5 now. So it would be somewhat of a negative thing if
6 when you get to the terminus of this area, a totally
7 unspoiled view, and then all of a sudden there would
8 be big towers sticking up there fairly close.

9 So that's our concern there, if they
10 could keep that -- if they could keep those towers
11 out of view of the terminus of the boardwalk, that
12 would be our -- that would be our desire.

13 On a personal note, I guess I can switch
14 here now, that in my personal opinion, as far as the
15 routing goes, we're back to routing, but that sounds
16 like that's part of your environmental research
17 anyway. And that is that in my idea it would be the
18 best thing to do would be to follow the route of the
19 other power line that already exists. That
20 footprint is already there through the area. The
21 problem that comes from it is that there's been a
22 whole bunch of our area up here that has been
23 designated natural and scientific and they won't
24 allow the lines to go through those areas. Even the
25 existing line that's there, even with the line being

1 there already, they still won't let another one be
2 put alongside of it. And it's a concern of mine
3 that there's that much of our area up here is being
4 gobbled up by other interests that is making it more
5 and more difficult for any kind of development to go
6 on in our area. So I think this is one of the
7 concerns that we should be thinking about.

8 And I'm a full supporter of the idea of
9 hydroelectric power. And I have to compliment
10 Canada for having the foresight to develop this,
11 their system up there. But technically, or in
12 reality I would like to see some of those types of
13 systems developed in our country so we can utilize
14 some of our own energy sources that we have.

15 Now, they talk about the fact, and we all
16 know that, that they're going to cut down on the
17 usage of coal. And that's actually one of our --
18 one of our most economical sources of power, is
19 coal. So I'm also a coal supporter. But the
20 natural gas idea, of course, is favorable, too.

21 But anyway, I thought I'd express my
22 opinion on that, and I guess, with that, I'll float.

23 MR. BILL STORM: Thank you, David.

24 And just to add a little bit to that,
25 David's point about the Big Bog is an excellent

1 example of how, when we get to routing, how we will
2 deal with alternatives to the route. They haven't
3 submitted their application on the routing side, but
4 if they do, they do come in with the route that
5 you're worried about, Big Bog, one of the issues,
6 when we get to the scoping of the EIS would be,
7 Bill, let's work out an alternative route segment
8 that minimizes that impact. And that would be
9 something that could make it into the scope for the
10 EIS of the route and would be evaluated, pros and
11 cons, to the proposed. So thank you, David.

12 John Paulsen.

13 MR. JOHN PAULSEN: John is J-O-H-N,
14 Paulsen is P-A-U-L-S-E-N.

15 My question, I was just concerned with
16 what was the routing.

17 MR. BILL STORM: Why is the routing?

18 MR. JOHN PAULSEN: Well, the routing, why
19 can't we follow one of the existing lines?

20 MR. BILL STORM: I can certainly have
21 Minnesota Power make a brief comment on that, but
22 the comments that I'm taking tonight, and I'll
23 certainly let Minnesota Power speak to that, but the
24 comments I'm taking tonight that I'm going to
25 consider as I build my scoping recommendation to my

1 commissioner center around need. The routing
2 issues, when we get back up here in the end of May
3 or so when I'm back up here, and we can fully flesh
4 out, you know, why can't you put transmission lines
5 right next to each other instead of having them
6 spread all over. We can certainly cover that. But,
7 Jim, if you'd like to make just a brief comment to
8 his question. You don't have to if you don't want
9 to, but --

10 MR. JIM ATKINSON: No, that's fine. And
11 I probably will sound a little bit like a broken
12 record, but the gentleman is correct. We, you know,
13 we are looking at following the existing
14 transmission lines as much as we can. But one of
15 the big reasons why we divert from the existing 500
16 is because it now traverses scientific and natural
17 areas and it takes it off the table for Minnesota
18 Power. So while it looks like it makes good common
19 sense, it's not necessarily something that we can
20 even consider.

21 The 230 kV line that goes further to the
22 east is part of one of our other routes, and that
23 one we're following, again, as much as we can. And
24 there's some segments of it that we are preferring
25 to bypass just because of congestion. You know, the

1 existing line is just a little too close and
2 personal with some home sites for our liking. And
3 what we're proposing to put in is a much larger
4 scale than the 230 that's there so it makes it a
5 challenge. So I hope that helps.

6 MR. CHARLES BREUER: Hey, can I get you
7 to define that whole scientific thing that the
8 problem is?

9 MR. JIM ATKINSON: The scientific and
10 natural areas?

11 MR. CHARLES BREUER: Yeah.

12 MR. BILL STORM: Can I get you to stand
13 up and state and spell your name, please?

14 MR. CHARLES BREUER: Charles Breuer,
15 B-R-E-U-E-R.

16 And I'm just wondering, would you define
17 that? I heard him talking about it and then you
18 brought it up, and what is that?

19 MR. JIM ATKINSON: I will tell you what
20 they are, but I'll leave it to the DNR to, you know,
21 discuss how they select areas to be those. But
22 scientific and natural areas are designated tracts
23 of lands, and usually because of some unique
24 characteristic that they have. Something that is in
25 kind of an original natural state that hasn't been

1 altered too much by human activity, typically, and
2 maybe have an unusual characteristic that sets it
3 apart from other similar features. That's the best
4 I can tell you. It's actually in state statute that
5 we can't route transmission lines through them.

6 MR. CHARLES BREUER: Thank you.

7 MR. BILL STORM: I don't want to get too
8 much on a slippery slope of routing, but we have a
9 small group so I'm okay with that. The rules do
10 state prohibited sites, sites that a transmission
11 line cannot be passed through. And scientific and
12 natural areas is one of them.

13 Okay. Carol.

14 MS. CAROL OVERLAND: It's regarding that.
15 In Section 3 of the draft scope it talks about
16 alternatives to the proposed, and it does talk about
17 upgrading existing. And so rather than build next
18 to it, there may be options for upgrading existing
19 that maybe Minnesota Power doesn't want to talk
20 about, who knows, but that's something that should
21 be looked at in the environmental review. And it's
22 not in a routing sense, but in an alternatives to
23 proposed line sense.

24 MR. BILL STORM: As I talked about,
25 the -- the rules, there's a part of the rules that

1 are sort of boilerplate what my environmental report
2 during the certificate of need process states I have
3 to cover. And one of them is I have to look at
4 alternatives that are stated. Not only alternatives
5 that come in from the public, but there are
6 alternatives stated in the rule, and one of them is
7 upgrading existing facilities. So that discussion
8 will occur in my environmental report.

9 MS. CAROL OVERLAND: But what they're
10 doing, they're adding detail to that, which is what
11 we're looking for here today is to add details to
12 these categories. And that's one that I think it
13 should be clear that people are asking that this
14 needs to be looked at.

15 MR. BILL STORM: It will be looked at
16 because it is one of the categories that I have to
17 look at in my report.

18 Anybody else want to -- yes, ma'am.

19 MS. SANDY ROGERS: Sandy Rogers,
20 R-O-G-E-R-S.

21 I have a question of is there like an
22 electromagnetic force or impact from the actual
23 power lines? And how far does that reach beyond the
24 power lines?

25 MR. BILL STORM: I'll comment on it, then

1 if Jim wants to.

2 When I do an environmental report for a
3 certificate of need, I look at environmental impact
4 and human health impacts. One of them that I always
5 cover is EMF, electromagnetic fields. So I will
6 discuss them in the environmental report, but
7 they -- and they will also be discussed in the
8 environmental impact statement when we get to
9 routing. The difference between the discussion will
10 be, when I'm doing the environmental impact
11 statement I will know where the line is and I can
12 talk about the electromagnetic fields from a 500 kV
13 line relative to where they end up with the line.

14 In the need environmental report, I'll
15 look at what can we expect the EMF coming from a 500
16 kV line to be like and what is the current state of
17 literature concerning that. So that's a little
18 higher elevation look at it, but we will re-address
19 it when we get to the routing part and we'll address
20 it in the context of actually having a line on the
21 ground, of knowing where that line is going to go.

22 Does that help?

23 MS. SANDY ROGERS: Do you know offhand,
24 though, how far away from the line it will affect?

25 MR. BILL STORM: Jim probably knows the

1 numbers off the top of his head, but I don't know
2 the numbers off the top of my head.

3 MR. JIM ATKINSON: Yeah, first of all, I
4 guess I'll point out that I'm the environmental guy
5 and our electrical engineer is in the back. But I
6 think the short answer is out maybe 100 feet outside
7 of the right-of-way it's down to background levels.

8 MR. SCOTT HOBERG: And we have a board
9 right here, you know, afterward we can step through
10 that as well and talk about it in detail.

11 MR. BILL STORM: Okay. I'll come back to
12 you, Carol.

13 MS. CAROL OVERLAND: Ever so briefly?
14 It's very important to consider the capacity of the
15 line, and so the distance that the electromagnetic
16 fields, especially the magnetic fields goes from the
17 line depends on how much electricity is going
18 through that. So if the engineer could explain
19 that. And what that does is it changes the level.
20 So the more electricity, the further out it will
21 reach, and the higher the level will be.

22 MR. BILL STORM: I just want to follow up
23 a little bit on Carol's. When I write, especially
24 in the routing docket, when I write my EMF section
25 for the routing docket, I ask that the applicant

1 give me data on what's going to be your normal
2 operation capacity of this line, give me your EMF
3 numbers for that, and then push that line to failure
4 and give me your numbers on that. So you can get an
5 idea if they push this line to failure, this is
6 what -- as Carol says, the more you push the line it
7 will have an effect on the EMF numbers.

8 Yes, sir.

9 MR. STEVE WYMORE: Steve Wymore, the last
10 name is W-Y-M-O-R-E.

11 I'm wondering why the terminus east of
12 Grand Rapids is needed, if it has more to do with
13 the need for power for mining or for development in
14 that area. Because I don't see that as a high need
15 area, so why is the terminus of the line east of
16 Grand Rapids, is my thought. Is that part of the
17 need?

18 MR. BILL STORM: I'll let MP. Do one of
19 you want to --

20 MR. JIM ATKINSON: Yeah. Certainly
21 mining and expansion of mining operations is a big
22 part of our load growth. And then the number of
23 circuits coming into the Blackberry Substation is a
24 big part of the equation, too. So it just gives us
25 the best opportunity for interconnect.

1 MR. DAVID LEONHARDT: Well, that's like a
2 hub, right?

3 MR. JIM ATKINSON: Yes, it's a pretty
4 major substation.

5 MR. DAVID LEONHARDT: 'Cause you've got
6 to drop that voltage way down at some point.

7 MR. JIM ATKINSON: Yep.

8 MR. BILL STORM: Remember, folks, I have
9 a court reporter here, so raise your hand so the
10 record looks good for the Commission. So it won't
11 be real hard for them.

12 Okay. Anyone else have a question or a
13 comment that they would like to make? Going once.
14 Twice.

15 Okay. Remember, if you want to give me a
16 comment on an impact you want to make sure I cover
17 or an alternative way of meeting the stated need,
18 please get them to me by March 14th.

19 I also want to stress -- understand that,
20 as I explained, and I hate beating a dead horse but
21 it's complicated, there are two processes, the need
22 process and the routing process. The routing
23 process is where I get more specific involvement,
24 more public involvement because we're actually
25 looking at a line on the ground, we're actually

1 Looking at ways to avoid certain things, certain
2 aspects, certain geographical features on it. So we
3 will be back up here for that process once Minnesota
4 Power submits their route application to the PUC.
5 And I'm looking maybe May, somewhere around there,
6 that I think I might be back up here.

7 Okay. I really appreciate you coming
8 out. The process doesn't work without everybody
9 participating. Thanks.

10 (Meeting concluded at 7:00 p.m.)

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