UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

AUG 14 2014

REPLY TO THE ATTENTION OF:

E-19J

Julie Ann Smith
Office of Electricity Delivery and Energy (OE-20)
U.S. Department of Energy
1000 Independence Avenue SW
Washington, DC 20585

Re: Scoping Comments for Proposed Great Northern Transmission Line Project, U.S. – Canada Border, Northern Minnesota (DOE/EIS-0499)

Dear Ms. Smith:

The United States Environmental Protection Agency (EPA) has reviewed the Department of Energy's (DOE) June 27, 2014, Federal Register Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) to assess the potential environmental impacts from its proposed federal action of granting a Presidential permit to Minnesota Power, an operating division of ALLETE, Inc., to construct, operate, maintain, and connect a new electric transmission line across the U.S.-Canada border in northern Minnesota. The Great Northern Transmission Line (GNTL) would carry hydroelectric power generated in facilities operated by Manitoba Hydro, a Canadian electric utility, to support the regional electric grid in Minnesota. DOE and the Minnesota Department of Commerce (on behalf of the Minnesota Public Utilities Commission) are preparing a joint Federal-State EIS.

The GNTL is proposed as an approximately 220-mile, 500-kilovolt (kV) overhead, single circuit, alternating current (AC) electric transmission system in Minnesota from the Canadian Province of Manitoba to the existing Blackberry Substation near Grand Rapids, Minnesota. The GNTL proposal also includes associated substation facilities, transmission system modifications at the Blackberry substation site, and construction of a new 500-kV series Compensation Station. According to the NOI, the majority of potentially impacted land for any of the NOI-identified route alternatives would consist of woody wetlands and deciduous, evergreen and mixed forest lands.

The NOI states that the EIS will examine potential public health and safety effects, and environmental impacts in the U.S. from the proposed transmission facilities. EPA concurs with the twelve general categories of potential environmental issues identified in the NOI for proposed detailed examination in the EIS. The enclosure to this letter provides scoping comments for DOE consideration while preparing the Draft EIS (DEIS) for the GNTL Project.

These comments address identification and documentation of proposed reasonable alternatives for DEIS detailed analysis, and identification and assessment of impacts to water resources/water quality, vegetation/wildlife habitat, air quality, communities with environmental justice concerns, tribal interests, and impacts from noise and hazardous materials.

In accordance with our responsibilities and authority under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, EPA will conduct an independent review and comment on the DEIS during the DEIS public comment period. However, EPA is willing to participate in project-related conference calls/meetings and field visits, and review and comment on applicable draft portions of the DEIS, as staff time and travel funds allow. We would appreciate an adequate advance notice of all meetings/calls and before receipt of any draft materials for our review and comment.

EPA requests DOE provide two hard copies and three CDs of the DEIS for our review and comment during the DEIS public comment period. If you would like to discuss the content of this letter and enclosure in more detail, please contact Virginia Laszewski of my staff at 312/886-7501 or at laszewski.virginia@epa.gov.

Sincerely,

Kenneth A. Westlake,
Chief, NEPA Implementation
Office of Enforcement and Compliance Assurance

Enclosure: EPA detailed scoping comments.

cc: Minnesota Department of Commerce, 85 7th Place East, Suite 500, Saint Paul, Minnesota 55010 (Attn: Bill Storm, Environmental Review Manager)
U.S. Army Corps of Engineers – St. Paul District, Regulatory Branch, 180 Fifth Street East, Suite 700, St. Paul, Minnesota (Attn: Tamara Cameron, Chief Regulatory)
U.S. Fish and Wildlife Service, Twin Cities Field Office, 4101 American Boulevard East, Bloomington, Minnesota 55425 (Attn: Andrew Horton)

EPA Scoping Comments Concerning DOE's NOI to Prepare an Environmental Impact Statement for Minnesota Power's Proposed Great Northern Transmission Line (GNTL) Project, Minnesota (DOE/EIS-0499)

The Department of Energy's (DOE) Notice of Intent (NOI) states that the Environmental Impact Statement (EIS) will examine potential public health and safety effects, and environmental impacts in the U.S. from the proposed transmission facilities. EPA concurs with the twelve general categories of potential environmental issues identified in the NOI to undergo examination in the EIS. In addition, EPA offers the following comments for consideration as DOE prepares the National Environmental Policy Act (NEPA) Draft Environmental Impact Statement (DEIS) for the above referenced Project.

Proposed Action and the Proposal

DOE is considering Minnesota Power's application for a Presidential Permit to cross the U.S. - Canada border. Minnesota Power, an operating division of ALLETE, Inc., proposes to construct, operate, maintain, and connect an approximately 220-mile, 500-kilovolt (kV) overhead, single circuit, alternating current (AC) electric transmission system in Minnesota from the Canadian Province of Manitoba to the existing Blackberry Substation near Grand Rapids, Minnesota. The GNTL proposal also includes associated substation facilities and transmission system modifications at and next to the Blackberry substation site, and construction of a new 500-kV series Compensation Station. The GNTL would carry hydropower generated in facilities operated by Manitoba Hydro, a Canadian electric utility, to support the regional electric grid in Minnesota.

Border Crossing Locations and Route Alternatives

The NOI proposes one U.S. - Canada border crossing location and two main route alternatives (i.e., Orange route and Blue route) each with two route segment options (i.e., Orange J1 and J2, and Blue C1 and C2) for detailed analysis in the DEIS. EPA is aware that at least six potential border crossing areas and five or more major corridors containing numerous potential route alternatives were under considered by Minnesota Power prior to publication of the NOI.

Recommendation:

- We recommend the DEIS discuss the process and factors used by Minnesota Power to narrow the range of alternative routes and border crossing locations prior to the start of the NEPA process. Please explain in the DEIS why specific alternatives have been carried forward for NEPA analysis while other specific alternatives and border crossing locations were dropped.

Potential locations for siting the proposed new 500-kV series Compensation Station associated with each route alternative are not identified in the NOI.

Recommendation:

- We recommend the DEIS identify and discuss the rationale for potential locations for the proposed new 500-kV series Compensation Station associated with each route alternative. The locations should avoid wetlands and other high quality natural areas. Impacts associated with the siting, construction, operation and maintenance of each route alternative's proposed new 500-kV Compensation Station should also be assessed and disclosed in the DEIS and mitigation measures identified.

Expected Operational Life of the GNTL

The NOI does not identify how long Minnesota Power expects the GNTL to operate if constructed.

Recommendation:

- We recommend the DEIS identify the expected operating life of the GNTL Project. In addition, we recommend the DEIS identify and discuss the provisions that are/will be in place to sufficiently fund a timely and safe removal of any remaining post-operational GNTL structures.

Affected Environment

According to the NOI, the majority of potentially impacted land for any of the NOI identified route alternatives would consist of woody wetlands and deciduous, evergreen and mixed forest lands. To explain the proposal's impacts on various resources, the DEIS will need to include a detailed characterization of the affected environments associated with the alternatives.

Recommendation:

- We recommend the DEIS include detailed descriptions of the resources in the study areas for the transmission line route alternatives, and their associated facilities, access roads and staging areas, supported with photos and figures/maps. The figures/maps should depict the various alternative transmission line routes, proposed transmission line structure locations, facility locations and facility components in relation to the study area resources. To support the cumulative impacts analysis in the DEIS, we recommend existing and proposed transmission lines and other utility corridors in the study area be clearly identified and delineated on DEIS figure/maps.

Wetlands and Floodplains

The NOI indicates that DOE will consider the potential effects of the construction and operation of the project on floodplains and wetlands, including those of special significance, i.e., peatlands and calcareous fens. EPA is aware of the following National Natural Landmarks in the study area: 1) Big Bog Lake State Recreation Area that includes the Upper Red Lake Peat Lands, and 2) Lake Agassiz Peat Lands Natural Area that contains Myrtle Lake Peat Land State Natural Area. EPA understands the some of these areas are used by tribes to hunt, fish and gather blueberries.

Recommendations:

- Identification and assessment of direct, indirect and cumulative impacts of the various route alternatives, route options and associated transmission line structure locations, station locations, staging areas and access roads to water resources should be included in the DEIS.

- DOE should consider the location, size, quality, type of plants and animals that use these wetland sites, and whether the loss of these sites can be compensated through mitigation.

- As part of the analysis of impacts to water resources, we recommend including a discussion of how discharges of dredged and fill material associated with the proposed GNTL will comply with the requirements of Section 404 of the Clean Water Act (CWA).

- We recommend the DEIS contain a level of information and analysis adequate to support compliance with the CWA, Section 404(b)(1) Guidelines, including alternatives and mitigation sequencing requirements (i.e., first avoid, then minimize, and finally compensate for those impacts that cannot be avoided or minimized).

- The DEIS should also address compensation for the loss of forested wetlands habitat due to tree cutting/trimming associated with the proposal.

- The identification of appropriate compensation mitigation sites should take place in consultation with the federal and state resource agencies. This consultation should be documented in the DEIS.

- We recommend the DEIS include a draft wetland compensation mitigation plan.

Water Resources: Streams/Rivers/Lakes, Surface Water/Groundwater Quality, Drinking Water and Hazardous Materials

Preparing the ground for project transmission line structures, stations, staging areas and access roads can result in the production of sediment that, if not properly controlled on-site, can be introduced to surrounding surface waters. In addition, the construction, operation and maintenance of transmission lines and their associated facilities can generate used oils and solvents from maintenance of construction equipment and stations. Events such as construction equipment spills of hazardous or toxic materials could result in adverse impacts to surface and ground water quality that might adversely affect drinking water supplies and/or aquatic habitat.

Recommendations:

- The DEIS should clearly describe water bodies, streams and ground water resources within the analysis area that may be impacted by the alternatives. Special attention should be given to work that would occur in an identified wellhead (drinking water) protection zone, or upstream of a drinking water intake.

- The NEPA documents should discuss practices to prevent hazardous or toxic materials spills, and describe spill and release response capabilities.

- Appropriate state-identified Best Management Practices (BMPs) to reduce potential non-point sources of pollution from project proposed activities should be designed into the project, and identified in the DEIS.

- The DEIS should include a draft GNTL Erosion and Sediment Control Plan, and draft Stormwater Pollution Prevention Plan (SWPPP).

Analysis of impacts of the various alternatives on water quality should address designated use and compliance with Minnesota Water Quality Standards and CWA, Section 401 Water Quality Certification.

Recommendation:

- We recommend the DEIS identify whether or not water bodies located in or near the various proposed project alternatives are listed by Minnesota as impaired, and, if so, are part of a Total Maximum Daily Load (TMDL) plan. If impaired waters are identified, the DEIS should identify the impairment/s and the reason/s for the impairment/s, and whether project activities are expected to contribute to the impairments.

Wildlife Habitat, Hunting/Fishing, Vegetation/Forest Fragmentation and Forest Fires

Upland forests play an important role in protecting water quality in the immediate watershed, providing wildlife habitat, and acting as a carbon sink. It appears that the new transmission line would permanently convert a substantial area of forest land into non-forested utility right-of-way (ROW) and fragment existing forestland.

Recommendations:

- The effects of project activities on area ecology, including vegetation, wildlife and wildlife habitats, as well as potential tribal hunting and gathering, and general public recreational hunting and fishing activities, should be disclosed and evaluated in the DEIS.

- The disposition of the materials that result from tree trimming/topping and/or removal should be discussed in the DEIS. The potential for GNTL to cause and/or contribute to wildfires from construction, operation and/or maintenance should be assessed in the DEIS and mitigation measures identified.

- The DEIS should disclose the amount of tree loss due to the proposal. How will that tree loss affect carbon sequestration? This question can be answered fairly easily by using EPA's Greenhouse Gas Equivalencies Calculator found at http://www.epa.gov/cleanenergy/energy-resources/calculator.html. The DEIS should identify potential mitigation for upland tree loss. Mitigation might include, but not be limited to, helping to finance forest restoration projects by local, state and/or federal natural resource agencies.

- Impacts to wildlife, including forest interior dwelling birds, associated with forest fragmentation should be discussed in the DEIS and mitigation identified.

- The potential for impacts from the implementation/operation of the GNTL to migratory birds that cross the U.S. - Canada Border should be discussed in the DEIS.

Noxious Weeds and Exotic Species

The spread of noxious weeds and exotic (non-indigenous) plants is a threat to biodiversity. Many noxious weeds can out-compete native plants and produce a monoculture that has little or no plant species diversity or benefit to wildlife. Noxious weeds tend to gain a foothold where there is disturbance in the ecosystem. Studies show that new roads and utility R-O-Ws can become a pathway for the spread of invasive plants. Early recognition and control of new infestations are essential to stopping the spread of infestation.

Recommendation:

- A vegetation management plan should be prepared to address control of such plant intrusions, and included in the DEIS. The plan should list the noxious weeds and exotic plants that occur in the resource area. In cases where noxious weeds are a threat, the plan should detail a strategy for prevention, early detection of invasion, and control procedures for each species.

Air Quality, Greenhouse Gases and Climate Change

The NOI identifies that air quality will be addressed in the DEIS. The GNTL would carry electricity generated from hydropower facilities in Canada. However, the NOI is not clear if the GNTL proposal would also carry electricity generated at facilities that utilize fossil fuels. The DEIS should list all potential sources of electricity to be carried by GNTL

Recommendations:

- We recommend the DEIS identify and discuss the feasible generating origins of the electricity that could be carried by the GNTL. The DEIS should discuss the net effect of GNTL on the production of air pollutants, including greenhouse gases, associated with electricity generation served by GNTL. The effect of project-related tree losses and net greenhouse gas production/sequestration should also be discussed.

- The DEIS should identify the type of equipment to be used at substation and compensation station locations, and disclose the type and amount, if any, of criteria pollutants that could be released during GNTL construction and equipment operation. The analysis should address and disclose the project's potential effect on all criteria pollutants under the National Ambient Air Quality Standards (NAAQS), including ozone; any significant concentrations of hazardous air pollutants; and protection of public health.

- The types of fuels to be used during construction activities, increased traffic during construction operations, and related VOC and NOx emissions, should be disclosed and the relative effects on air quality and human health evaluated.

- We recommend the project proponents pursue opportunities to use clean diesel equipment, vehicles and fuels in construction of the project. The DEIS should identify opportunities for the project proponents to utilize such mitigation measures.

Noise

Construction, operation and/or maintenance activities for the transmission line and associated

facilities, such as substations, may cause both short-term and long-term increases in local noise levels. Mitigation measures may include, but are not limited to, restricting construction to daylight hours, the use of noise barriers, placement of trees and shrubs, sound-proofing structures, and the use of equipment that emit the lowest levels of noise practicable.

Recommendation:

- The DEIS should identify existing noise levels in the project area, particularly at proposed substation and compensation station locations, and assess and disclose increases in both short-term and long-term noise levels associate with the GNTL proposal. We recommend the DEIS identify and provide details of the mitigation measures that will be implemented by the project proponents.

Tribal Interests

Proposed transmission line routes traverse areas in Minnesota covered under the Tribal Land Cession Treaties of 1855, 1863, 1866, and/or 1889.

Recommendation:

- EPA recommends DOE consult with representatives of the applicable tribes regarding tribal interests and the proposed GNTL. We recommend this consultation be documented in the DEIS, and if applicable mitigation commitments identified.

Socio-Economic Impacts to Local Communities

The NOI identifies that the EIS will consider potential impacts on community services.

Recommendation:

- The DEIS should identify and discuss the social and economic impacts that the GNTL project may have on local communities. This would include, but is not limited to, identifying the number of outside workers that would be brought into the communities to construct the project and the duration of proposed construction activities through the various communities. The NEPA documents should also consider environment-related socio-economic impacts to the local communities, such as housing for project workers, schools, burdening existing solid waste and wastewater handling facilities, increased road traffic with associated dust and hazardous materials spill potential, and easier human access to wildlife habitat (with associated increased disturbances). If applicable, methods to avoid or minimize such impacts should be discussed and compensation measures identified.

Communities with Environmental Justice Concerns

Recommendations:

- We recommend the environmental justice analysis include a comprehensive analysis and characterization of communities along the transmission line routes, including minority, low-income, and tribal populations at a census block level as well as characterization of potentially disproportionate impacts these communities may face from construction, operation and or maintenance of the GNTL.

National Historic Preservation Act, Section 106

Recommendation:

- We recommend the EIS document DOE's compliance with Section 106 of the National Historic Preservation Act (NHPA), including but not limited to, DOE consultation with the Minnesota State Historic Preservation Office (SHPO), and the potentially affected tribes and Tribal Historic Preservation Officers (THPOs). The consultation might be documented by including copies of letters to and from the SHPO, tribes and/or THPOs and, if applicable, signed Memoranda of Agreement.