MINNESOTA DEPARTMENT OF COMMERCE

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April 26, 2016

Daniel Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: EERA Comments and Recommendations
Proposed Minor Alteration
Menahga Area 115 kV Transmission Line Project
Docket No. ET2, E015/TL-14-797

Dear Mr. Wolf,

Attached are comments and recommendations of Department of Commerce, Energy Environmental Review and Analysis (EERA) staff in the above matter.

Great River Energy (GRE) has requested approval of a minor alteration of the route permit for the Menahga Area 115 kV transmission line project. GRE is seeking approval of two route modifications in the Blueberry substation to Red Eye substation segment of the project. The minor alteration request was filed on March 31, 2016, by:

Carole Schmidt
Great River Energy
12300 Elm Creek Blvd.
Maple Grove, MN 55369

These comments are based on EERA staff's review of the minor alteration request and the record to date. Staff is available to answer any questions the Commission may have.

Sincerely,

Ray Kirsch
EERA Staff

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS AND RECOMMENDATIONS OF MINNESOTA DEPARTMENT OF COMMERCE ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS

DOCKET NO. ET2, E015/TL-14-797

Date: April 26, 2016

EERA Staff: Ray Kirsch…….....651-539-1841

In the Matter of the Application by Great River Energy and Minnesota Power for a Certificate of Need and Route Permit for the Menahga Area 115 kV Transmission Line Project in Hubbard, Wadena, and Becker Counties, Minnesota

Issues Addressed: These comments and recommendations address whether the Commission should authorize a minor alteration of the route permit for two route modifications in Wadena County.

Additional documents and information can be found on eDockets: https://www.edockets.state.mn.us/EFiling/search.jsp (14-797) and on the Department's website: http://mn.gov/commerce/energyfacilities/Docket.html?Id=33985.

This document can be made available in alternative formats (i.e. large print or audio) by calling 651-539-1530 (voice).

Introduction and Background

On March 14, 2016, the Commission issued a certificate of need and route permit to Great River Energy and Minnesota Power for the Menahga Area 115 kV transmission line project.[1] On March 31, 2016, Great River Energy (GRE) applied to the Commission for approval of a minor alteration of the route permit.[2]

GRE's minor alteration request consists of two proposed route modifications in that segment of the project between the Blueberry substation and Red Eye substation. The first proposed modification is

[1] Order Issuing a Certificate of Need and Route Permit as Amended, March 14, 2016; Route Permit for Construction of a High-Voltage Transmission Line and Associated Facilities in Hubbard, Wadena, and Becker Counties Issued to Great River Energy and Minnesota Power, March 14, 2016, Docket No. ET-2, E-015/TL-14-797, eDockets Number 20163-119103-02 [hereinafter Route Permit].

[2] Request for Minor Alteration, Great River Energy, March 31, 2016, Docket No. ET-2, E-015/TL-14-797, eDockets Number 20163-119629-01 [hereinafter Minor Alteration Request].

in Section 29 of Blueberry Township. The proposed modification relocates a portion of the transmission line such that the line – in lieu of following a pipeline right-of-way and 350th St. – follows an existing 34.5 kV line and then proceeds southward, cross country, approximately 0.25 miles before rejoining the permitted route.[3] GRE indicates that this modification was developed in response to a landowner request and is within the landowner's property.[4]

The second proposed modification is in Section 4 of Red Eye Township. The permitted route in this area minimizes impacts to a residence by proceeding, at a distance, around the east side of the residence. The proposed modification places the transmission line further east and south, away from the residence and out of an agricultural field, before returning to the permitted route.[5] GRE indicates that this modification was developed in consultation with landowners and is agreeable to the two landowners affected by the modification.[6]

On April 12, 2016, the Commission issued a notice soliciting comments on whether GRE's proposed route modifications are a minor alteration that should be approved by the Commission.[7]

Regulatory Process and Procedures

A minor alteration is a change in a large electric power generating plant or high voltage transmission line that does not result in "significant changes in the human or environmental impact of the facility."[8] The Commission has interpreted a minor alteration to be available for both existing facilities and for those which have been permitted by the Commission but not yet constructed.[9]

The Commission may authorize the minor alteration or determine that the alteration is not minor and requires a full permitting decision.[10] The Commission may authorize the minor alteration but impose reasonable conditions on the approval.[11]

EERA Staff Analysis and Comments

Department of Commerce, Energy Environmental Review and Analysis (EERA) staff has reviewed GRE's minor alteration application and the record to date. Based on this review, EERA staff believes that GRE's two proposed route modifications will not result in significant changes in the human or environmental impacts of the project and are eligible for authorization as a minor alteration.

Minnesota Rule 7850.4800 provides a succinct standard for evaluating minor alteration applications – whether the proposed project will result in significant changes in the human and environment impacts

[3] Id.
[4] Id.
[5] Id.
[6] Id.
[7] Notice of Comment Period on Minor Alteration Application, April 12, 2016, Docket No. ET2, E015/TL-14-797, eDockets Number 20164-119973-01.
[8] Minnesota Rule 7850.4800.
[9] See Commission Order Approving Minor Alteration and Issuing a Route Permit Amendment, January 9, 2013, Docket No. E-002, ET-2/TL-09-1056, eDockets Number 20121-70082-01.
[10] Minnesota Rule 7850.4800, Subp. 3.
[11] Id.

of the project. To flesh out this standard, EERA staff utilized the routing factors of Minnesota Rule 7850.4100. These are the factors considered by the Commission in permitting a new high voltage transmission line. These factors provide appropriate detail for evaluating the significance of potential human and environmental impacts.

Route Modification 1

EERA staff finds that the potential impacts of GRE's first proposed route modification (route modification 1) are similar to the impacts of the permitted route (see Table 1). There are two routing factors for which the relative impacts of the route modification are anticipated to be positive – (1) impacts on human settlements and (2) impacts on land-based economies. The route modification places the line at a greater distance from a residence. The route modication crosses relatively fewer agricultural acres.

There are two routing factors for which the relative impacts of the route modification are anticipated to be negative – (1) impacts on the natural environment and (2) the utilization of existing infrastructure right-of-way (ROW). The route modification impacts more wetlands than the permitted route and changes these wetlands from forested to non-forested. The route modification proceeds, for a portion of its length, cross country and away from infrastructure ROW. As a result, it uses less existing infrastructure ROW than the permitted route.

On whole, EERA staff finds that route modification 1, though its impacts differ from the permitted route, does not result in significant changes in the human or environmental impacts of the project.

Table 1. Changes in Potential Impacts with Respect to Routing Factors for Route Modification 1

Routing Factor	EERA Comments
A. Human Settlements	The proposed modification will place the line away from a residence along 350th St., thus minimizing aesthetic impacts of the line. The alignment of the permitted route places the line approximately 200 feet from the residence.[12] The proposed modification places the line approximately 1000 feet from the residence.[13]
B. Public Health and Safety	No change.
C. Land-Based Economies	The proposed modification will cross relatively fewer agricultural acres (approximately 2.8 acres), thus minimizing agricultural impacts.

[12] Minor Alteration Request, Exhibit B.
[13] Id.

Routing Factor	EERA Comments
D. Archaeological and Historic Resources	No change.
E. Natural Environment	The proposed modification will impact more wetlands than the permitted route – approximately 2.4 additional acres. These are forested wetlands; thus, the proposed modification would, through tree removal, change the nature of these wetlands. Impacts to other elements of the natural environment are not anticipated to change as a result of the proposed modification.
F. Rare and Unique Natural Resources	No change.
G. Design Options that Maximize Energy Efficiencies, Mitigate Adverse Environmental Impacts, and Accommodate Expansion	No change.
H. Use or Paralleling of Existing Right-of-Way	No significant change. The permitted route parallels a pipeline right-of-way and 350th St. The proposed modification parallels an existing 34.5 kV line and a section line.
I. Use of Existing Large Electric Power Generating Plant Sites	Not applicable.
J. Use of Existing Transportation, Pipeline, and Electrical Transmission Right-of-Way	The permitted route utilizes more infrastructure right-of-way (ROW) than the proposed modification. The permitted route utilizes pipeline ROW and roadway ROW (350th St.) for its entire length. The proposed modification utilizes transmission ROW (an existing 34.5 kV line) for approximately 66 percent of its length.[14] The remainder of the proposed modification proceeds cross country, along a section line, but not along infrastructure ROW.
K. Electrical System Reliability	No change.

[14] Minor Alteration Request, Table 2.

Routing Factor	EERA Comments
L. Costs	No significant change. The propose modification costs approximately $84,000 dollars less than the permitted route.

Route Modification 2

EERA staff finds that the potential impacts of GRE's second proposed route modification (route modification 2) are similar to the impacts of the permitted route (see Table 2). There are two routing factors for which the relative impacts of the route modification are anticipated to be positive – (1) impacts on human settlements and (2) impacts on land-based economies. The route modification places the line at a greater distance from a residence. The route modification moves transmission line structures from within an agricultural field to a field boundary.

There are two routing factors for which the relative impacts of the route modification are anticipated to be negative – (1) impacts on the natural environment and (2) the utilization of existing infrastructure right-of-way (ROW). The route modification impacts more wetlands than the permitted route and changes these wetlands from forested to non-forested. The route modification uses less existing infrastructure ROW than the permitted route.

On whole, EERA staff finds that route modification 2, though its impacts differ from the permitted route, does not result in significant changes in the human or environmental impacts of the project.

Table 2. Changes in Potential Impacts with Respect to Routing Factors for Route Modification 2

Routing Factor	EERA Comments
A. Human Settlements	The proposed modification will place the line away from a residence along 119th Ave., thus minimizing aesthetic impacts of the line. The alignment of the permitted route places the line approximately 275 feet from the residence and encircles the residence along its eastern side.[15] The proposed modification places the line at a greater distance from the residence and in a configuration that does not encircle the residence.[16]
B. Public Health and Safety	No change.

[15] Minor Alteration Request, Exhibit C.
[16] Id.

Routing Factor	EERA Comments
C. Land-Based Economies	The proposed modification moves transmission line structures from within an agricultural field to a field boundary, thus minimizing agricultural impacts of the line.
D. Archaeological and Historic Resources	No change.
E. Natural Environment	The proposed modification will impact more wetlands than the permitted route – approximately 1.5 additional acres. These are forested wetlands; thus, the proposed modification would, through tree removal, change the nature of these wetlands. Impacts to other elements of the natural environment are not anticipated to change as a result of the proposed modification.
F. Rare and Unique Natural Resources	No change.
G. Design Options that Maximize Energy Efficiencies, Mitigate Adverse Environmental Impacts, and Accommodate Expansion	No change.
H. Use or Paralleling of Existing Right-of-Way	No significant change. The permitted route parallels 119th Ave. for approximately 32 percent of its length.[17] The proposed modification parallels an agricultural field boundary for approximately 44 percent of its length.[18]
I. Use of Existing Large Electric Power Generating Plant Sites	Not applicable.
J. Use of Existing Transportation, Pipeline, and Electrical Transmission Right-of-Way	The permitted route utilizes more infrastructure right-of-way (ROW) than the proposed modification. The permitted route parallels 119th Ave. for approximately 32 percent of its length. The proposed modification does not utilize infrastructure ROW.

[17] Minor Alteration Request, Table 2.
[18] Id.

Routing Factor	EERA Comments
K. Electrical System Reliability	No change.
L. Costs	No significant change. The propose modification costs approximately $65,000 dollars more than the permitted route.

EERA Staff Recommendation

EERA staff recommends that the Commission approve GRE's requested route modifications and authorize a minor alteration of the route permit for the Menahga Area 115 kV transmission line project.