MINNESOTA DEPARTMENT OF COMMERCE

In the Matter of Minnesota Power's Application for a HVTL Route Permit for the proposed MP 16 Line Relocation HVTL Project.

ENVIRONMENTAL ASSESSMENT SCOPING DECISION
PUC Docket No. E015/TL-14-977

The above matter came before the Deputy Commission, Department of Commerce (Department) for a decision on the scope of the Environmental Assessment (EA) to be prepared for the Minnesota Power application for a Route Permit to construct the proposed MP 16 Line Relocation HVTL Project.

Project Description

Minnesota Power proposes to construct an approximately 3.0-mile-long, 115 kV HVTL in St. Louis County. The project is located in St Louis County, south of Fayal Township and approximately four miles east of McDavitt Township.

In addition, three miles of existing transmission line will be taken out of service and removed. United Taconite requested that Minnesota Power remove the existing 115 kV HVTL (portion of the 16 Line) to accommodate United Taconite's plans to expand its tailings basin located south of Fayal Township. The proposed HVTL would connect to Minnesota Power's existing 16 Line on the east side of United Taconite's existing tailings basin and proceed southeast, parallel to an existing railroad grade for approximately 1.25 miles. The line would then proceed southwest for approximately 1.75 miles where it would connect to the existing 16 Line.[1]

Regulatory Background

Minnesota Statute 216E.03, subd. 2 provides that no person may construct a high voltage transmission line 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 Statute 216E.01, subd. 4. The proposed transmission lines are HVTLs and therefore a Route Permit is required prior to construction. The Application was submitted pursuant to the provisions of the Alternative Permitting Process outlined in Minn. Rules7850.2800-3900.

On January 20, 2015, Minnesota Power (MP or Applicant) submitted a high voltage transmission line (HVTL) Route Permit Application[2] under the alternative permitting process to the Commission for the proposed transmission line relocation of the MP Line 16. The Commission released an Order on February 26, 2015, finding the route permit application to be complete and initiating the alternative review process.

In the Commission's Order accepting Minnesota Power's HVTL Route Permit as complete, the Commission requested that the Energy Environmental Review and Analysis (EERA) staff present, to the Commission, the alternative routes that were put forth through the scoping process.

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[1] RPA at p 9
[2] Route Permit Application (RPA), eDockets Document ID 20151-106265-01

The review process begins with the determination by the Commission that the application is complete. The Commission has six months to reach a final decision on the route permit application from the date the application is determined to be complete. The Commission may extend this limit for up to three months for just cause or upon agreement of the applicant (Minn. Rule 7850.3900).

Scoping Process

Applications for high voltage transmission line route permits under the alternative permitting process are subject to environmental review, which is conducted by EERA staff under Minn. Rule 7850.3700. Scoping is the first step in the alternative permitting process after application acceptance. The scoping process has two primary purposes: (1) to ensure that the public has a chance to participate in determining what routes and issues are studied in the EA, and (2) to help focus the EA on impacts and issues important to a reasoned route permit decision. This scope identifies potential human and environmental issues that will be addressed in the EA. The scope also presents an anticipated schedule of the environmental review process.

Public Scoping Meeting

On February 27, 2015, Commission staff sent notice of the place, date and times of the Public Information and Scoping meeting to those persons on the General List maintained by the Commission, the agency technical representatives list and the project contact list.[3]

Additionally, mailed notices were sent to those persons on Minnesota Power's property owners list and to the local units of government. Notice of the public meeting was also published in the local newspapers.

On Monday, March 23, 2015, Commission staff and EERA staff jointly held a public information/scoping meeting at the Eveleth City Hall in Eveleth. The purpose of the meeting was to provide information to the public about the proposed project, to answer questions, and to allow the public an opportunity to suggest alternatives and impacts (i.e., scope) that should be considered during preparation of the environmental review document.

One person attended the public information and scoping meeting; no individuals took the opportunity to speak on the record. A court reporter was present to document oral statements.[4]

Since only one member of the public (a Ms. Julie Marinucci from the consulting firm Short, Elliott, Hendrickson) attended the meeting, an informal question and answer period was held in lieu of a formal presentation. A variety of topics were discussed during this conversation, including project description, environmental review and schedule.

Public Comments

Written comments were due no later than Friday, April 3, 2015.

Three written comments were received: two from state agencies (Department of Natural Resources and Department of Transportation) and one from the Applicant.[5]

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[3] Notice of Public Information/Scoping Meeting, eDocket No. 20152-107733-01
[4] Oral Comments Received During Scoping, eDocket No. 20154-109441-01
[5] Written Comments Received During Scoping, eDocket No. 20154-108882-01, 20154-108832-01, and 20154-108834-01

The Department of Natural Resources (DNR) in its comment letter acknowledged that the DNR had previously reviewed a request from the Applicant regarding state listed species. The DNR's response to that request was that the proposed project would not be likely to negatively affect any know rare features.

The Department of Transportation (MnDOT) in its letter recognized that it appears that the project area does not directly abut any state trunk highway; however, the agency did request that it be made aware of any changes to the proposed HVTL that may bring the project area close enough to occupy a portion of current MnDOT rights-of-way (ROW). Additionally, MnDOT requested that it be informed if the transportation and/or storage of structures have the potential to affect any MnDOT ROW.

The Applicant took this opportunity to clarify an alignment question that was raised during deliberations at the Commission's meeting on application completeness; that is, why the proposed route did not follow a straighter line between the portions of the existing 16 Line. The Applicant explained in its letter that the area between the existing 16 Line and the proposed route is comprised of wetland and peat soils. Along the proposed route, the project's heavy angle structures are located in mineral soils. If the project's heavy angle structures were installed in wetland and peat soils rather than the mineral soils found along the proposed route, foundation costs as well as maintenance would increase. Additionally, the proposed route for the project follows existing linear infrastructure, specifically an existing railroad grade in sections 16, 17 and 21 T56N, R17W.

Commission's Consideration of Alternatives

Under Minn. Rules, part 7850.3700, subp. 3, the scope of the environmental assessment must be determined by the Department within 10 days after close of the public comment period (March 21, 2013, in this case). However, Minn. Stat. § 216E.04, subd. 5, anticipates Commission input into the identification of routes, in addition to an applicant's proposed route, for inclusion in the environmental review of a project. Since the rule's 10-day timeline for determining the scope of the environmental assessment after the close of the public comment period constrains the Commission's ability to provide input, the Commission varied the 10-day timeline. The Commission extended the 10-day timeline to 40 days (which would be May 13, 2015), subject to the Executive Secretary's authority to seek additional time from the Commission.

In its briefing paper dated April 22, 2015, PUC staff recommended the inclusion of two additional alternatives (AR2 & AR3) to the proposed route for evaluation in the environmental assessment, stating that "all things being equal, the most direct route between two points should be the first route alternative[s] considered."[6]

On April 30, 2015, the Commission at its regularly scheduled meeting considered what action, if any, the Commission should take in regards to the alternatives put forth during the scoping process. The Commission elected to add the two alternative routes, AR2 and AR3, put forth by staff for evaluation in the environmental assessment.

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Having reviewed the matter, consulted with Energy Environmental Review and Analysis staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the Scoping Decision:

MATTERS TO BE ADDRESSED IN THE EA

[6] PUC staff briefing paper, eDocket No. 20154-109540-01

The EA on the proposed MP 16 Line Relocation HVTL project will address and provide information on the following matters:

1.0 PROJECT DESCRIPTION

Purpose of the Transmission Line
Project Location
Route Description
Route Width
Rights-of-Way Requirements
Project Cost
Sources of Information

2.0 REGULATORY FRAMEWORK

CN Applicability
HVTL Route Permit Process
Environmental Review Process

3.0 ENGINEERING AND OPERATION DESIGN

Transmission Line Conductors
Transmission Line Structures

4.0 CONSTRUCTION

Transmission Line and Structures
Property/Right-of-Way Acquisition
Cleanup and Restoration
    Wildlife Friendly Erosion Control
Damage Compensation
Maintenance
    Herbicide Application and Wetlands/Public Waters
    Invasive Species Management

5.0 AFFECTED ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATIVE MEASURES

The EA will include a discussion of the following human and environmental resources potentially impacted by the project and its alternatives. Potential impacts, both positive and negative, of the proposed project and each alternative considered will be described. Based on the impacts identified, the EA will describe mitigative measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EA will describe any unavoidable impacts resulting from implementation of the proposed project.

Environmental, economic, employment, and sociological impacts for the proposed project and each alternative will be thoroughly but succinctly discussed relative to the potentially significant adverse or beneficial effects generated, be they direct, indirect, or cumulative. The level of data and analyses will be commensurate with the importance of the impact and the relevance of the information to a reasoned choice among alternatives and to the consideration of the need for mitigation measures.

EERA will consider the relationship between the cost of data and analyses and the relevance and importance of the information in determining the level of detail of information to be prepared for the EA consistent with the timelines set forth in the governing statute and rule. Less important material may be

summarized, consolidated, or simply referenced. If the relevant information cannot be obtained within those timeframes or the overall costs of obtaining it are exorbitant or the means to obtain it are not known, EERA will include within the environmental review document a statement that such information is incomplete or unavailable; and a statement of the relevance of the incomplete or unavailable information to evaluating potential impacts or alternatives.

Environmental Setting
Socioeconomic Setting
Human Settlement
    Displacement
Noise
    Construction Activities
Aesthetics
    Visual and View-shed
Proximity to Structures
    Residences
    Businesses
    Schools/Daycares
    Hospitals
    Cemeteries
    Displacement
    Existing Utilities
Public Health and Safety
    Electric and Magnetic Fields
    Implantable Medical Devices
    Stray Voltage
    Tower Collapse
    Security of Facilities, placarding, emergency provisions
Recreation
    Parks (city, county, state, and federal)
    Trails (walking, bike)
Transportation and Public Services
    Emergency Services
    Airports
    Highways, Roads and Bike Paths
    Traffic (during construction)
Interference
    Radio and Television (digital and satellite)
    Internet (Wi-Fi)
    Cellular Phone
    Current and Future Infrastructure
    Emergency vehicle pre-emption devices
Archaeological and Historic Resources
Zoning and Compatibility/Federal, State and Local Government Planning
Land-Based Economies
    Agriculture
    Forestry
Property Values

- Residential
- Industrial
- Agriculture

Air Quality (As it pertains specifically to this transmission line only.)
- Construction (heavy equipment, dust)

Natural Resources
- Surface Water
  - Lakes
  - Surface/stormwater Flows
- Groundwater
  - Dewatering Requirements
- Wetlands
- Floodplains
- State Wildlife Management Areas/Scientific Natural Areas
- National Wildlife Refuge/Waterfowl Production Areas

Flora
- Invasive Species

Fauna
- Avian Impacts (diverter methods)

Rare and Unique Natural Resources/Critical Habitat

Environmental Justice

6.0 ALTERNATIVE ROUTES

The EA will identify and evaluate the proposed route and the two alternative routes (AR2 and AR3) put forth by the Commission. The evaluation will contain a comparison of the relative merits of the proposed route and each alternative in view of the factors to be considering in determining a route permit, as per Minnesota Rule 7850.1400.

7.0 REJECTED ALTERNATIVE ROUTES

The EA will include a discussion of route alternatives that were evaluated by the Applicants and/or through the scoping process and rejected.

8.0 REQUIRED PERMITS AND APPROVALS

The EA will include a list of permits that will be required for the project.

The above outline is not intended to serve as a "Table of Contents" for the EA document, and as such, the organization (i.e., structure of the document) of the information and the data may not be similar to that appearing in the EA.

ISSUES OUTSIDE THE SCOPE OF THE EA

The following issues will not be considered or evaluated in the EA:

- No build alternative.
- Issues related to project need, size, type, or timing.
- Any route alternative(s) not specifically identified in this scoping decision.
- The impacts of specific energy sources, such as carbon outputs from coal-generated facilities.

- The manner in which landowners are paid for transmission rights-of-way easements.

SCHEDULE

The EA is scheduled to be available in August 2015.

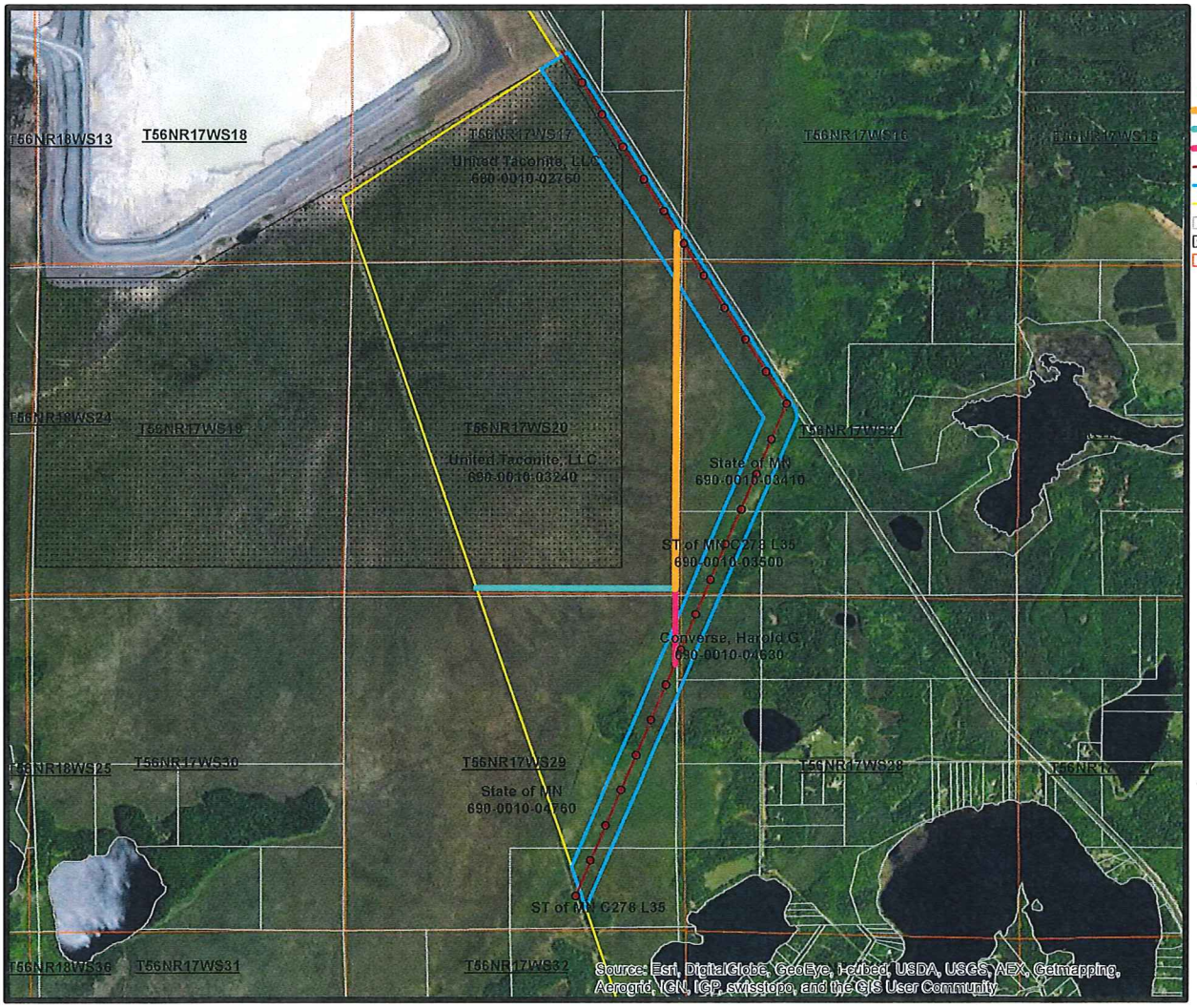
Signed this 19th day of May, 2015

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

William Grant, Deputy Commissioner

Minnesota Power Proposed 16 Line Relocation - Alternative Routes

MP 16 Line Relocation
Project - Scoping Decision



Legend

- 16 Line Preliminary Pole Locations
- PUC AR2 & AR3 Common Boundary
- PUC AR2
- PUC AR3
- 16 Line Center Line 103014
- 16 Line Reroute 102414
- Existing Transmission
- CDSTRL_ParcelInfo_1
- Tailings Basin Expansion Area
- Sections

N
W E
S

0.45 Miles

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