



In the Matter of the Application of Marshall Solar, LLC for a Site Permit for the Marshall Solar Electric Power Generating Plant in Lyon County, Minnesota
(PUC Docket no. IP6941/GS-14-1052)

ENVIRONMENTAL ASSESSMENT SCOPING DECISION

The above matter has come before the Deputy Commissioner of the Department of Commerce (Department) for a decision on the scope of the Environmental Assessment (EA) to be prepared for the Marshall Solar Energy Project proposed by Marshall Solar, LLC (Marshall Solar) in Lyon County.

Project Description

Marshall Solar, a wholly-owned subsidiary of NextEra Energy Resources, LLC, has applied to the Minnesota Public Utilities Commission (Commission) for a site permit to construct a 62.25 megawatt (MW) photovoltaic solar energy generating facility and associated facilities (Project). The Commission accepted the application as substantially complete in its Order of May 11, 2015. The Project is proposed to be located on 510 acres of land approximately four miles east of Marshall, Minnesota, in Stanley Township in Lyon County, Minnesota.

The primary components of the Project include photovoltaic modules mounted on south-facing fixed arrays, inverters and transformers, an electrical collection system and an on-site project substation. The associated facilities would connect to Xcel Energy's existing Lyon County Substation, located adjacent to the proposed site. The transmission line proposed to interconnect the Project does not meet the statutory definition of a high voltage transmission line found in Minnesota Statute 216E.01, subdivision 4.

Marshall Solar proposed the Project in response to Xcel Energy's Solar Request for Proposals (RFP) to help fulfill the Minnesota Solar Energy Standard, which requires the company to serve 1.5 percent of its retail load with solar energy by the end of 2020. As a result of the RFP, Xcel Energy negotiated Power Purchase Agreements (PPA) with three of the competing proposals for a total of 187 MW. In addition to the Project, PPAs were also negotiated with MN Solar, a 24.75 MW project located in Lyon County near Tracy and the North Star 100 MW Project located in Chisago County near North Branch. Xcel Energy's "Solar Portfolio" (see eDocket no. E002/M-14-162) was approved by the Commission in its order dated March 24, 2015.

Regulatory Background

The size of the proposed Project meets the definition of a large energy facility requiring a Certificate of Need under Minnesota Statute 216B.2421, subd. 2. However, the Commission's March 24, 2015, Order found the Project did not require a Certificate of Need because, consistent with Minn. Statute 216B.243, subd. 9, the Project is a solar electric

generating facility that is intended to be used to meet the obligations of Minn. Statute 216B.1691.

Minnesota Statute 216E.03, subd. 1 prohibits construction of a large electric generating plant without a Site Permit from the Commission. A large electric power generating plant is defined as electric power generating equipment and associated facilities designed for or capable of operation at a capacity of 50,000 kilowatts or more (Minnesota Statute 216E.01, subd. 5).

Session Law 254 amended the types of projects that qualify for review under the alternative permitting process under Minnesota Statute 216E.04 to include large electric power generating plants powered by solar energy.

Marshall Solar has submitted an Application for a Site Permit for review under the provisions of the Alternative Permitting Process as outlined in Minnesota Statute 216E.04 and Minn. Rule 7850.2800-3900.

Scoping Process

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 sites and issues are studied in the EA, and (2) to help focus the EA on impacts and issues important to a reasoned site 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 April 10, 2015, Commission staff sent notice of the place, date and times of the Public Information and Scoping meetings to those persons on the General List maintained by the Commission, the agency technical representatives list and the project contact list.¹ Notice of the public meetings was also published in the *Marshall Independent* on April 21, 2015.²

Commission staff and EERA staff jointly held two public information and scoping meetings in Marshall, Minnesota. The purpose of the meetings 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. The meetings were attended by approximately 80 people in total, and a total of 12 people spoke at the meetings. A court reporter was present at all of the meetings to document oral statements.³

Scoping Comments

A total of 14 written comments were received by the end of the scoping comment period on May 15, 2015.⁴ Scoping comments addressed a variety of topics including: use of prime

¹ Notice of Public Information/Scoping Meeting, eDocket Document ID [20154-109177-01](#), [20154-109177-02](#)

² Affidavit of Publication, eDocket Document ID: [20156-111025-01](#)

³ Oral Comments Received During Scoping, eDocket Document ID: [20155-110332-01](#), [20155-110332-02](#)

⁴ Public Scoping Comments Received by May 15, 2012, eDocket Document ID: [20155-110582-01](#), (Note – these comments include information previously entered into the record, but re-submitted during the public

farmland for a solar project; impacts of the proposed facilities on property values of nearby properties; costs and fees paid to local governments; human health impacts from the Project; incremental impacts from the number of large energy facilities in the project area; potential to expand the proposed project or locate additional solar projects in the area; impacts to wildlife; overall appearance of the solar installations and the potential for glare; noise during construction and operation of the facilities; impacts to communication systems (land lines and cell phones, ham radios); impacts to agriculture; vegetation for the project established after construction; impacts to surface and ground waters and stormwater runoff; impacts to installed drainage systems on adjacent lands; impacts to wetlands; and the health, environmental and social benefits of solar power.

The Minnesota Department of Transportation (MnDOT) clarified that MnDOT does not consider a solar generating project to be a public utility for transportation purposes and consequently would not allow Marshall Solar to place connecting lines along trunk highways, although electric lines are permitted to cross trunk highways. MnDOT also identified the need for the Project to receive access permits from the appropriate road permitting agency once access point(s) for the Project are determined.⁵

Scoping comments are available for viewing on the Department's EERA website at <http://mn.gov/commerce/energyfacilities/Docket.html?Id=34083> and on eDockets at <https://www.edockets.state.mn.us/EFiling/search.jsp> (enter "14" for year and "1052" for number).

Commission Review

On June 4, 2015, EERA staff provided the Commission with a summary of the EA scoping process. The summary indicated that EERA staff would be recommending to the Deputy Commissioner of the Department that the Scoping Decision for the Project include only the facility locations proposed by Marshall Solar in its site permit application for evaluation in the EA. On June 19, 2015, the Commission voted to take no action with respect to the site alternatives to be considered in the EA.

comment period); Public Comment, eDocket Document ID: [20155-110515-01](#); MnDOT Comment, eDocket Document ID: [20155-110412-01](#); Clean Energy Organizations EA Scoping Comments, eDocket Document ID: [20155-110436-02](#)

⁵ MnDOT Scoping Comment, May 15, 2015, eDocket ID: [20155-110412-01](#).

HAVING REVIEWED THE MATTER, consulted with Department staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following Scoping Decision:

MATTERS TO BE ADDRESSED

The issues outlined below will be identified and described in the EA for the proposed Marshall Solar Energy Project. The EA will describe the Project and the human and environmental resources at the site proposed by Marshall Solar. The EA will also provide information on the potential impacts of the proposed Project as they relate to the topics outlined in this scoping decision, including possible mitigation for identified impacts, impacts that cannot be avoided identification of irretrievable commitment of resources, and permits from other government entities that may be required.

The EA on the Marshall Solar Energy Project will address and provide information on the following matters:

- I. PROJECT DESCRIPTION AND OVERVIEW**
 - a. Project Description
 - b. Project Purpose
 - c. Project Costs
 - d. Anticipated Schedule

- II. REGULATORY FRAMEWORK**
 - a. Certificate of Need
 - b. Site Permit
 - c. Scoping Process
 - d. Public Hearing
 - e. Other Permits
 - f. Issues outside the EA

- III. PROPOSED PROJECT – DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE**
 - a. Proposed Facility Location
 - b. Alternative Sites Considered and Rejected
 - c. Site Requirements
 - d. Project Design
 - e. Project Construction
 - f. Project Operation and Maintenance

- IV. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATIVE MEASURES**

The EA will include a discussion of the following human and environmental resources potentially impacted by the proposed project. Potential impacts, both positive and negative, of the project and each alternative will be described. Based on the impacts identified, the EA will describe mitigation 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.

Data and analyses in the EA will be commensurate with the importance of potential impacts and the relevance of the information to a reasoned choice among

alternatives and to the consideration of the need for mitigation measures.⁶ EERA staff 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. Less important material may be summarized, consolidated or simply referenced.

If relevant information cannot be obtained within timelines prescribed by statute and rule, or if the costs of obtaining such information is excessive, or the means to obtain it is not known, EERA staff will include in the EA a statement that such information is incomplete or unavailable and the relevance of the information in evaluating potential impacts or alternatives.⁷

- a. Human Settlement
 - i. Public Health and Safety
 - ii. Displacement
 - iii. Noise
 - iv. Aesthetics
 - v. Socioeconomics (including property values)
 - vi. Cultural Values
 - vii. Recreation
 - viii. Public Services and Infrastructure
 - ix. Land Use and Zoning
- b. Land Based Economies
 - i. Agriculture
 - ii. Forestry
 - iii. Tourism
 - iv. Mining
- c. Archaeological and Cultural Resources
- d. Natural Environment
 - i. Air
 - ii. Geology, Soils and Groundwater
 - iii. Surface Water
 - iv. Wetlands
 - v. Vegetation
 - vi. Wildlife
 - vii. Rare and Unique Natural Resources

V. ADVERSE IMPACTS THAT CANNOT BE AVOIDED

VI. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES

VII. APPLICATION OF SITING FACTORS

⁶ Minnesota Rule 4410.2300.

⁷ Minnesota Rule 4410.2500.

SITES TO BE EVALUATED IN THE ENVIRONMENTAL ASSESSMENT

The EA will evaluate the facility location proposed by Marshall Solar in its Site Permit Application (see attached map). No other locations will be evaluated in the EA.

IDENTIFICATION OF PERMITS

The EA will include a list and description of permits or approvals from other government entities that may be required for the proposed project.

ISSUES OUTSIDE THE SCOPE OF THE ENVIRONMENTAL ASSESSMENT

The EA for the Marshall Solar Project will not consider the following:

- A. No-build alternative.
- B. Issues related to project need, size, type, or timing.
- C. Any site alternative not specifically identified in this scoping decision.
- D. The manner in which land owners are compensated for the sites, as that is outside the jurisdiction of the Commission.

SCHEDULE

The Environmental Assessment is anticipated to be completed and available by September 2015. A public hearing will be held in the Project area after the Environmental Assessment has been issued and notice served.

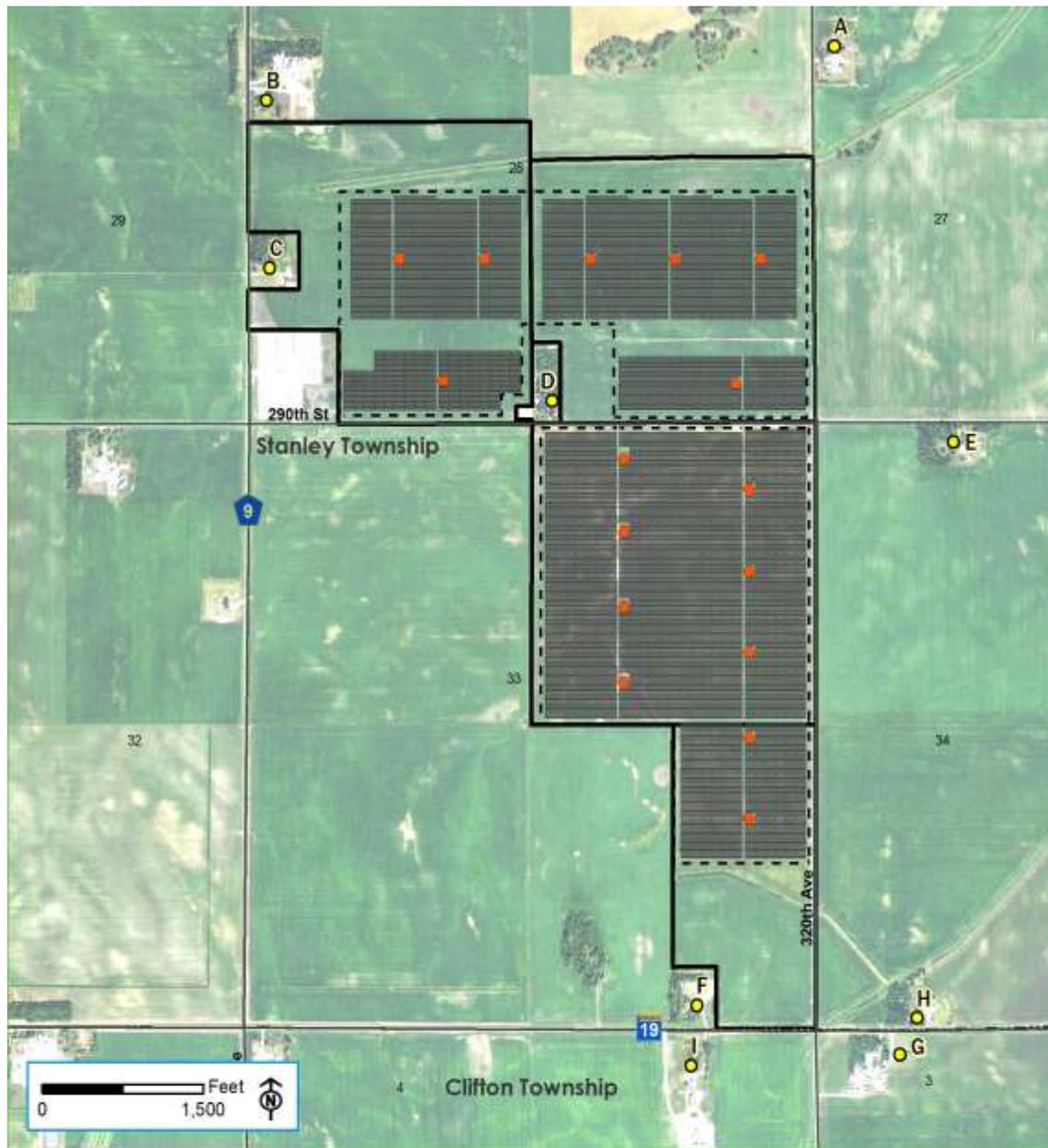
Signed this 24th day of June, 2015

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE



William Grant, Deputy Commissioner

PRELIMINARY MARSHALL SOLAR LOCATION AND DESIGN



Legend

- Project Area
- PCS Unit
- Array
- Fence
- Residence
- City / Township Boundary
- Section Line

