

ENVIRONMENTAL ASSESSMENT
DRAFT EA SCOPING DOCUMENT

NORTHERN STATES POWER COMPANY
BLACK DOG UNIT 6 PROJECT
PUC DOCKET No. E002/GS-15-834

January 2016

Prepared by the Energy Environmental Review and Analysis Staff of the



1.0 INTRODUCTION

On September 16, 2015, Northern States Power Company (Xcel Energy) filed a letter¹ of intent with the Public Utilities Commission (Commission) indicating its intent to submit a site permit application under the alternative permitting process (Minn. Rule 7850.2800-3900). On October 15, 2015, Xcel Energy submitted a Large Electric Power Generating Plant (LEPGP) site permit application (Application)² to the Commission for the proposed 215 MW natural gas-fired combustion turbine (Unit 6) at its existing Black Dog Generating Plant in Burnsville, Dakota County, Minnesota.

On October 23, 2015, the Commission issued a notice soliciting comments on the completeness of the LEPGP site permit application for the Project. The initial and reply comment periods on completeness of the Application closed on November 6, 2015 and November 13, 2015, respectively. The Commission's Order accepting the Application as complete was issued on December 10, 2015.

2.0 PROJECT DESCRIPTION

The Xcel Energy is proposing to construct a 215 MW natural gas-fired combustion turbine unit (Unit 6) at its existing Black Dog Generating Plant in Burnsville, Dakota County, Minnesota (**Figure 1**). The combustion turbine (CT) will be a simple-cycle unit with dry low-nitrogen oxide (NOx) burners and the use of good combustion practices for emissions control. No add-on emission controls are anticipated.

Black Dog Unit 6 will provide approximately 215 MW of nominal peaking capabilities and will be built in the existing powerhouse building for Unit 4. Both Units 3 and 4 were retired in early spring 2015. Construction is expected to begin in June 2016 with foundation work for the new unit.

Minor modifications to the existing 115kV switchyard will be required to connect Unit 6 to the transmission system. No upgrades to the 115 kV transmission system are required since Unit 6 will utilize some of the outlet capacity from retired Units 3 and 4.

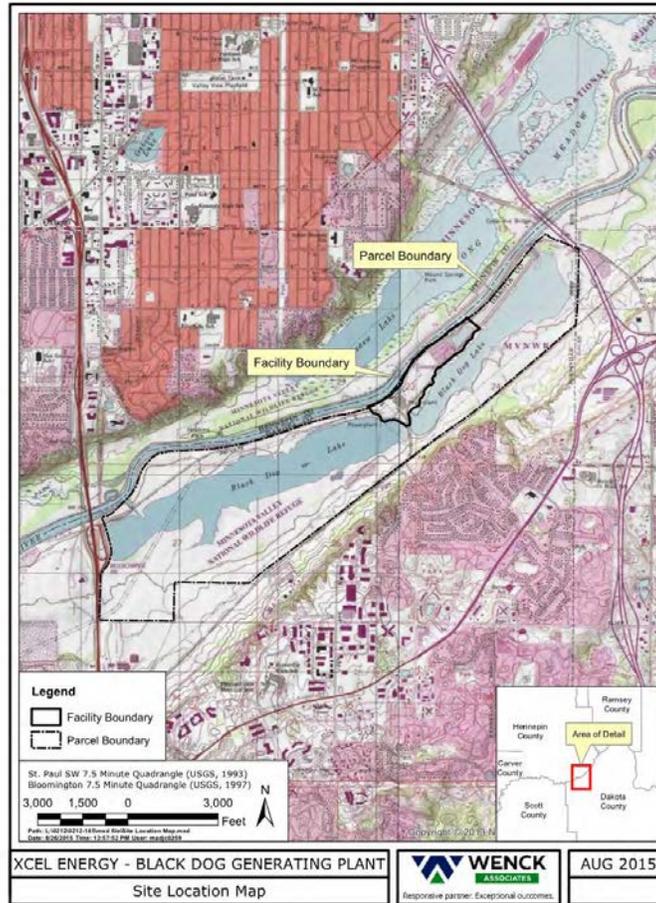
Unit 6 will be fueled entirely by natural gas. Because Unit 6 will increase the Plant's high pressure natural gas needs, additional natural gas supplies and infrastructure will be required to serve these needs. It is anticipated that this additional infrastructure will be permitted by the supplier in accordance with the requirements of Minnesota Statutes Section 216G.02 and Minnesota Rules Chapter 7852.

Initial startup is planned for early 2018, with commercial operation beginning in March 2018.

¹ Notification of Intent to Submit LEPPG Site Permit Application, September 16, 2015, eDocket no. [20159-114052-01](#)

² LEPPG Site Permit Application, October 15, 2015, eDocket No. [201510-114858-01](#)

Figure 1 Project Boundary and One-Mile Buffer



3.0 REGULATORY PROCESS AND PROCEDURES

Minnesota Stat. 216B.243, subd. 1 generally requires a Certificate of Need (CON) to construct a generation facility with a total capacity of 50 MW or more. However, a CON is not required if the facility is selected in a bidding process established by the Commission under Minnesota Statutes § 216B.2422, subdivision 5(b). Therefore, a CON is not required for this Black Dog Unit 6 Project because the Project was selected through a Competitive Acquisition.

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).

Xcel Energy has submitted the LEPGP site permit Application for review under the provisions of the alternative permitting process as outlined in Minnesota Statute 216E.04 and Minn. Rule 7850.2800-3900.

Permit Application and Acceptance

The Application must provide specific information about the proposed Project including, but not limited to, applicant information, site description, environmental impacts, alternatives and mitigation measures (Minn. Rule 7850.3100). The review process begins with the determination by the Commission that the Application is complete. Application acceptance allows initiation of the public participation and environmental review processes. The Commission has six months to reach a final decision on the LEPGP site permit 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).

Environmental Review

Applications for a LEPGP site permit under the alternative permitting process are subject to environmental review, which is conducted by Energy Environmental Review and Analysis (EERA) staff under Minn. Rule 7850.3700. EERA staff provides notice and conducts a public scoping meeting to solicit public comments on the scope of an Environmental Assessment (EA). Following the close of the comment period, EERA staff will file comments received with the Commission. Based on the information received during the scoping process, the Deputy Commissioner of the Department of Commerce will determine the scope of the EA.

An EA is a written document that describes the human and environmental impacts of the proposed Project (and selected alternative sites, if applicable) and methods to mitigate such impacts.

Since the Black Dog Unit 6 was included in the March 16, 2015, supplement to the Company's 2016-2030 Upper Midwest Resource Plan (Docket No. E-002/RP-15-21), which recognized that the Project will utilize the footprint of retired Unit 4 at the existing Black Dog Plant, review of alternative sites is not applicable to the scoping process in this docket.

The EA will be completed and made available prior to the public hearing.

Public Hearing

Applications for LEPGP site permits under the alternative permitting process require a public hearing upon completion of the EA. The hearing will be held in the Project area in accordance with the procedures provided in Minn. Rule 7850.3800. (The hearing is not a contested case hearing and is not conducted under Office of Administrative Hearings (OAH) Rule 1405.)

4.0 EA SCOPING PROCESS

The purpose of the scoping process is to provide the public with an opportunity to participate in the development of the scope of the EA by holding public meetings and soliciting public comment. The public information/scoping meeting and the comment period listed below are your opportunity to participate in the determination of the content or "scope" of the EA.

Place	Meeting Location	Date and Time
Burnsville	Burnsville City Hall – Council Chambers 100 Civic Center Parkway	Thursday January 28, 2016 6:00 p.m.

The meeting will inform the public about the project and the regulatory proceedings; provide a forum to discuss the environmental, social and economic issues of importance in the areas potentially affected; and gather public input into the scope of the EA to be prepared for the project. The meeting provides the public an opportunity to ask questions about the project and suggest specific issues and impacts that should be addressed in the EA.

Representatives of the Department, the Commission and the Applicant will be at the meeting to describe the proposed project and answer questions.

Written public comments can be submitted to the Department Energy Environmental Review and Analysis staff until **February 11, 2016**. Written comments should be sent to:

Bill Storm
Minnesota Department of Commerce,
85 7th Place, Suite 500,
St. Paul, Minnesota 55101-2198
bill.storm@state.mn.us

On line comments can be submitted at: <http://mn.gov/commerce/energyfacilities/#comments>.

A scoping decision will be made by the Department shortly after the close of the comment period. Persons who want to be advised of the Department's scoping decision can register their names with Commission staff at the public meeting, on the Commission's website (mn.gov/puc) or contact Tracy Smetana at (651) 296-0406. The final scoping decision will also be posted on the eDockets website and the EERA website (<http://mn.gov/commerce/energyfacilities/Docket.html?Id=34314>).

5.0 DRAFT SCOPING OUTLINE

The Environmental Assessment on the Black Dog Unit 6 Project will address the following matters:

- 1.0 Introduction
 - 1.1 Project Description
 - 1.2 Project Purpose
 - 1.3 Sources of Information
- 2.0 Regulatory Framework
 - 2.1 Certificate of Need
 - 2.2 Site Permit
 - 2.3 Scoping Process
 - 2.4 Public Hearing
 - 2.5 Other Permits
 - 2.6 Issues outside the EA
- 3.0 Proposed Project
 - 3.1 Proposed Facility Location
 - 3.2 Site Requirements
 - 3.3 Project Design
 - 3.4 Project Construction
 - 3.5 Project Operation and Maintenance
- 4.0 Potential Impacts of Proposed Project
 - 4.1 Human Settlement
 - 4.1.1 Public Health and Safety
 - 4.1.2 Displacement
 - 4.1.3 Noise
 - 4.1.4 Aesthetics
 - 4.1.5 Socioeconomics
 - 4.1.6 Cultural Values
 - 4.1.7 Recreation

- 4.1.8 Public Services and Infrastructure
- 4.1.9 Land Use and Zoning
- 4.2 Land Based Economies
 - 4.2.1 Agriculture
 - 4.2.2 Forestry
 - 4.2.3 Tourism
 - 4.2.4 Mining
- 4.3 Archaeological and Cultural Resources
- 4.4 Natural Environment
 - 4.4.1 Air
 - 4.4.2 Geology, Soils and Groundwater
 - 4.4.3 Surface Water
 - 4.4.4 Wetlands
 - 4.4.5 Vegetation
 - 4.4.6 Wildlife
 - 4.4.7 Rare and Unique Natural Resources
- 5.0 Unavoidable Impacts
- 6.0 Irreversible and Irrecoverable Commitments of Resources
- 7.0 Application of Siting Factors

5.0 ALTERNATIVES TO BE ADDRESSED IN THE EA

Per the discussion in *Section 3.0 Regulatory Process and Procedures, Environmental Review*, EERA staff will not be recommending, nor considering, any additional facility locations, other than that presented in the LEPGP Site Permit Application, be evaluated in the EA.

6.0 IDENTIFICATION OF PERMITS

The EA will include a list of permits and approvals that may be required for the Project proposers to construct this project; anticipated permits and approvals include, but may not be limited to, the following:

Air Emission Permit. Xcel Energy will submit an application to the Minnesota Pollution Control Agency (“MPCA”) for an amendment to the Black Dog Generating Plant air emission permit, Permit No. 03700003-011, to accommodate the Project.

NPDES Discharge Permit. By the end of 2015, Xcel Energy will amend the 2012 application to renew the Plant’s existing NPDES/SDS discharge permit (MN0000876) to incorporate the additional waste streams associated with the Project. Modifications will entail the process water system and its discharges. Since the 2012 application, the NPDES permit renewal process has not been started by the state, but will begin soon and will address the Project, as well as the future operation of existing Unit 5/2 wastewater operations. In addition, an application may be filed with the Metropolitan Council Environmental Services (“MCES”) for approval to direct some Plant wastewater streams to the sanitary sewer system.

NPDES Stormwater Program. The Project may trigger the requirement to apply for coverage under the MPCA’s NPDES Stormwater Permit Program for Construction Activities. Xcel Energy will prepare a Stormwater Pollution Prevention Plan (“SWPPP”) and apply for coverage under its state general permit prior to commencement of site work. The SWPPP is developed just before the application for the construction stormwater permit is submitted as much of the SWPPP’s content is dependent on specific construction activities.

Other Permits. The Project may require other permits, approvals or notifications under the following programs:

- Federal Aviation Administration (“FAA”) Notice of Proposed Construction or Alteration (for exhaust stack and potentially other structures)
- Exemption to allow burning of natural gas for power production (Department of Energy, 10 Code of Federal Regulations 503)
- Road Crossing Permits (Minnesota Department of Transportation (“MNDOT”), Minnesota Rules Chapter 8810)
- Endangered Species Act (“ESA”) Review (United States Environmental Protection Agency (“EPA”) and United States Fish & Wildlife Service (“USFWS”))
- MNDNR Natural Heritage Review (Potential Takings Permit as per Minnesota Rule 6212.1800)
- Miscellaneous State Permits (Minn. Stat. § 216E.10, subd. 2)
- Local building permits (City of Burnsville).

7.0 SCHEDULE FOR COMPLETION OF EA

The tentative date for completion of the EA of the proposed project is May 2016.

Upon completion of the EA, Department staff will notify those persons who have asked to be notified of the completion. In addition, Department staff will publish notice of the availability of EA in the *EQB Monitor* (the bi-weekly newsletter of the EQB). The EA will be made available for review and will be posted in eDockets and on the Department’s webpage. Comments on the EA may be submitted into the hearing record.