

September 29, 2016

Daniel P. Wolf, Executive Secretary
Minnesota Public Utilities Commission
127 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: EERA Comments on EA Scoping
Minnkota Power MPL-Laporte 115 kV Transmission Project
Docket No. ET6/TL-16-327

Dear Mr. Wolf:

Attached are the review and comments of the Minnesota Department of Commerce Energy Environmental Review and Analysis (EERA) staff in the following matter:

In the Matter of the Application of Minnkota Power Cooperative, Inc. for a Route Permit for the MPL-Laporte Transmission Line and Substation Project in Clearwater and Hubbard Counties

EERA staff herein provides a summary of the Environmental Assessment (EA) scoping process and informs the Commission on which routes it intends to recommend, as described in the attached comments, to the Deputy Commissioner of Commerce for the Scoping Decision for the Environmental Assessment.

EERA staff is available to answer any questions the Commission may have.

Sincerely,

William Cole Storm, Environmental Review Manager
Energy Environmental Review and Analysis
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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

DOCKET NO. ET6/TL-16-327

DateSeptember 29, 2016
EERA Staff: William Cole Storm.....(651) 539-1844

In the Matter of the Application of Minnkota Power Cooperative, Inc. for a Route Permit for the MPL-Laporte 115 kV Transmission Line Project in Clearwater and Hubbard Counties

Issues Addressed: Summary of the scoping process for the Environmental Assessment (EA) including a summary of comments and potential alternatives.

Attachments: Proposed and Potential Alternative Route Maps

Additional documents and information can be found on <http://mn.gov/commerce/energyfacilities/Docket.html?Id=34468> or on eDockets <http://www.edockets.state.mn.us/EFilin/search.jsp> (16-327).

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

Introduction and Background

These comments are intended to advise the Commission on the scoping process for the MPL-Laporte 115 kilovolt (kV) High Voltage Transmission Line (HVTL) Project (Project). The final scoping decision will identify the issues and alternatives that the Department of Commerce (DOC) and the Public Utilities Commission (Commission) have determined are appropriate for inclusion in the environmental review document.

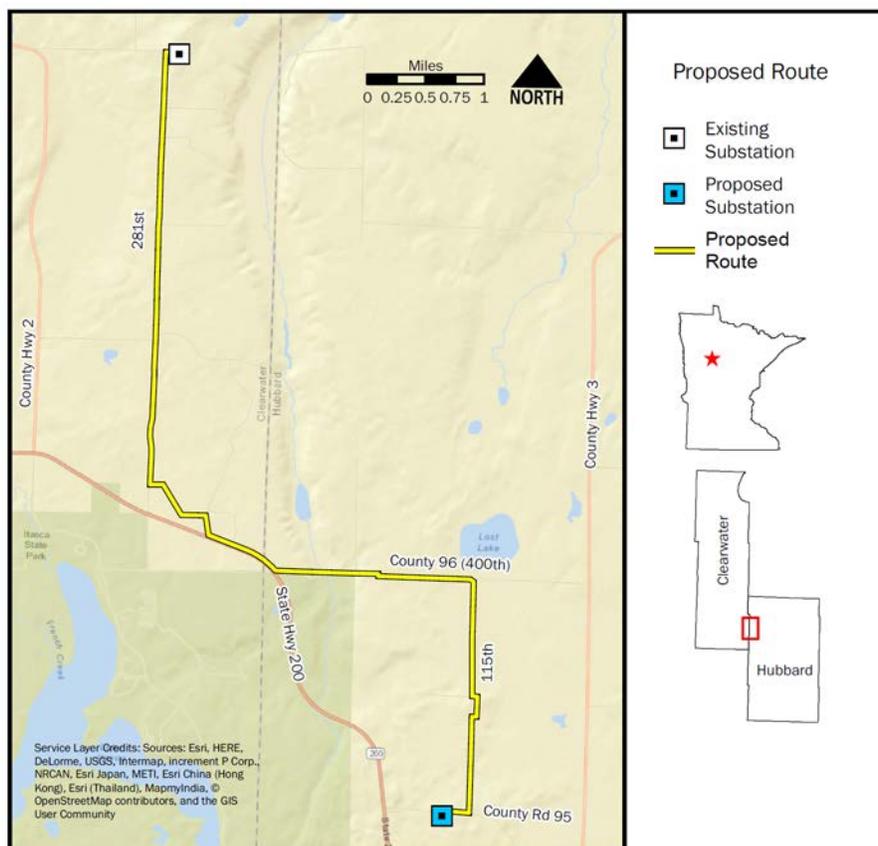
Minnkota submitted a Route Permit Application (RPA)¹ for the Project to the Commission on June 6, 2016. The Application was accepted as complete on August 11, 2016. Minnkota expects the Project to be operational by the end of 2017.

¹ "Application to the Minnesota Public Utilities Commission for a Route Permit," Minnkota, June 2016, <http://mn.gov/commerce/energyfacilities/resource.html?Id=34468>

Project Description and Purpose

The proposed project will provide electrical service to a proposed new pumping station to be constructed and operated by Minnesota Pipeline Company, LLC. The Project does not require a Certificate of Need by length or capacity for a large energy facility as defined in Minnesota Statute 216B.2421.

The proposed Project (see below) includes construction of a new 9.4-mile long 115 kV electric transmission line and a new 115/4.16 kV substation. The route originates in Section 12 of Township 144N, Range 36W in Itasca Township. The proposed HVTL extends west from the existing line and then south, adjacent to existing roadway right-of-way (ROW) along 281st Avenue for approximately 3.7 miles. The HVTL then turns east and southeast and cuts cross-country until it reaches State Highway 200. The HVTL continues southeast adjacent to State Highway 200 and crosses the county line. Just after entering Hubbard County, the line turns east and is located adjacent to 400th Street for approximately 1.7 miles. The HVTL turns south at 115th Avenue and continues south adjacent to existing roadway ROW for approximately 2.0 miles before turning west for approximately 2,350 feet adjacent to County Road 95. The HVTL then turns south, crossing County Road 95 and entering the new Substation site in Section 17 of Township 143N, Range 35W.



Regulatory Process

The Project is 115 kV, but under 10 miles, so it does not qualify as a Large Energy Facility under Minnesota Statute 216B.2421, Subd. 2 (3). Therefore, it does not require a Certificate of Need under Minnesota Statute 216B.243, Subd. 2.

Minnesota Statute 216E.04, Subd. 2 (3), qualifies 115 kV high-voltage transmission lines as eligible for review under the Alternative Permitting Process. Minnkota submitted the Application for the proposed transmission line and substation pursuant to the provisions of the Alternative Permitting Process as outlined in Minnesota Rule 7850.2800-3900. The Alternative Permitting Process includes environmental review and public hearings, and typically takes six to nine months to complete.

Environmental review under the alternative permitting process includes public information/scoping meetings and the preparation of an EA. The Environmental Assessment describes the human and environmental impacts of the project (and any selected alternative sites) and methods to mitigate such impacts. The EA must be completed and made available prior to the public hearing.

Under Minnesota Rule, 7850.3700, subp. 4, the Environmental Assessment must include the following:

- A. A general description of the proposed project;
- B. A list of any alternative sites or routes that are addressed;
- C. A discussion of the potential impacts of the proposed project and each alternative site or route on the human and natural environment;
- D. A discussion of mitigative measures that could reasonably be implemented to eliminate or minimize any adverse impacts identified for the proposed project and each alternative;
- E. An analysis of the feasibility of each alternative site or route considered;
- F. A list of permits required for the project; and
- G. A discussion of other matters identified in the scoping process.

Scoping Summary

On August 13, 2016, Commission and EERA staff sent notice of the place, date and time of the Public Information and Scoping meeting to local government units and those persons on the Project contact/general list.²

² Notice of Public Information/Scoping Meeting, August 15, 2016, eDocket no. 20168-124110-01

On August 17, 2016, EERA staff released the *Draft Scoping Document*.³ The draft scoping document is intended to advise the public of the scoping process and the process for the preparation of the Environmental Assessment. The draft scoping document provides interested persons and/or agencies with generic categories in which to insert specific issues and concerns. The *Scoping Decision* will identify for the public the issues and alternatives that the Department of Commerce (DOC) has determined are appropriate for inclusion in the environmental review document.

Commission staff and EERA staff jointly held a Public Information and EA Scoping meeting at the public library in Park Rapids on August 30, 2016. 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. A court reporter was present at the meeting to document oral statements.

Scoping Comments

Approximately 7 people attended the public information and scoping meeting; 3 individuals took the opportunity to speak on the record.

During the comment period, which closed on September 13, 2016, two letters were received from state agencies and three written comments were received from the general public.⁴

A variety of questions were asked and answered during the oral comment period of the scoping meeting. Topics included: several persons requested that the existing pipeline corridor be followed by the new HVTL, perceived impacts to private parcels (value and wildlife), use of private verse public verse corporate owned lands, noise and electromagnetic fields (EMF) from the conductors, interference issues (internet and TV) caused by the conductors, potential impacts to live-stock, and issues surrounding the need, and private verse public interest relative to eminent domain and the construction of infrastructure servicing private corporations.⁵

The Minnesota Department of Natural Resources (MNDNR) noted that the agency has been working closely with Minnkota Power Cooperative on the development of a route which would minimize impacts to state resources and the Itasca State Park. Additionally, the MNDNR believes that the proposed route contained within the Route Permit Application represents this collaboration and supports the environmental review of this proposed route.⁶

³ Draft Scoping Document, August 17, 2016. eDocket No. 20169-125105-01

⁴ Public Scoping Comments through September 13, 2016 Close of Comment Period (Oral and Written Comments) <http://mn.gov/commerce/energyfacilities/resource.html?Id=34547>

⁵ Oral Comments Received During Scoping Meeting, eDocket No. 20169-12489-01

⁶ MNDNR written comment, September 13, 2016. eDocket No. 20169-124816-01

MNDNR noted in their comments that the alternative routes (i.e., orange, purple, red, and green)⁷ contained within the RPA (**Figure 1**) as “*alternative routes considered and rejected*” were less desirable due to potential impacts to areas of Minnesota Biological Survey (MBS) sites and presence of rare features.⁸

MNDNR continued, stating that due to the presence of these resources in the area that it is possible that the DNR may require biological surveys as part of its “license to cross” depending on the final route selected by the Commission.⁹

The Minnesota Department of Transportation (MnDOT) requests the EA identify and quantify any impacts of the proposed Project on the safety of the transportation system, the effectiveness of the operations or maintenance of the state trunk highway system and any potential costs to the state trunk highway fund. MnDOT further states that in addition to applying for a Utility Accommodation on Trunk Highway Right Of Way (Form 2525), Minnkota may need to apply for a Miscellaneous Permit (Form 1723) for tree clearing, as well as reimburse MnDOT for said trees depending on the final route selected by the Commission.¹⁰

Proposed Alternatives

The process for individuals to request that specific alternative routes, alternative route segments, and/or alignment modifications be included in the scope of the environmental review document was discussed at the public meeting. Of the three written comment letters received from the general public, two (Thompson and Seeger) included requests of alternative routes to be considered for the EA scope.^{11 12}

Bergin Comments

While the third (Bergin) written comment letter did not contain a specific alternative route for consideration (other than the aforementioned existing pipeline corridor or the *red route*), it did raise concerns on the health effects of EMF on both animals and humans.¹³

Thompson Comments

In their written comments and supporting material, the Thompsons put forth one alternative route (**Figure 2**). This route alternative was developed from suggestions

⁷ Minnkota Power RPA, June 2016, Figure 2.

⁸ MNDNR written comment, September 13, 2016. eDocket No. 20169-124816-01

⁹ Id.

¹⁰ Id.

¹¹ Thompson comment letter dated September 8, 2016. eDocket No. 20169-124895-01

¹² Seeger comment letter dated September 12, 2016. eDocket No. 20169-124895-02

¹³ Bergin comment letter dated September 12, 2016. eDocket 20169-12489-01

made by the MNDNR in correspondence to Minnkota Power dated November 16, 2015, and presented here:¹⁴

“MNDNR would like Minnkota Power to consider alternatives that avoid the creation of a new corridor through the MBS site and crossing the stream altogether. This could be achieved by heading due east from the starting point and cross north of Big LaSalle Lake along Ridgeway Drive to 105th Avenue, then south to 400th Street. This route still makes use of county land and limits the habitat impacts of a new corridor by utilizing existing roadway corridors.”

Minnkota Power developed the *purple route* in response to the MNDNR’s early comments; the *purple route* was considered and rejected by Minnkota power due to proximity of homes and landowner concerns (Figure 1).

The Thompson Route modifies the *purple route* by continuing south along 105th Avenue (as opposed to heading east along County Road 96) to the intersection of State Highway 200. The Thompson Route then follows State Highway 200 south to County Road 95 (also the PLS Section line between T143 R35 S8 – T143 R35 S17) where it heads east along County Road 95 for approximately ½ mile to the projects terminus.

The Thompsons are concerned about the safety of a HVTL on their property and the potential health and safety impacts to their livelihood (live-stock), as well as, a significant decrease in the value of their property and the aesthetics impacts of the line.

They also note the presence of a large area of native Lady Slippers growing all along the east side of 281st Avenue that potentially could be impacted by the construction of the transmission line.

Seeger Comments

In his written comments Mr. Seeger provided six alternative routes for consideration in the scope of the EA (**Figure 3 to 7**). Mr. Seeger’s concerns include: the use of public lands, rather than placing the burdens of this infrastructure on private land owners; and the potential impact to his property (value, wildlife, displacement from the future dwelling site, health and safety concerns).

The Seeger Alternative Route 1 follows the existing MPL pipeline corridor from the interconnection (T144 R36 S12) to the new Substation (T143 R35 S17). This is the same path as the *red route* which was considered and rejected by Minnkota Power (See Figure 1).

¹⁴ RPA, June 2016, Appendix E Agency Responses. eDocket No. 20166-121952-02

The Seeger Alternative Route 2 (**Figure 3**) follows Minnkota Power's *yellow route* (north to south) to its intersection with the existing MPL pipeline corridor, at which point the Seeger Alternative Route 2 diverges from the *yellow route* and follows the existing MPL corridor south to the HVTL project terminus. The *yellow route* is Minnkota Power's proposed route; the existing pipeline corridor (*red route*) was considered and rejected by Minnkota Power.

The Seeger Alternative Route 3 (**Figure 4**) follows Minnkota Power's *red route* (MPL pipeline corridor) south to its intersection with County Road 96, then travels westward for approximately ½ mile along County Road 96 to 105th Avenue, where it turns south along 105th Avenue for approximately 1.25 miles to the intersection with State Highway 200. The Seeger Route 3 then follows State Highway 200 south to County Road 95 (also the PLS Section line between T143 R35 S8 - T143 R35 S17) where it heads east along County Road 95 for approximately ½ mile to the projects terminus.

The Seeger Alternative Route 4 (**Figure 5**) follows Minnkota Power's *yellow route* (north to south) to its intersection with 105th Avenue, where it turns south along 105th Avenue for approximately 1.25 miles to the intersection with State Highway 200. The Seeger Route 4 then follows State Highway 200 south to County Road 95 (also the PLS Section line between T143 R35 S8 - T143 R35 S17) where it heads east along County Road 95 for approximately ½ mile to the projects terminus.

The Seeger Alternative Route 5 (**Figure 6**) follows Minnkota Power's *red route* (MPL pipeline corridor) south to its intersection with County Road 96; from here it follows Minnkota Power's *yellow route* east along County Road 96 for approximately 0.25 miles to the intersection with 115th Avenue and south along 115th Avenue to the projects terminus. The Seeger Alternative Route 5 deviates from Minnkota Power's *yellow route* at T143 R35 S4 SW ¼, where it avoids the Seeger property (PID Numbers 15.04.00400 and 15.04.00400) by deviating to the east around the subject parcels before swinging back west to rejoin the *yellow route*.

The Seeger Alternative Route 6 (**Figure 7**) follows Minnkota Power's *yellow route* (north to south) to the projects terminus. The Seeger Alternative Route 6 deviates from Minnkota Power's *yellow route* at T143 R35 S4 SW ¼, where it avoids the Seeger property (PID Number PID Numbers 15.04.00400 and 15.04.00400) by deviating to the east around the subject parcels before swinging back west to rejoin the *yellow route*.

Applicant Comments

Pursuant to Minn. Rule 7850.3700, subpart 2(B), applicants have the right to review proposed alternatives. Minnkota submitted comments on September 23, 2016.¹⁵

¹⁵ Minnkota Power Cooperative response to scoping comments, eDocket No. 20169-125107-01 to -04

Minnkota evaluated the various route alternatives put forth by commenters during the EA scoping comment period by comparing the following criteria for each:

1. Wetland area to be crossed,
2. Private versus public parcels crossed;
3. Area of trees to be removed,
4. Sites of Biodiversity crossed,
5. Proximity to residences to the anticipated ROW,
6. Total line route length,
7. Estimated EMF and noise values, and
8. Co-locating HVTL and pipelines.

Minnkota did not provide a "fatal flaw" for any of the suggested route alternatives. However, they offered the opinion that according to their analysis and weighting, the yellow route (proposed route) is the most favorable in terms of minimizing potential impacts to the natural and built environments.

While EERA staff acknowledges that co-locating the HVTL adjacent to the existing MPL corridor may pose certain technical and engineering challenges, staff feels these issues are best vetted through the permit review process.

EERA Staff Analysis and Comments

The scoping process for environmental review in Minnesota is designed to identify and analyze "only those potentially significant issues relevant to the proposed project" and alternatives to the project.¹⁶

With respect to route alternatives, the Department is charged with including those alternatives which will "assist in the [Commission's] ultimate decision on the permit application."¹⁷ In assessing which route alternatives proposed during the scoping process should be carried forward for evaluation in the environmental review document for a project, EERA staff considers five criteria:

- Was the alternative submitted within the scoping period, i.e., prior to the end of the public comment period for scoping?
- Does the alternative contain the information required in Minnesota Rule 7850.3700, including "an explanation of why the site or route should be included in the environmental assessment?" EERA staff interprets this text to require that a commenter not only identify the route alternatives to be included in the scope

¹⁶ Minnesota Rule 4410.2100, Subp. 1

¹⁷ Minnesota Rule 7850.3700, Subp. 2.

of the environmental review document, but also identify the potential impacts of the proposed project the alternative is intended to address. The commenter need not provide extensive supporting data for their alternative, but must provide enough explanation such that the potential impact addressed by the site alternative is clear and understandable.

- Is the alternative outside of areas prohibited in Minnesota Rule 7850.4300, (e.g., wilderness areas, state and national parks, scientific and natural areas)?
- Does the alternative fit the stated need/purpose of the project?
- Is the alternative feasible?

EERA staff has used the above criteria to review and analyze the route alternatives proposed during the scoping process. Criteria 1 through 3 are procedural requirements of rule which must be met for alternatives to be considered. Item 4 addresses whether the alternative would meet the stated need/purpose of the project. The last criterion, feasibility, contains a bit more depth in that it integrates the concepts of cost, engineering design, and system reliability; the alternative must meet certain technological requirements (codes and standards), must achieve and maintain a consistent power delivery (i.e., reliability), and must provide for an efficient use of resources (e.g., cost).

Each of the proposed alternatives was received prior to the close of the scoping comment period; each commenter explained the issue or concern in which the suggested alternative route was developed to avoid; none of the proposed alternatives are located in an area that is prohibited by Minnesota Rule 7850.4300; each alternate appears to meet the stated need/purpose; and each alternative appears to be feasible.

The purpose of the EA is to describe the human and environmental impacts of a proposed project (and selected alternative routes) and methods to avoid, minimize and/or mitigate such impacts, along with a description of those impacts which may be unavoidable. The EA is to be completed and made available to the public prior to the public hearing, where the facts as described in the EA and the merits of the alternatives are open for review.

EERA staff believes that it is premature to attempt to evaluate the merits (i.e., weighting one factor against another) of a given alternative route, beyond feasibility and need/purpose (e.g., fatal flaw analysis) at this early stage; the merits of the various alternatives should not be determined until the record is fully developed.

EERA Recommendation

EERA is currently drafting, for the Department of Commerce Deputy Commissioner's consideration, the *EA Scoping Decision* for the Minnkota Power MPL-Laporte HVTL project under the alternative review process. The recommendation for the scope of the EA will cover those items required under Minnesota Rule 7850.3700 subp. 4, along with the generic categories contained within the Draft Scoping Document.

EERA appreciates the scoping comments submitted and will be incorporating the following specific issues and concerns raised during the scoping comment period to the *EA Scoping Decision* recommendation:

- EMF Health Affects;
- Noise Impacts;
- Stray Voltage/Induced Current Impacts (livestock, metal buildings);
- Impacts on Property Values;
- Potential Impacts to a Native Patch of Lady Slippers (reportedly east side 281st Avenue);
- Potential Issues and Available Engineering Solutions in Co-locating HVTL and Pipelines;
- Interference (over-air/satellite TV reception, internet service);
- Impacts on Timber (current and future losses);
- ROW Access and Control (trespass control);
- Impacts on Wildlife (black tail deer, wolf, cougar, bobcat, avian species);

The following issues will not be included in EERA's scoping decision recommendation:

- Certificate of Need (need issues, including size, type, and timing; alternative system configurations or voltage).
- The impacts of specific energy sources, such as carbon outputs from coal-generated facilities.
- The manner in which landowners are compensated for transmission rights-of-way easements.

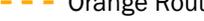
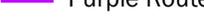
EERA staff recommendation to the Deputy Commissioner of the Department on the EA Scoping Decision will include the following alternative routes:

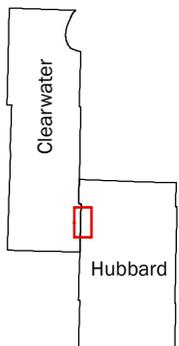
1. Co-location along the existing MPL pipeline corridor;
2. Thompson Alternative Route (**Figure 2**);
3. Seeger Alternative Route 2 (**Figure 3**);
4. Seeger Alternative Route 3 (**Figure 4**);
5. Seeger Alternative Route 4 (**Figure 5**);
6. Seeger Alternative Route 5 (**Figure 6**);
7. Seeger Alternative Route 6 (**Figure 7**).

FIGURES

Figure 1

Alternative Routes Considered but Rejected by the Applicant

-  Existing Substation
-  Proposed Substation
-  Green Route
-  Orange Route
-  Purple Route
-  Red Route (MPL Pipeline Corridor)

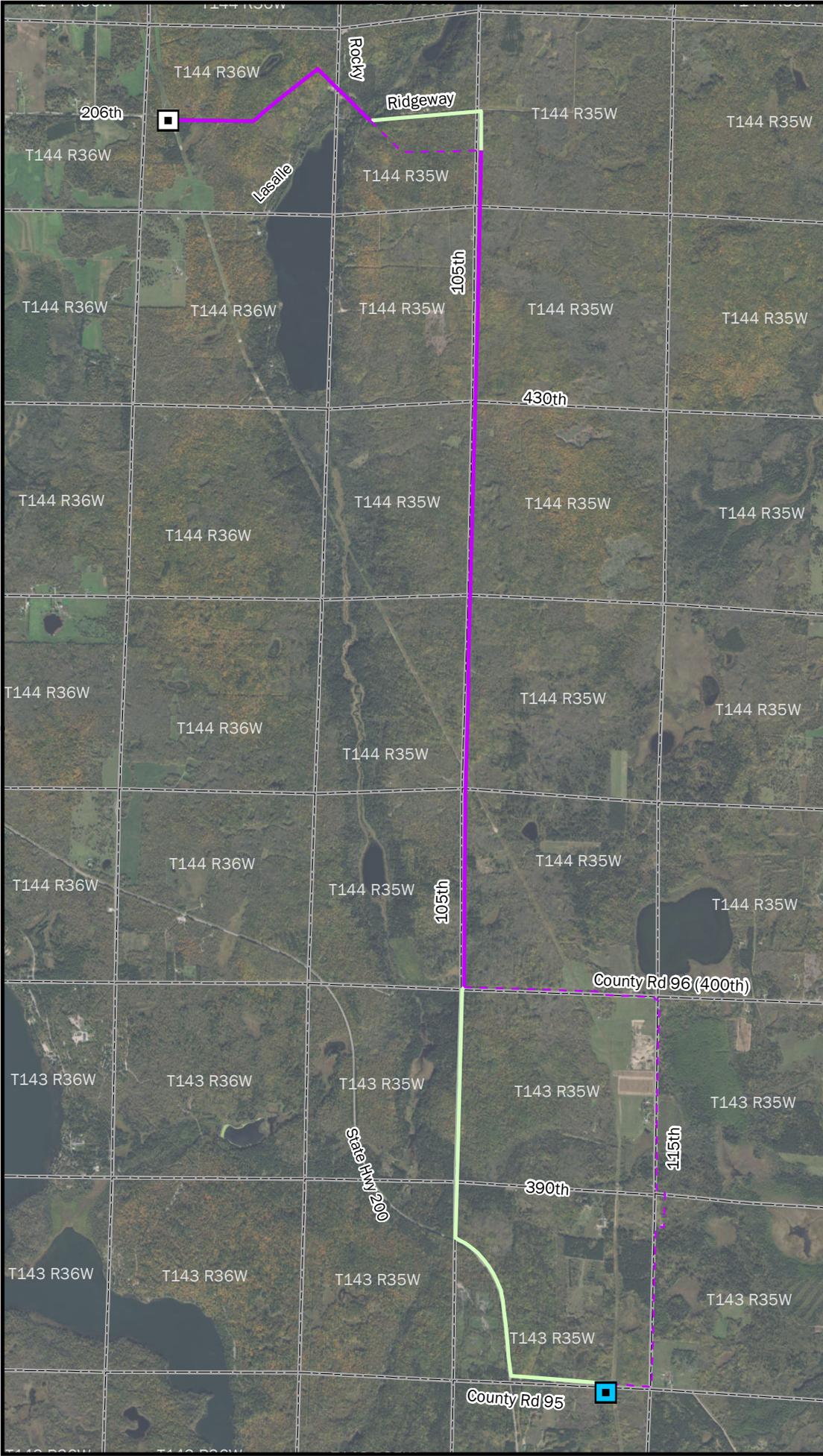


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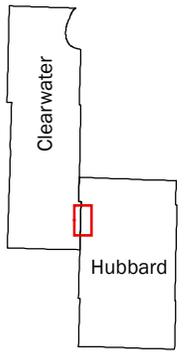


Figure 2

Thompson Alternative



-  Existing Substation
-  Proposed Substation
-  Thompson Route Segment Proposal
-  Purple Route
-  Replaced Portion of Purple Route

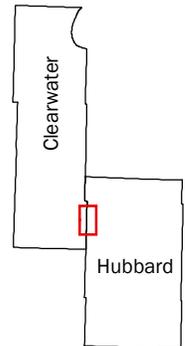


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Figure 3

Seeger Alternative 2

-  Existing
-  Proposed
- Seeger Route Segment Proposal 2
-  Proposed Route
-  Replaced Portion of Proposed Route



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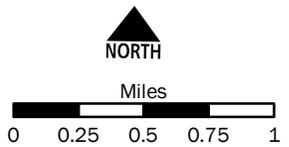
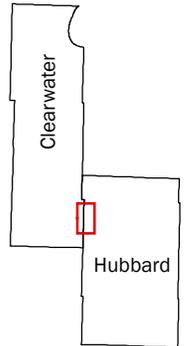


Figure 4

Seeger Alternative 3



-  Existing Substation
-  Proposed Substation
-  Seeger Route Segment Proposal 3
-  Red Route
-  Replaced Portion of Red Route

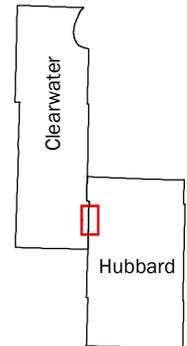


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Figure 5

Seeger Alternative 4

-  Existing
-  Proposed
- Seeger Route Segment Proposal 4
-  Proposed Route
-  Replaced Portion of Proposed Route



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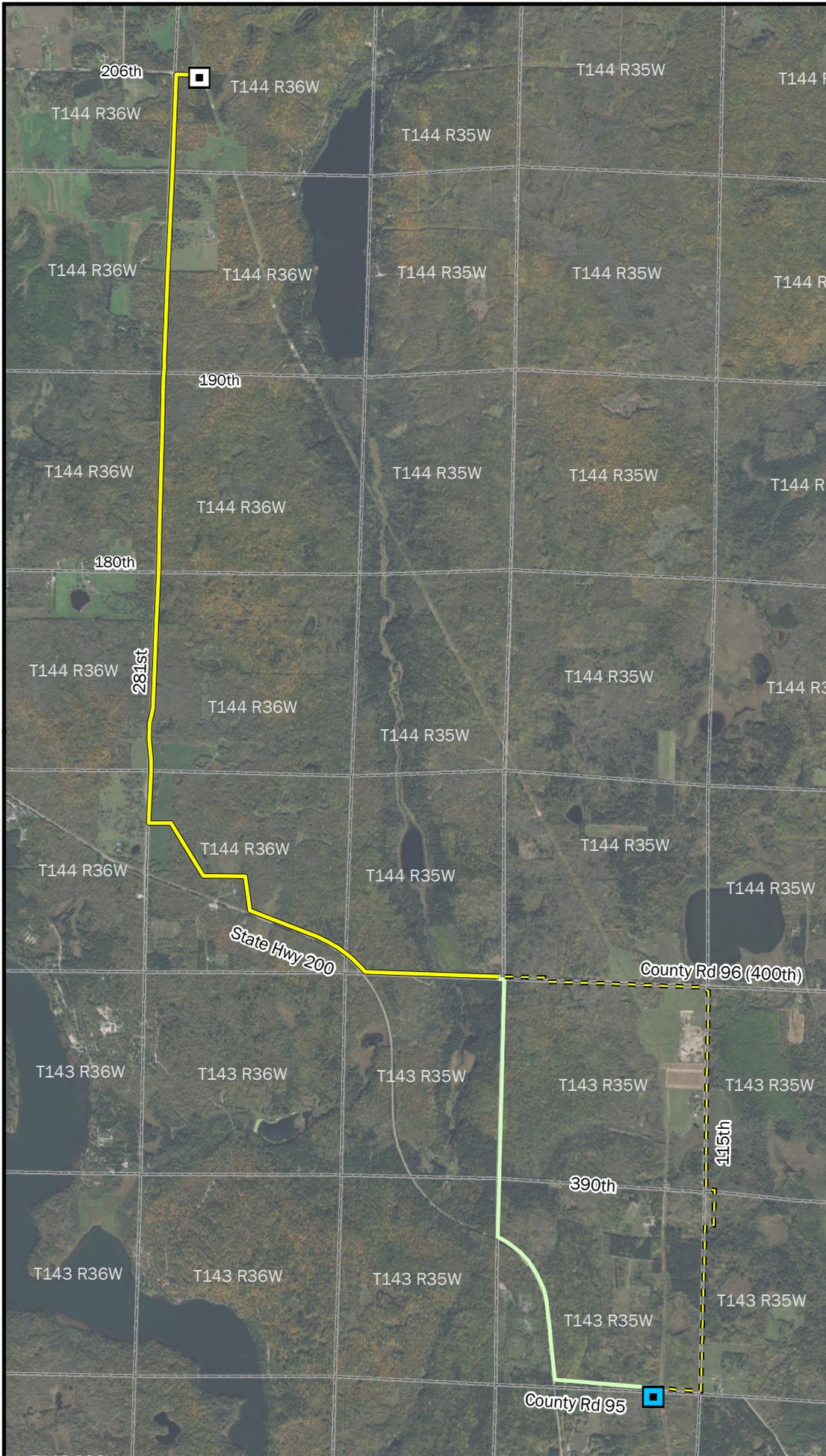
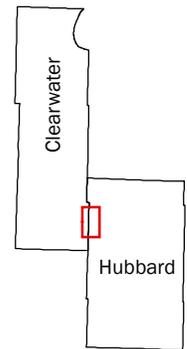




Figure 6

Seeger Alternative 5

-  Existing Substation
-  Proposed Substation
-  Seeger Route Segment Alternative 5
-  Proposed Route
-  Replaced Portion of Proposed Route
-  Red Route
-  Replaced Portion of Red Route



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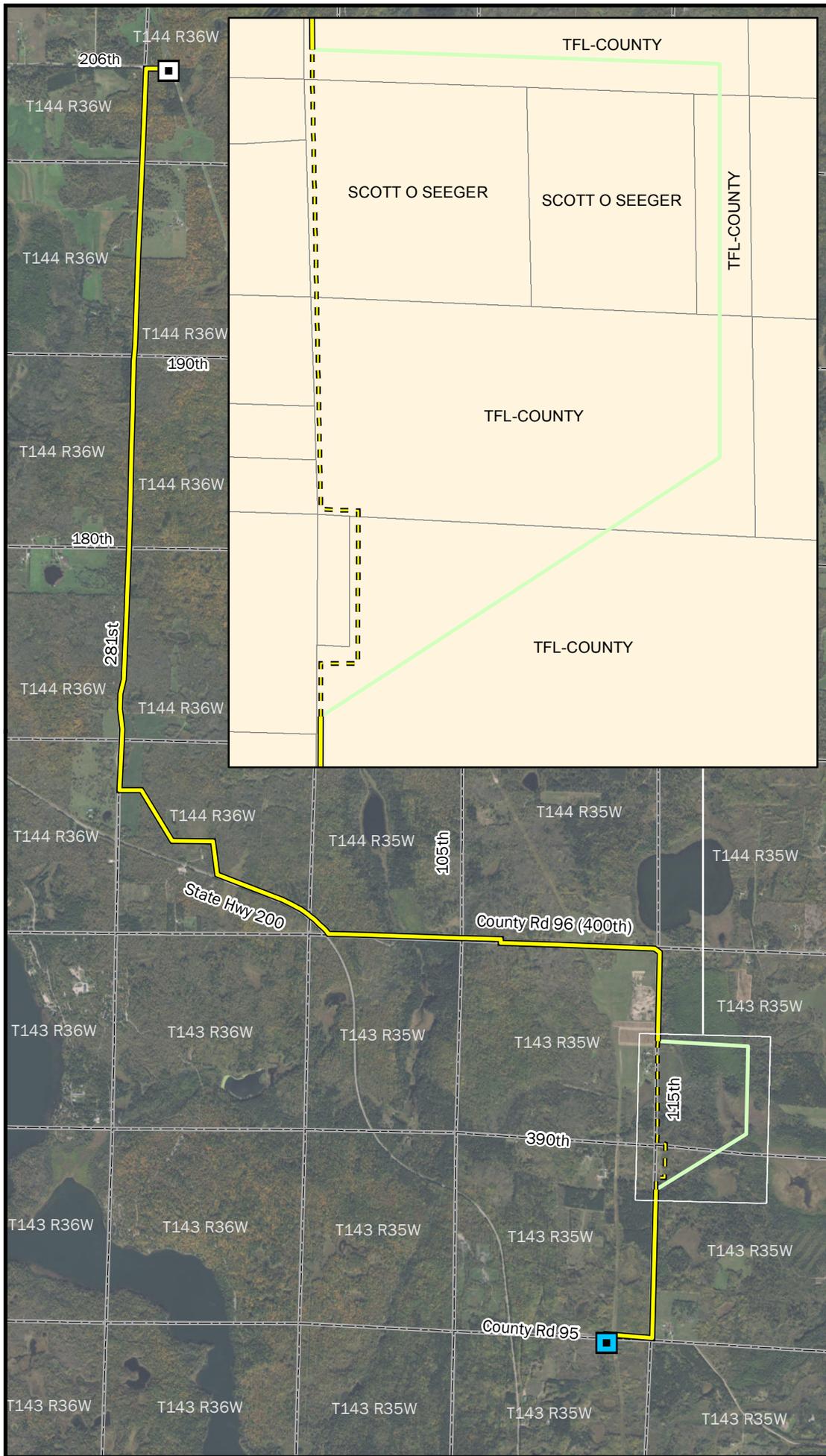
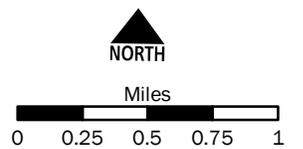
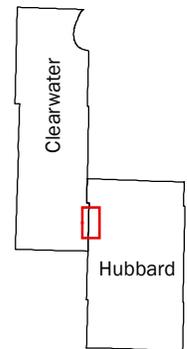


Figure 7

Seeger Alternative 6

-  Existing Substation
-  Proposed Substation
-  Seeger Route Segment Alternative 6
-  Proposed Route
-  Replaced Portion of Proposed Route



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