APPENDIX B

Notice of EA Scoping Meeting
Public Meeting Summary
Public Comments/Responses Given

ITASCA COUNTY
ENVIRONMENTAL SERVICES
Zoning/Solid Waste
Itasca County Courthouse
123 N.E. 4th Street
GRAND RAPIDS, MINNESOTA 55744-2600
Office (218) 327-2857
Fax (218) 327-7331

April 5, 2010

RE: Meeting on the Scope of the Environmental Assessment - Pokegama Project

Dear Property Owner:

The intent of this letter is to invite you to a meeting to provide public comment on the scope of the Environmental Assessment (EA) for the Pokegama 115 kV Substation and Transmission Line project that has been proposed by Great River Energy and Lake Country Power near Grand Rapids, MN. **The meeting will be held at the Spang Township Hall on April 26, 2010 from 4-6 p.m.**

Great River Energy and Lake Country Power have determined that a new 115 kilovolt (kV) substation and transmission line are needed to meet the growing electrical needs in the area south of Pokegama Lake near Grand Rapids in Itasca County, Minnesota (see enclosed fact sheet/map).

Lake Country Power proposes to construct the new "Pokegama" 115 kV Substation on the southwest corner of County State Aid Highway (CSAH) 67 and Wildwood Road in Section 1 of Spang Township (see photo of typical substation on fact sheet).

Great River Energy proposes to construct approximately eight miles of new overhead 115 kV transmission line to energize this new substation. The line will exit the new substation, run east along CSAH 67, turn south and then southeast along CSAH 68, to a tap point with a Minnesota Power 115 kV transmission line northeast of Split Hand Lake. The line will generally follow Lake Country Power's existing distribution corridor.

The project is located in Section 1, T53N, R26W; and Sections 3, 4, 5, 6, 9, 10, 14, 15, 23 and 24, T53N, R25W. The transmission line will be constructed using wood poles with horizontal post insulators. When practical, Lake Country Power will attach an upgraded distribution system on wood crossarms. The poles will be approximately 65-75 feet tall with a 250-280 foot span between poles.

The utilities are seeking approval for the project from Itasca County. As part of the permitting process, the County must prepare an EA on the project and afford the public an opportunity to participate in the development of the scope of the EA before it is prepared.

Itasca County is soliciting public comment and input on the content of the EA. A preliminary Table of Contents for the EA is attached as a starting point for what should be covered in the EA. We encourage you to provide comments on the proposed topics and additional topics you want to see addressed in the EA.

Great River Energy has requested environmental review of the project by several federal and state agencies. The status of those reviews is provided below.

United States Corps of Engineers (Corps) – The Corps provided only a general response (letter of 12/14/09) until design details are available and an application is submitted. Most of the wetlands along the route can be spanned, but Great River Energy will apply for a permit for discharge of fill material into wetlands for the few poles that will be in wetland areas.

United States Fish and Wildlife Service (USFWS) – The USFWS indicated that although the gray wolf and the Canada lynx occur in the project area, the project is not likely to result in harm or take of the species or adverse modification to their critical habitat (letter of 12/11/09). The USFWS made some recommendations on design of the line to minimize impacts to raptors. Great River Energy met with Nick Rowse of the USFWS on February 2, 2010 to discuss Great River Energy's typical design for 115 kV lines, and he was satisfied that the design would be protective of raptors in the area.

Minnesota Department of Natural Resources (DNR) – the DNR indicated concern about a threatened plant species (triangle moonwort) in the project area (letter of 1/14/10). Great River Energy will work with the DNR to avoid this species and will conduct a botanical survey if required. There is also a bald eagle nest about a quarter mile from the proposed line, but construction of the proposed project should not affect this nest.

Minnesota Department of Transportation (aviation issues) – No anticipated effects on publicly-owned airports; Office of Aeronautics has no objection to the project (letter of 11/24/09).

Minnesota Historical Society – there are no properties listed on the National or State Registers of Historic Places, and no known or suspected archaeological properties in the area that will be affected by the project (letter of 12/23/09).

Thank you for your interest in this project. Please consider attending the meeting on April 26 from 4-6 p.m. at the Spang Township Hall to provide comments on the scope of the EA. If you cannot attend the meeting but wish to provide comments on the scope, please contact me (by mail, phone, or email) by April 26, 2010.

Sincerely,

Don Dewey, Environmental Services Administrator
don.dewey@co.itasca.mn.us

Enclosure

C: Wildwood Township Clerk, Spang Township Clerk, County Board, Splithand Lake Asso., County Attorney Jack Muhar and Assistant County Attorney Michael Haig

Preliminary Table of Contents

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Pokegama 115 kV Substation and Transmission Line

GREAT RIVER ENERGY

GREAT RIVER ENERGY
12300 Elm Creek Boulevard
Maple Grove, MN 55369-4718
1-888-521-0130
www.greatriverenergy.com

Lake Country Power
a member-owned utility

LAKE COUNTRY POWER
2810 Elida Drive
Grand Rapids, MN 55744
1-800-421-9959
www.lakecountrypower.com

Project Need

In recent years, Lake Country Power's winter electric demand has increased, primarily due to electric heat installations. In the years 2002-2006, electric demand in the area between Hill City and Grand Rapids (generally in and around Pokegama Lake) grew at approximately 11% annually. Although changes in the global economy have slowed the growth, the demand still has increased 7% annually over the past 10 years. This growth, which is making it difficult to serve this area from the existing distribution substations and is straining the electrical delivery system, is driving the need for a new Lake Country Power distribution substation.

Substation and Transmission Line

Lake Country Power will construct the new "Pokegama" distribution substation (see representative photo on right) on the southwest corner of County Highway 67 and Wildwood Road in Section 1 of Spang Township, east of US Highway 169. The substation will tap the new transmission line and will house a transformer that will lower the voltage to distribution levels. The location for the substation was chosen to bring a strong electric source to the middle of the demand area.

Typical 115 kV Distribution Substation

Great River Energy, power supplier to Lake Country Power, will construct approximately 8 miles of new 115,000 volt (115 kV) transmission line to energize this new substation (see map on back). The new 115 kV transmission line will tap a Minnesota Power 115 kV transmission line where it crosses County Highway 68 northeast of Split Hand Lake. The new line will then run west and north along County Highway 68 and continue west along County Highway 67 to the new substation. The new line will generally follow Lake Country Power's existing distribution corridor.

Poles and Construction

Great River Energy will construct the new line using wood poles with horizontal post insulators. When practical, Lake Country Power will attach an upgraded distribution system on wood crossarms (see photo). The poles will generally be 65-75 feet above ground with a 250-280 foot span between poles. Guy wires and anchors will be used to counter angles. Where guys and anchors are not practical, a laminated wood pole or steel pole on foundation may be used.

Typical 115 kV Transmission Line With Distribution Underbuild

Schedule

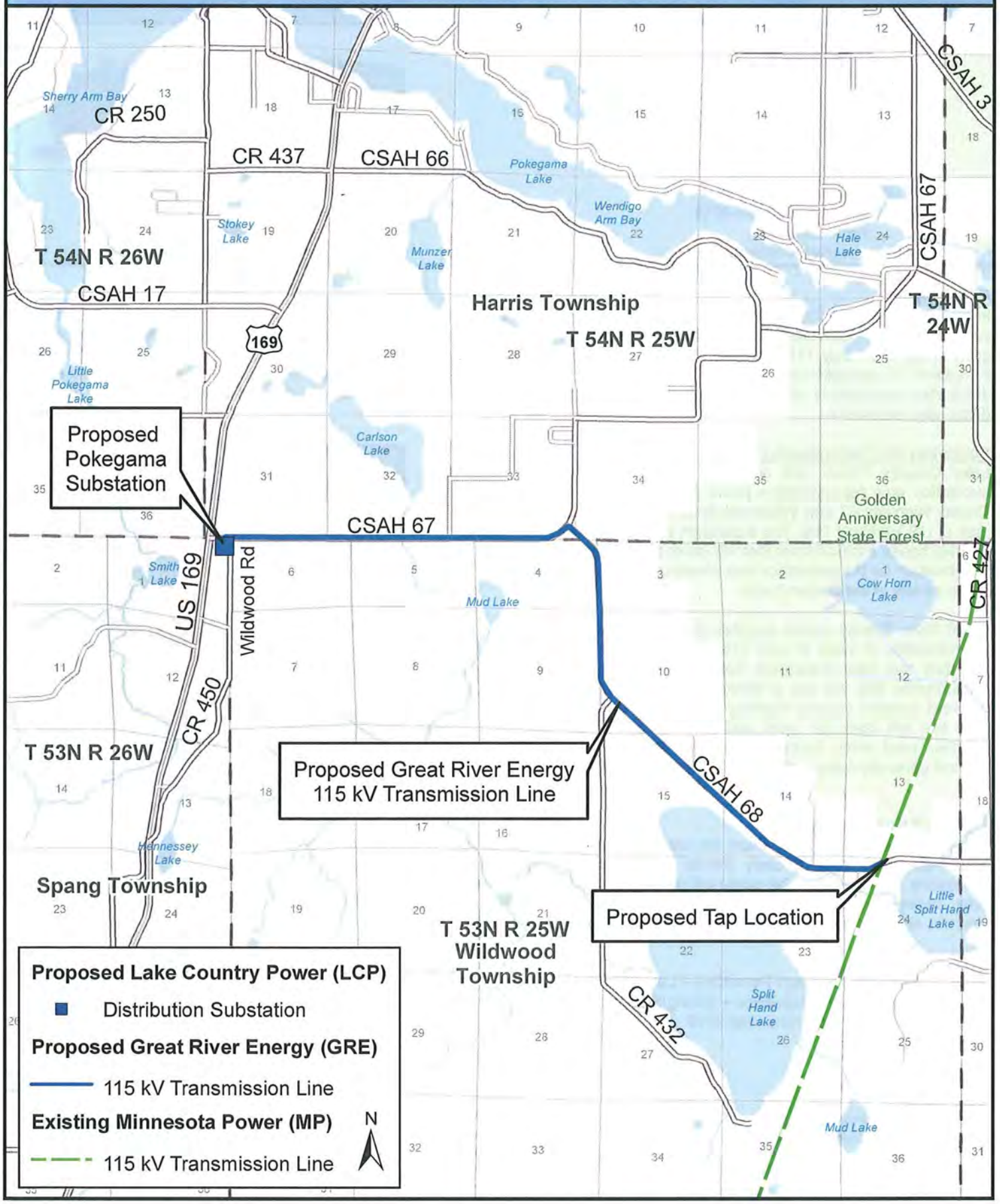
Public Information Meeting / Permitting – Late 2009/Early 2010
Survey and Easement acquisition – Spring/Summer 2010
Engineering design - Summer/Fall 2010
Construction – 2011

Contact

Dale Aukee
Great River Energy
Senior Field Representative
763-445-5978

1/6/2010

PROPOSED PROJECT



PUBLIC MEETING - ENVIRONMENTAL ASSESSMENT SCOPE ON POKEGAMA PROJECT
SPANG TOWNSHIP HALL - MONDAY, APRIL 26, 2010; 4 P.M. – 6 P.M.

GUESTS: Russ and Maryjo Heavirland, Melvin Markuson, Douglas and Sharon Gilbertson, William W. Johnson, Mike and Roberta Truempler, Don Simons, Bruce Christensen, and Grace Derfler. COUNTY STAFF: Don Dewey and Nadine Hopkins; Commissioner Rusty Eichorn. GREAT RIVER ENERGY: Dale Aukee, Carole Schmidt, Chuck Lukkarila, and Jim McGuire. LAKE COUNTRY POWER: Rick Seeling, Jose Sanchez, and Joel Hagen.

Don Dewey opened the meeting and explained that comments have been received from some agencies and these will be included in the Environmental Assessment (EA) (said comments were summarized and included in the notice to the area property owners), and that the intent of this meeting is to receive questions or comments relative to any environmental concerns related to the Pokegama Project that should be included in the EA.

Great River Energy Representative Dale Aukee explained that in January, 2010, an open house was held at Wildwood Township to introduce the Pokegama Project. Fact sheets were available which explained the project need, location of the substation and line, poles and construction and schedule.

Great River Energy (GRE) and Lake County Power (LCP) are working together to find the best location to solve the increase in electrical demands. The size of the project (115 kV) puts it under state jurisdiction that requires an Environmental Assessment, but allows the review and approval at the local level (County).

The process for completing the EA includes compiling the comments received at the open house, from the agencies and area property owners via the public meeting that will be incorporated into the final draft with responses from GRE/LCP and submitted to the County Board for their review and approval.

The following were questions and comments received from the area property owners at the meeting:

1. What will the width of the right-of-way be and how will it be maintained (i.e. herbicides)?
2. On what side of CSAH#68 (from Mungers' to the Wildwood Town Hall) will the transmission line easement be?
3. Is there is a concern with the underground flowage or drainage that goes into Smith Lake?
4. Will there be any hazardous chemicals or potential leakage?
5. Increase of fire danger.
6. Visibility and noise levels from substation—annoying constant hum.
7. Devaluation of property and not able to sell residence.
8. Type of soils in area of substation.
9. Is a permit required for discharge/impacting wetlands?
10. Is there a potential for future expansion.

Commissioner Rusty Eichorn voiced his support of the project.

Environmental concerns and comments noted by GRE:

1. A survey will be completed to determine if there is a state threatened plant species entitled Triangle Moonwort located in areas of the proposed rights-of-way.
2. There may be a chance that an alternate site will be obtained (not allowed to elaborate based on legislative issue in works). The area property owners will be notified if an alternate site is chosen.
3. If an alternate parcel is obtained construction may start this fall, 2010 but if the current property is utilized, construction would not be until spring of 2011.

The final draft of the EA will be compiled and submitted to the County Board for their review and approval (completeness of the report) either in May or June. A public hearing is not required, but the meeting will be open to the public. Interested property owners can request a copy of the final EA. Notice of their determination will be submitted to the Environmental Quality Board (EQB) for publication in the *EQB Monitor* for a 10-day comment period. Once EA is deemed complete, a survey will be completed of the route, and then the property owners will be notified of necessary easement and compensation.

5:20 p.m. - No more comments were received. At 6:00 p.m. the meeting was closed.

By: _____
Nadine Hopkins, Environmental Services Department

Pokegama Project EA Scoping Meeting
April 26, 2010
Spang Township Hall

Public Comments/Responses Given

1. **What will the right of way width be for the transmission line? How will the right of way be maintained? I have an environmental concern about the use of herbicides.**
   Response: The line will generally be five feet off road right of way, with an additional 50 feet cleared of vegetation. The transmission line right of way is typically maintained using herbicides; however, if a landowner requests that no herbicides be used, then mechanical methods will be used to maintain the right of way.

2. **There is a segment along CSAH 68 (Mungers to Wildwood Township Hall) where there is no existing distribution line to follow – which side of the road do you plan to be on?**
   Response: The line is proposed to be on the north side of the road in this area.

3. **Is there a concern with the underground flowage or drainage into Smith Lake? Is there a drainage easement or a protected covenant? Is this an environmental concern because Smith Lake is a designated trout lake?**
   Response: There is no protected covenant or drainage easement. Smith Lake is approximately one-half mile west of the substation site (west of Highway 169).

4. **What chemicals will there be in the substation equipment? Will there be PCBs?**
   Response: The substation equipment will be filled with mineral oil (there will be no PCBs). All mineral oil will be contained within the substation fenced area. The rock layer in the substation will be designed to contain any oil spills and a Spill Prevention Control and Countermeasures Plan (SPCC) will be prepared for the substation.

5. **What about the fire danger in substations? There are homes close to the substation site.**
   Response: There is lightning and fault protection built into the design of the substations.

6. **What about noise issues associated with substations? We are not against the project, but everyone who lives near the proposed substation site is concerned about noise and aesthetics. We moved to the country to get away from living next to this stuff. The woods on the north side of the property are fairly open. Noise from a substation is not an intermittent**

noise, it is a constant, irritating hum. We are worried about being able to sell the house. Are there any engineering controls that can be used to decrease noise at substations?
Response: A noise model was run for the proposed project and it indicated that the nighttime MPCA noise limit of 50 decibels would be reached at 14 feet from the transformer, and it would be 21 decibels at the nearest receptor (home approximately 400 feet to the east). A quiet bedroom at night would be expected to have a decibel level of 30. The buffer of trees around the substation would likely reduce the noise level further.

Lake Country Power offered to take folks to other substation sites to investigate the noise issue further. Lake Country Power has changed the layout of the substation so that the transformer will farther away from homes in the area. Some additional pine trees may be planted to provide more screening. Structural features/sound barriers are very expensive to install. Lake Country Power is also still investigating other possible substation sites.

7. What other sites are you still looking at? When will you know more? Will citizens be notified if the substation site changes?
   Response: We will not know more about other possible sites until this summer. There are some ongoing legislative issues that would affect acquisition of another site. Landowners will be notified if another substation site is acquired.

8. What is the schedule for construction of the project?
   Response: If a different parcel were acquired, construction could begin as early as fall of 2010. If the currently proposed parcel is used, construction would start spring 2011.

9. What types of soils are in the areas of the substation? Is a permit required for discharge to wetlands?
   Response: The soil type at the substation site is the Itasca silt loam, which is a suitable soil for construction. Great River Energy will obtain a general permit from the Corps of Engineers for the minor amount of discharge to wetlands that will occur from construction of the transmission line.

10. The line will be built at a certain size now – is there potential for expansion in the future?
    Response: There is no anticipated expansion of this line in any of our lifetimes.

11. Will you be doing something with the distribution poles on Wildwood Road?
    Response: The poles will be moved 5-10 feet to the west, but this activity is not related to the Pokegama project.