

MINNESOTA DEPARTMENT OF COMMERCE
ENERGY FACILITY PERMITTING STAFF BRIEFING PAPERS

Meeting Date: September 29, 2005

Agenda Item # _____

Company: Xcel Energy

Docket No. PUC E002/MC-05-1273

In the Matter of a Request for Determination of a Minor Alteration for the proposed project involving 1.2 miles of new Monticello to Saint Cloud double-circuit 115/115 kV Transmission Line and expansion of the Sherburne County Substation in Sherburne County, Minnesota

Issue(s): Should the Minnesota Public Utilities Commission (PUC) grant or deny authorization to Xcel Energy (Xcel) to construct the requested project on Xcel-owned facility property in Sherburne County, Minnesota, under the minor alteration provisions of Minnesota Rule 4400.3820?

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Relevant Documents (Enclosed in PUC Packet. See eDockets or the PUC website for the documents identified below.)

1. Staff Briefing Paper
2. Copy of Xcel Cover Letter and Application Packet, received August 4, 2005
3. Copy of the Public Notice, dated August 31, 2005
4. Letter of Transmittal Authorizing Minor Alteration

The enclosed materials are work papers of the Department of Commerce (DOC) Energy Facility Permitting (EFP) Staff. They are intended for use by the PUC and are based on information already in the record unless otherwise noted.

This document can be made available in alternative formats such as large print or audio tape by calling (651) 201-2202 (Voice) or 1-800-627-3529 (TTY relay service).

Statement of the Issue

Should the PUC grant or deny authorization to Xcel to construct the requested new double circuit 115/115 kV High Voltage Transmission Line (HVTL) and allow expansion of the existing Sherburne substation on Xcel-owned facility property in Sherburne County, Minnesota, under the minor alteration provisions of Minnesota Rule 4400.3820?

Regulatory Framework and Background

Effective July 1, 2005, Article 3 of Senate File 1368 transferred energy facility permitting (power plants, transmission lines, pipeline and wind turbine siting) authority from the Minnesota Environmental Quality Board (EQB) to the PUC including authority under Minnesota Statute 116C.66 and Minnesota Rule 4400.3820 covering minor alterations.

A minor alteration, as defined in Minnesota Rule 4400.3820, is a change in a large electric power generating plant or high voltage transmission line that does not result in significant changes in the human or environmental impact of the facility. The provision provides a speedy and easy process for obtaining authorization of such minor alterations. The term “minor alteration” is subjective and requires a decision each time as to whether or not the proposed changes result in significant changes in the human or environmental impact of the facility.

An applicant provides analysis in its application of the environmental impacts from the proposed project, including in maps and air photos. This data and analysis is then examined by DOC EFP staff to determine if the impacts are significant.

EQB has reviewed numerous requests for minor alteration authorizations from utility companies. In addition, Xcel has applied several times in the past three years for minor alteration authorizations. In every case examined, these requests were granted with little or no public comment received on the projects.

The Applicant

This project is proposed by Xcel Energy. Xcel maintains a large generation, transmission and distribution network in much of Minnesota and several other nearby states. This system is undergoing continuous operation, maintenance and upgrading to preserve and improve system integrity.

Project Location

The proposed project site is located in southwestern Sherburne County, near the City of Becker. This project is confined to Xcel Energy owned property, all of which is part of the Sherco Plant property. (See aerial photo with delineated site boundaries and other maps which are included in the PUC packets for this item.)

Xcel Energy Proposed Project Description

Xcel Energy is proposing to build 1.2 miles of double-circuited 115/115 kV high voltage transmission line roughly parallel to existing 115 kV HVTL exiting from the Sherburne substation. The line will be constructed on double circuit steel poles with davit arms and concrete foundations. The new transmission line segment is proposed for construction from June 2006 through September 2006.

This proposed project also includes an expansion of the existing Sherburne substation by 3.4 acres from the present 5.9 acres to a total of 9.3 acres. A new 345/115 kV transformer will be installed along with associated breakers, bus work and switches in the expanded substation area.

Procedural Background

Minnesota Rule 4400.3820 specifies application requirements, review and public notice procedures to be used in seeking minor alteration authorization.

The application was submitted in writing on August 4, 2005, and described why the alteration is considered minor.

Public notice of receipt of the application was mailed to those persons on the general distribution list on August 31, 2005 establishing the required ten-day notice period for the public to be made aware of and make comments on the proposed project.

The minor alteration authorization application has been reviewed by DOC EFP staff pursuant to the requirements of Minnesota Rule 4400.3820. The application provides adequate justification in the analysis section and on the maps and air photos provided for staff to conclude that the proposed project would not cause a significant environmental impact.

Public Comments

No public comments were received by the close of the September 12, 2005, comment period.

Issues

No significant issues were identified by the DOC EFP staff or any member of the public during the review of the minor alteration application request or during the public comment period.

Findings of Fact

All work and new facilities will be installed on Xcel-owned property, so no new landowners will be impacted. The nearest residence is more than one mile away from the substation expansion area. Visual map and air photo verification of the existing facility and the new construction indicate the project will not have significant adverse environmental impacts on the site.

The work is part of an existing power plant facility and substation and is parallel to existing lines; it involves very little tree clearing.

The Department of Natural Resources has no record of endangered species in the immediate area and the State Historic Preservation Office has no record of unique cultural resources nearby.

PUC Decision Options

According to the provisions of the rules, PUC may take the following actions on this request:

- A. Decide within ten days after close of the public comment period whether to authorize the Minor Alteration request as received. *
- B. Determine that the alteration is not minor and requires a full permitting decision.
- C. Authorize the minor alteration but impose reasonable conditions on the approval.
- D. Deny the Minor Alteration request.
- E. Make some other decision deemed more appropriate.

* Under EQB, the chair decided whether to grant minor alteration requests or bring them to the board for consideration.

DOC EFP Staff Recommendation:

DOC EFP staff recommends that the PUC authorize the requested Minor Alteration, as received, for the proposed Xcel Energy Monticello to Saint Cloud 115 kV transmission line and Sherburne County substation project to be located near Becker, Minnesota.