STATE OF MINNESOTA
ENVIRONMENTAL QUALITY BOARD

In the Matter of the Application by Great River Energy and Xcel Energy for a Route Permit for a 115 kV Overhead High Voltage Transmission Line and a New Vermillion River Substation in Farmington, all in Dakota County, Minnesota	**FINDINGS OF FACT, CONCLUSIONS AND ORDER ISSUING A ROUTE PERMIT** **EQB DOCKET NO. 04-81-TR-Air Lake-Empire**

The above-described matter came before the Minnesota Environmental Quality Board at a regular meeting on January 20, 2005, pursuant to an application by GRE and Xcel Energy to construct a 115 kV High Voltage Transmission Line and a new Vermillion River Substation in Farmington, all in Dakota County, Minnesota.

STATEMENT OF ISSUE

Should Great River Energy and Xcel Energy be granted a Route Permit for a 115 kilovolt transmission line approximately nine miles long and a new substation in Farmington, all in Dakota County, and if so, along what route, at what site and under what conditions?

Based upon all of the proceedings herein, the Minnesota Environmental Quality Board makes the following:

FINDINGS OF FACT

1. The Summary of Evidence (paragraphs 1 – 100) of the Administrative Law Judge in his Report of December 13, 2004, is hereby adopted as Findings of Fact by the EQB, except as amended below.

2. Finding No. 58 is amended to add:

According to the Applicants, the maximum calculated ground level magnetic field expected when the new line is conducting electricity is approximately 28.3 milligauss directly below the line. The only two states that have established standards are Florida (a 150 milligauss limit) and New York State (a 200 milligauss limit). The maximum magnetic field expected from the new line is well within those limits.

3. A new Finding No. 58.1. is added to read:

58.1 In previous route proceedings, the MEQB has included a permit condition in high voltage transmission line permits limiting electric field exposure to 8 kV per meter at one meter above ground. This permit condition was designed to prevent serious hazard from shocks when touching large objects, such as semi tractor trailers or large farm equipment under extra high voltage transmission lines of 500 kV or greater. The proposed line would be below this limit and would create a maximum electric field of approximately 1.6 kV per meter.

4. New findings Nos. 89.1 through 89.8 are added to read:

89.1 Between Akin Road and Highway 3, there are two basic choices for a route. One is through undeveloped agricultural land owned by Giles Properties and the Rother family. The other is through Rambling River Park and commercial areas that include a shopping center and a lumberyard. The administrative law judge recommended the route through Rambling River Park and the commercial areas, but he recognized that the other route would also be a reasonable route.

89.2 The EQB finds that the route through Rambling River Park is the preferred route for a number of reasons. One, there is no existing corridor of any kind through the property on the northern route owned by Giles Development and the Rother family. Location of a transmission line through this property could interfere with future residential development and could result in structures being located near homes. There is not much room for residential or other development along the route through the Park.

89.3 It is not known when the 208th Street extension will be constructed. The City of Farmington intends to have developed a feasibility plan in 2005. The 208th Street extension will not run the entire distance between Highway 3 and Akin Road; it will turn south near the middle school and not traverse the Giles Development property. Some of the Rother property is not within the city limits and

is located in Vermillion Township.

89.4 The northern route through the Rother property must follow Highway 3 between County Road 66 and the planned extension of 210th Street called the Willow Extension, a distance of more than a half mile. There is significant commercial development and some homes along this stretch of Highway 3 in Farmington. There is little right-of-way available along Highway 3 for construction of a new transmission line. The route through the Park does not run along Highway 3 for any distance, except to cross over the highway.

89.5 Rambling River Park already has a distribution corridor through the Park. Only one corridor through the Park is necessary because the existing distribution line can be hung on the new structures and the existing corridor eliminated.

89.6 By selecting the proper corridor through Rambling River Park, GRE can minimize the impact on a nearby shopping center. No structures would need to be located in the shopping center parking area if the line exited the Park to the north of the shopping center. Also, this would allow the transmission line to merge into the old railroad right-of-way.

89.7 From the shopping center to Highway 3 there is an old railroad right-of-way that could be followed. This right-of-way is presently privately owned along this stretch. Locating power line structures along the railroad right-of-way will not preclude the owners from running a railroad spur to their property in the future if the owners should decide to do so. GRE can work with the owners to locate the structures to ensure that such construction could occur in the future.

89.8 The route through the Park must cross the Vermillion River one time. The northern route crosses the river three times.

4. Finding No. 100 is amended to add the following sentence:

In a letter dated January 12, 2005, Les Ferris stated that it was not acceptable to him to bring the transmission line across his farm south of County Road 66.

5. New Findings 101 to 105 are added to read:

101. Residents along the eastern end of 210th Street are strongly opposed to construction of the line on or near their property. These residents proposed a number of different alternatives, and each of these was examined in the Environmental Assessment. Landowners

along these alternative routes are also opposed to placing the line on or near their property.

102. The EQB finds that the route as proposed along 210th Street is the preferred route because 210th Street is an existing right-of-way, because it is the shortest distance between the intersection with Highway 3 and the Empire Substation, because the potential impacts to the 210th Street residents can be mitigated through careful location of structures and implementation of certain mitigative measures by GRE, and because there is no route that does not meet with opposition from affected landowners.

103. GRE will have to take down some trees on the right-of-way along 210th Street. The two places where tree removal is most crucial are in front of the Baker property and in front of the Gossman property – the Baker property because it is close to the street and the Gossman property because the Gossmans operate a dog kennel on their property. In both instances, removal of trees can be minimized if the line is on the other side of the road, which would be the south side. Houses on the south side of 210th Street are farther from the street than those on the north side.

104. Besides the Baker property and the Gossman property, there is not much difference between the south side and the north side of 210th Street, and GRE can elect to place the structures on either side of the street along these other stretches.

105. Some of the residents along 210th Street would prefer that the property pass to the north of their property through agricultural land that is used as a sod farm and near other residential developments. These landowners object to the placement of power poles in their fields where the poles could interfere with center pivot irrigation systems. Landowners living or building in a development called Ferris Estates do not want the poles near their homes.

6. The Environmental Assessment addresses the issues identified in the Chair's scoping decision.

Based on the foregoing Findings of Fact, the Environmental Quality Board makes the following

CONCLUSIONS

1. Any of the foregoing Findings more properly designated as Conclusions are hereby adopted as such.

2. The Environmental Quality Board has jurisdiction over the subject matter of this proceeding pursuant to Minn. Stat. § 116C.57, subdivision 2.

3. This project qualifies for review under the Alternative Review Process of Minn. Stat. § 116C.575 and Minn. Rules parts 4400.2000 to 4400.2950.

4. The Applicants and the EQB have complied with all procedural requirements required by law.

5. The EQB has completed an Environmental Assessment on this project as required by Minn. Stat. § 116C.575, subdivision 5, and Minn. Rules part 4400.2750, and considered all the pertinent factors in determining which route to approve.

6. The conditions included in the Route Permit are reasonable and appropriate and will help to minimize the impacts of this new line, and are agreed to by the Applicants.

Based on the Findings of Fact and Conclusions contained herein and the entire record of this proceeding, the Environmental Quality Board hereby makes the following

ORDER

A Route Permit is issued to Great River Energy and Xcel Energy for construction of a 115 kilovolt transmission line and substation in Dakota County along the route described in the permit and under the conditions specified in the permit. The Permit shall be issued in the form attached hereto, with a map showing the approved route.

Approved and adopted this 20th day of January, 2005

STATE OF MINNESOTA
ENVIRONMENTAL QUALITY BOARD

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Robert A. Schroeder, Chair