

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR PUBLIC UTILITIES COMMISSION

In the Matter of the Route Permit
Application for the St. Cloud Loop
115 kV Transmission Line Project
in Sauk Rapids, Minnesota

**SUMMARY OF
PUBLIC TESTIMONY**

A public hearing was held before Administrative Law Judge Barbara L. Neilson on September 28, 2011, at 6:30 p.m. at the Sauk Rapids – Rice Middle School in Sauk Rapids, Minnesota. The purpose of the hearing was to solicit public comment regarding the application of Xcel Energy for a route permit for the proposed St. Cloud Loop 115 kilovolt (“kV”) Transmission Line Project.

Approximately 30 persons attended the hearing. Fourteen individuals signed the hearing register. After preliminary remarks were made by the Administrative Law Judge, Scott Ek of the Department of Commerce Energy Facility Permitting Unit briefly explained the role of the Department of Commerce in the proceeding and provided an overview of the process that would lead to the issuance of a decision by the Minnesota Public Utilities Commission regarding the application for a route permit. Mr. Ek submitted, and the Administrative Law Judge received, a copy of the Environmental Assessment¹ and other exhibits relating to this proceeding.² Thereafter, Joseph Sedarski, Senior Permitting Analyst with Xcel Energy, gave a brief presentation regarding the scope of the proposed project and answered numerous questions about the project with the assistance of Srinivas Vemuri, a planner with Xcel Energy, and Ben Gallay, a transmission designer with Xcel Energy. Michael Kaluzniak, a member of the Public Utilities Commission staff, invited input from members of the public on the proposed project and explained that the Commission would render a decision on Xcel’s application for a route permit after reviewing the entire record, including public comment.

During the public hearing, nine members of the public presented their views regarding the proposed routing for the project. The record remained open until October 11, 2011, to allow all interested persons the opportunity to submit written comments. Five written comments were received by October 11, 2011. In addition, two late-filed comments were received on October 13, 2011, and November 1, 2011.

¹ Exhibit (Ex.) 16.

² Exs. 1-15, 17-22.

This report contains a summary of public testimony. The Commission will make the final determination regarding whether to issue Xcel Energy a route permit for the project.

Description of the Proposed Project

1. Xcel Energy has proposed to construct 4.7 miles of new 115 kV overhead transmission line in Benton County. The proposed Project is located in the northern part of the City of Sauk Rapids and in Minden and Sauk Rapids townships. Xcel Energy would be named as permittee and would construct, own, and operate the proposed transmission line.

2. There are two segments in the proposed route. The first segment (New Line 5520) is approximately 4 miles long and would be constructed between the Mayhew Lake Substation and the Granite City Substation. The new transmission line route would exit the existing Mayhew Lake Substation, head west along County Road 29 for one-half mile and south/southwest for three-tenths of a mile cross-country to Highway 10. The route would proceed south along the east side of U.S. Highway 10 for 2.9 miles, and turn east for three-tenths of a mile following County Ditch 3 to the existing Granite City Substation. The second segment (an extension of existing Line 5509) is approximately seven-tenths of a mile long and would be constructed between the intersection of Line 5509 with Lines 0887 and 0899 and existing Transmission Structure 39. The second segment of new line would connect to existing Line 5509 at 14th Avenue Northeast and head south/southeast following County Ditch 3 and existing transmission lines in the area to existing transmission Structure 39.³

3. Xcel Energy is requesting a 400-foot route width for the entire length of the proposed transmission line route, as follows: 200 feet on each side of the proposed alignment from the Mayhew Lake Substation west to the intersection with U.S. Highway 10; a 400-foot route width left-aligned with the eastern edge of the northbound lanes of U.S. Highway 10; 200 feet on either side of the proposed alignment from Highway 10 heading east along County Ditch 3 to the Granite City Substation; and 200 feet on either side of the proposed alignment for the new segment extending Line 5509 at approximately 14th Avenue Northeast to Structure 39. A 200-foot route width extending from Xcel Energy-owned property at the Mayhew Lake and Granite City Substations is also requested.

4. In addition to the 4.7 miles of new transmission line, the proposed Project would also involve the removal of a 1,700-foot segment of existing single-circuit 115 kV transmission line (Line 5509) between the Granite City Substation and its intersection with Lines 0887 and 0899; the installation of either a new single-circuit pole or a new double-circuit structure near Structure 39 and installation of a jumper to connect the new extended Line 5509 segment to the existing Line 0899 segment from Structure 39 to the Benton County Substation; the installation of fiber optic ground wire with the new 115 kV line and the remaining segment of Line 0899; modifications to the existing

³ Ex. 2 (Application for Route Permit) at p. 6, Figure 2.

Mayhew Lake and Granite City Substations and the associated Benton County, Saint Cloud and Crossroads Substations; and other related items.

Procedural History

5. On September 28, 2010, Xcel Energy filed a notice of its intent to file a route permit application under the alternative permitting process for the proposed St. Cloud Loop Project.⁴ The alternative permitting process, which is set forth in Minnesota Statutes Section 216E.04 and Minnesota Rules parts 7850.2800-7850.3900, is shorter than the full permitting procedures and does not require an applicant to propose alternative sites routes other than the preferred site or route. The alternative process does, however, require an applicant to disclose rejected route alternatives and provide an explanation of why they were rejected.

6. On March 11, 2011, Xcel Energy filed its application for a route permit in this matter.⁵

7. On April 11, 2011, the Minnesota Public Utilities Commission (MPUC or Commission) issued an Order accepting Xcel Energy's application as complete, and authorizing the Department of Commerce's Energy Facility Permitting (EFP) Unit to process the application under the alternative permitting process. The MPUC further determined that, based on the available information, an advisory task force was not necessary.⁶

8. On May 11, 2011, a public information and scoping meeting was conducted by the EFP staff in Sauk Rapids, Minnesota. The record remained open until May 25, 2011, for the receipt of written comments.⁷

9. On June 3, 2011, the Department of Commerce's Division of Energy Resources issued a scoping decision for the Environmental Assessment to be conducted in this matter.⁸

10. The Environmental Assessment with respect to the St. Cloud Loop Project was issued on September 16, 2011.⁹ In addition to Xcel's Proposed Route (discussed in Paragraph 2 above), the Environmental Assessment analyzed the following routes:

- a. **Proposed Route with Route Segment A:** Under this approach, the proposed route would incorporate Alternative Route Segment A. Alternative Route Segment A is approximately five-tenths of a mile long. It would connect with the Proposed Route approximately five-tenths of a mile west of the Mayhew Lake Substation and run west along County Road 29 for three-tenths of a

⁴ Ex. 1.

⁵ Ex. 2.

⁶ Ex. 7.

⁷ Exs. 8, 9, 11, and 12.

⁸ Ex. 13.

⁹ Ex. 16.

mile southeast traversing scattered forest land along the U.S. Highway 10 interchange road before reconnecting with the Proposed Route. The total length of the Proposed Route with Route Segment A is approximately 4.9 miles.¹⁰

b. Douvier Alignment: Under this approach, the alignment and right-of-way of the proposed route for the new transmission line would shift 300 feet north-northwest at a point approximately one-quarter of a mile west from the intersection of County Road 57 and County Road 29 where the route turns directly south and then southwest to U.S. Highway 10 (Section 14 of Sauk Rapids Township). The Environmental Assessment notes that this alignment was provided by a citizen as an attempt to reduce the need for additional tree clearing in that area by following an existing tree line.¹¹

11. The EPF and Xcel Energy provided notice of the availability of the Environmental Assessment, the September 28, 2011, public hearing, and the written comment period.¹²

12. The public hearing occurred as scheduled on September 28, 2011, and the written comment period remained open until October 11, 2011, as anticipated in the notice provided to the public.

Summary of Public Testimony

13. Ed Dingmann, a landowner in the area of the Project, questioned the need for the Project. In response, Mr. Sedarski noted that the Mayhew Lake Substation is currently only fed from the Granite City Substation. He indicated that the Project is needed to provide two sources of electricity to the Mayhew Lake Substation from two different locations (the Granite City Substation and the Benton County Substation). He asserted that this is necessary in order to improve the reliability of service for the growing number of customers in the area and also to serve the needs of the Verso Paper Mill located in Sartell.¹³

14. Mr. Dingmann also asked why Xcel did not simply bring the new transmission line all of the way to the Verso Paper Mill or route the line so that it would come in from further east along Lake Road. He suggested that the line would affect fewer people if it went through the swampy area located to the east than if it followed the proposed route. Mr. Sedarski and Mr. Vemuri responded that it was not possible to bring the line all the way to the Verso Paper Mill because there would not be enough room in the substation. In Xcel's view, the next best approach was to bring the line to the Mayhew Lake Substation. They indicated that the proposed route was selected

¹⁰ Ex. 16 at 7 and Figure 2.

¹¹ *Id.*

¹² Exs. 14-15, 17-20 17.

¹³ Transcript (T.) at 12-14.

based upon consideration of a number of factors, including the location of existing substations, the length of the transmission line that would need to be built, the number of landowners who would be affected, environmental issues, and infrastructure needs. They noted that, to the extent possible, Xcel selects routes that follow existing roads, distribution lines, and utility rights-of-way.¹⁴

15. Tina and Terry Douvier, landowners in the Project area, raised concerns about the proposed Douvier Alignment alternative route. They indicated that, under that alternative, the transmission line would jog through wetlands and along their property line in a south/southwesterly direction to U.S. Highway 10. Ms. Douvier asked why Xcel would suggest this alternative rather than simply following highway corridors. Mr. Sedarski indicated that Xcel included the Douvier Alignment as an additional alternative after receiving objections from the City and another landowner and learning that some development was planned for the corner of County Road 29 and U.S. Highway 10. The City also told Xcel that it would be willing to discuss granting Xcel an easement across City property for the transmission line. Mr. Sedarski noted that Route Segment A, which was another route segment alternative included in Xcel's application, would follow County Road 29 all the way over to Highway 10. Mr. Sedarski indicated that either alternative (the Douvier Alignment or Route Segment A) would work for Xcel. He stated that the Douvier Alignment would avoid certain impacts but acknowledged that it would create others, such as impacts on trees and wetlands.¹⁵ Ms. Douvier stated that she and her husband also had concerns about Route Segment A, under which the new line would follow County Road 29 along the northern edge of their property, and asked if both alternative routes remained under consideration. Mr. Sedarski informed her that the MPUC would determine which route was appropriate.¹⁶

16. Ms. Douvier also asked why the new line could not run on the poles that already exist on the north side of County Road 29. Mr. Sedarski responded that existing Line 5509 is a 115-kV line that is a radial feed, so it is one way going out. In order for Xcel to put both circuits on that line, Mr. Sedarski stated that there would have to be an outage and noted that it is his understanding that Xcel cannot have an outage for any significant period of time because of the needs of the Verso Paper Mill for power. Ben Gally, transmission designer with Xcel, agreed that this work could not safely be done while the line was still energized due to physical constraints associated with building the additional circuit and the inability of the paper mill to sustain any sort of outage. To minimize the outage times, Xcel would have to first build a temporary line on the south side of County Road 29 to keep Verso in operation, then rebuild new double circuit lines on the north side and move everything back. Because that approach would involve fairly significant costs, Xcel decided to continue to keep the line operating on the north side of County Road 29 while a new line is built on the south side.¹⁷

¹⁴ T. 15-17.

¹⁵ T. 19-21

¹⁶ T. 22-23.

¹⁷ T. 26-28.

17. Ron Hodel, who lives near the corner of County Road 29 and U.S. Highway 10, expressed concerns about the number of power lines he would have both on his east property line and in back of his property. He also indicated that his understanding based on earlier discussions had been that the new line would be entirely on his property. Mr. Sedarski confirmed that the line as currently proposed would be on Mr. Hodel's property and not on City property, but indicated that Xcel would be willing to continue to discuss the precise location of the line with all affected landowners. He noted that Xcel usually follows property lines so that projects do not impact one landowner more than another.¹⁸

18. Leo Tauber commented that the transmission line would come within 27 feet of his house, and asked whether Xcel had taken that into consideration. He expressed concern about the health impact of having a transmission line located so close to his home and the potential for storm-related damage to the power lines. He noted that he had read about a recent accident involving a power line that went down in Seattle and exploded into a gas line, resulting in the loss of homes and lives. He also expressed concern about the impact on his property value if the line was that close to his home.¹⁹ Mr. Sedarski indicated that Xcel would try to avoid putting structures in front of Mr. Tauber's home and would hang its conductors over on the road side so they would be further away from his home. Mr. Gally noted that the structures would be built to meet and exceed the requirements of the National Electric Safety Code which are based on worst-case weather situations in particular regions. He also discussed stray voltage on dairy farms and asserted that studies conducted since the early 1970's have not shown that the electric fields caused by stray voltage have any health effects on humans. Finally, Mr. Gally noted that recent property appraisals conducted in connection with properties affected by the CapX transmission line project showed an average reduction of 3 to 5 percent in property value.²⁰

19. Mr. Tauber asked Xcel why the Mayhew Lake Substation was placed next to a wildlife area and low lands.²¹ Mr. Sedarski responded that the Mayhew Lake Substation was required because of the radial feed to the Verso Paper Mill and some of the other users of transmission in the area.²² Mr. Gally indicated that the primary need for the Mayhew Lake Substation was to feed distribution load in the area to the north and south, including residential housing and developments to the east and southwest. He noted that an attempt was made to find property located further to the west, as close to the Verso Paper Mill as possible, but no one was willing to sell.²³

20. Mr. Ek suggested that Xcel consider whether it would be possible to route the transmission line further south behind Mr. Tauber's house rather than placing it in front of Mr. Tauber's home. Mr. Sedarski indicated that Xcel would consider that option

¹⁸ T. 23-26.

¹⁹ T. 28-29, 31-32.

²⁰ T. 29-33.

²¹ T. 43-44.

²² T. 55.

²³ T. 44.

and any associated impact on the owner of that land.²⁴ Ms. Douvier commented that an attempt to route the line south of Mr. Tauber's house would take more of her land.²⁵

21. Terry Humbert, who works in the St. Cloud office of the Minnesota Department of Transportation (MnDOT), indicated that MnDOT would oppose placement of any of the transmission poles within MnDOT's right-of-way. MnDOT understands that Xcel will be using a power line corridor that currently exists along Highway 10 and will not need to place poles in or have cross arms overhang the existing MnDOT right-of-way. However, Mr. Humbert noted that the current drawing for a particular segment appeared to show the alignment within the MnDOT right-of-way. The specific area of concern occurs near the ramps at the interchange between U.S. Highway 10 and County State Aid Highway (CSAH) 3. Mr. Humbert maintained that MnDOT has a policy of not allowing longitudinal encroachments within the right-of-way of freeway facilities in order to protect the safety of the traveling public and preserve the public investment needed to operate and maintain a safe transportation corridor.²⁶

22. Mr. Humbert also noted that the City of Sauk Rapids and Benton County are planning to construct an interchange loop in the southeast quadrant of U.S. Highway 10 at CSAH 3 (also known as Golden Spike Road). The timing of the construction is not certain and is dependent on development in that area. Mr. Humbert indicated that the construction of the interchange loop would require that the limits of the Highway 10 right-of-way be pushed out to the east to accommodate the new loop. The County and the City have, with the assistance of a developer, arrived at a plan under which an area known as Outlot C will provide the necessary right-of-way for the interchange modifications. Outlot C will eventually be incorporated into the Highway 10 right-of-way.²⁷ Mr. Humbert stated that the Xcel transmission line as currently proposed would pass through part of Outlot C. He further noted that the proposed transmission line would pass between the center of the interchange loop in the southeast quadrant and run parallel to Highway 10 within the future freeway right-of-way once the interchange is constructed. He emphasized that MnDOT's policy does not allow for parallel facilities or parallel utilities within the freeway right of way, and asserted that, if the power line were to be allowed to go into Outlot C, the City and County could be required to use public funds in the future to relocate the line. As a result, Mr. Humbert recommended that the Xcel power lines be placed to the east of Outlot C, and provided a sketch of the proposal.²⁸

23. Robert Kozel, County Engineer with the Benton County Department of Public Works, provided further information regarding the interchange of U.S. Highway 10 and CSAH 3 and the concerns raised by Mr. Humbert. He indicated that the basic preliminary design for the interchange had been completed, but it was not yet clear how much right-of-way would need to be released back to MnDOT to meet their requirements. He indicated that it was likely that the details would be available within

²⁴ T. 33-34, 52.

²⁵ T. 47.

²⁶ T. 37-38; MnDOT Ex. 1.

²⁷ T. 38-39; MnDOT Ex. 2.

²⁸ T. 39-40; MnDOT Ex. 3.

the next two to three weeks. In the meantime, he indicated that it should be assumed that the entire Outlot C would be taken up. Accordingly, Mr. Kozel recommended that MnDOT's guidelines be followed with respect to the right-of-way encroachment.²⁹

24. Mr. Sedarski noted that Xcel had requested a route width of approximately 400 feet off the Highway 10 right-of-way to the east, and would likely have enough route width to be able to place the transmission line structures and also turn back the necessary right-of-way to MnDOT. He requested a copy of the plans for the interchange once they are available and indicated that Xcel would be interested in continuing to work with MnDOT and Benton County on this issue.³⁰

25. Don Zwick of Sauk Rapids Township expressed concern about the impact of the proposed route on Township residents, particularly the Taubers, and urged that landowners be treated fairly.³¹

26. Purves Todd commented generally on future energy source issues and urged greater reliance on nuclear power in Minnesota.³²

27. Mr. Dingmann noted that his home is located in the middle of five acres of woods, which currently provide a sound barrier between his house and Highway 10. He raised concerns that the removal of 30-40 feet of trees and brush for the new transmission line will increase noise levels on his property.³³

28. Duane Grandy, another landowner in the area of the Project, stated that the power line currently runs about 12 feet from his home and objected to having the line come any closer. He also asked how high trees and bushes are allowed to grow within the easement corridor.³⁴ Mr. Sedarski indicated that the general rule is 15 feet high. Mr. Grandy noted that there is a huge oak tree just to the north of his house as well as some other trees that provide a shield from traffic. He also mentioned that he has a 90-foot deep well near the oak tree and an alarm and septic system as well.³⁵ Mr. Sedarski indicated that Xcel would take a closer look at more specific siting and routing in that area of the Project.³⁶

Summary of Written Comments

29. Leo and Linda Tauber, landowners in the Project area, submitted a written comment summarizing their concerns about the proposal to run the new line in front of their house. In their letter, they reiterated their fears that the Project would cause decreased property value, adverse health effects, stress during storms, and stray voltage. They also expressed concerns that the transmission lines would audibly buzz

²⁹ T. 40-41.

³⁰ T. 42.

³¹ T. 43.

³² T. 47-51.

³³ T. 52-54.

³⁴ T. 52-54

³⁵ T. 54-55.

³⁶ T. 55-56.

when the weather is damp or foggy; cause interference with television, internet, telephone and pacemaker function; and pose a hazard when storms occur or when ice builds up on the lines. They also objected that the proposed Project would cause them to lose the trees that currently shield their home and provide privacy from County Road 29. Included with the Taubers' letter was a sketch of their property showing the location of the trees in their yard and the approximate distance of their house from County Road 29 and the right-of-way. The Taubers urged that another route be selected, such as placing the line on the north side of County Road 29.³⁷

30. Ed Dingmann, another landowner in the Project area, also submitted a written comment. He noted that the area is used as a sound buffer/barrier as well as a wildlife corridor. If Xcel's route permit application is granted for the proposed route, he asked that the transmission lines be located on the Highway 10 side of the poles for a narrower easement. He also requested that low growth vegetation be replanted and that he be allowed access to logging material. Mr. Dingmann proposed two alternative routes to alleviate the County Road 29 problems and enclosed maps illustrating the routes. His proposed routes would have the new transmission line cross County Road 29 just south of the Mayhew Lake Substation, proceed cross-country in a southwesterly direction, then either proceed straight west to U.S. Highway 10 or directly south to U.S. Highway 10.³⁸

31. Stacy Kotch, Utility Transmission Route Coordinator for MnDOT, submitted a written comment that reiterated the concerns expressed by Mr. Humbert at the public hearing concerning the planned interchange loop between County State Aid Highway 3 and U.S. Highway 10/Golden Spike Road. MnDOT's written comment stated that the current estimate is approximately five years for construction of the interchange loop and the timing of the construction will depend upon how fast development occurs along CSAH 3. MnDOT also noted that the roundabout in the new interchange is expected to require lighting from multiple light poles. For these reasons and those set forth by Mr. Humbert, MnDOT believes that the alignment for the proposed power line will need to shift to the east throughout the area of the new interchange project.³⁹

32. Jamie Schrenzel, Principal Planner with the Environmental Review Unit of the Minnesota Department of Natural Resources (DNR), also submitted a written comment concerning the proposed Project.⁴⁰ The primary areas discussed in the DNR letter are set forth below:

- a. The DNR stated that it appreciated the detailed statement in the Environmental Assessment that the mitigation measures it had previously recommended regarding Blanding's Turtle (a state-listed threatened species) would be adopted.

³⁷ Letter from Leo and Linda Tauber received Oct. 10, 2011 (e-Docket Document No. 201111-68209).

³⁸ Letter from Ed Dingmann received Oct. 10, 2011 (e-Docket Document No. 201111-68208).

³⁹ Letter from Stacy Kotch dated and e-filed October 7, 2011 (e-Docket Document No. 201110-67118).

⁴⁰ Letter from Jamie Schrenzel dated Oct. 11, 2011 (e-Docket Document No. 201111-68209). The DNR also attached a copy of a May 25, 2011, letter to Mr. Ek in which the DNR commented on the route permit application.

b. The DNR noted that the section of the Environmental Assessment relating to wetlands⁴¹ indicated that the proposed route would follow the existing transmission alignment along Highway 10 and would not physically encroach on sites the DNR previously urged be avoided due to woody vegetation. The DNR commented that it would seem that additional right-of way required for a parallel line would require further encroachment, and requested clarification in future publications or through coordination with the DNR about right-of-way management and width in this area.

c. With respect to the statement in the Environmental Assessment indicating that Xcel Energy would work with the DNR to determine appropriate and applicable mitigation measures to address potential avian impacts,⁴² the DNR suggested that Xcel be encouraged or required to work with the DNR regarding such mitigation measures prior to the issuance of a permit by the Commission and as early as possible in the development of the Project. The DNR asserted that coordination after the permit is issued can cause uncertainty for project developers, is complicated by quick construction timelines, and may be less effective at reaching goals planned during environmental review.

d. Regarding general vegetation management procedures discussed in the Environmental Assessment,⁴³ the DNR encouraged the use of mechanical vegetation management in sensitive areas where feasible.

e. Finally, based on updated information included in the table provided in the Environmental Assessment, the DNR commented that the Proposed Route with Alternative A appeared to result in the fewest environmental effects.

33. Joseph Sedarski, Senior Permitting Analyst for Xcel Energy, submitted a written comment on October 11, 2011.⁴⁴ The letter addressed the following topics:

a. Xcel reiterated that one of the primary objectives of the proposed Project is to provide a second power source to the Mayhew Lake substation and provide redundant, stable and more reliable electric service to customers served from that substation, including the Verso Paper Mill. Xcel indicated that, due to the availability of fault clearing capability at the Mayhew Lake Substation, the proposed Project allows the Verso Paper Mill load to continue to be served even if there are faults on any single line into the Mayhew Lake Substation.

⁴¹ Ex. 16 at 57.

⁴² Ex. 26 at 62.

⁴³ Ex. 26 at 21.

⁴⁴ Letter from Joseph Sedarski dated and e-Filed on Oct. 11, 2011 (e-Docket Document No. 201110-67231).

b. Xcel noted that, after the public hearing, members of the public inquired about the possibility of installing a pole-mounted switch to connect the new 115 kV line from the Granite City Substation to the existing transmission Line 5509 near Structure 70, which is located west of the Mayhew Lake Substation, rather than building a new line along County Road 29 into the Mayhew Lake Substation.⁴⁵ Xcel concluded that the Switch Alternative would not provide the same level of reliability as the proposed Project because the Verso Paper Mill load would be exposed to faults from several lines, including new Line 5220 from the Granite City Substation and the existing Verso – Mayhew Lake transmission line. In order to achieve the same level of reliability as the proposed Project, Xcel indicated that a new breaker station would need to be installed where the new 115 kV line from the Granite City Substation connects with the existing Verso – Mayhew Lake transmission line. Xcel asserted that installation of a new breaker station would add significant construction time and expense to the proposed Project (such as new breaker equipment and related facilities, land acquisition costs, possible new right-of-way, and engineering and design costs). Because a pole-mounted switch would not provide the same level of reliability as the proposed Project and because the breaker station would add significant expense and time to the Project, Xcel does not believe that either of these approaches are viable alternatives to the proposed Project.

c. In its written comment, Xcel also analyzed the Double Circuit Alternative that was discussed during the hearing, under which the planned new 115 kV transmission line would be double circuited with existing transmission line 5509 from the Mayhew Lake Substation to the point where the new line turns south and crosses County Road 29.⁴⁶ Xcel pointed out that the Double Circuit Alternative would necessitate the removal and replacement of existing Line 5509 structures and conductors, with associated costs for demolition, new structures, and possible additional right-of-way. Xcel estimated that the additional cost for the Double Circuit Alternative would be \$180,000. In addition, Xcel maintained that construction of the Double Circuit Alternative would require Xcel to take an extended outage that would severely impact service to the Verso Paper Mill, which it does not consider to be a viable option given the electrical needs of this industrial customer. Because an extended outage is not possible, Xcel contended that it would need to construct a temporary 115 kV transmission line along County Road 29 and switch the load to the new line during construction of the double circuit line, and later demolish existing Line 5520 and construct the new double circuit line. This approach would require Xcel to take two short-term outages that it would need to coordinate with Verso Paper Mill. Xcel indicated that the Verso Paper Mill only allows one short-term outage per

⁴⁵ See Figure 1 attached to Xcel's Oct. 11, 2011, letter for the location of the Switch Alternative.

⁴⁶ See Figure 1 attached to Xcel's Oct. 11, 2011, letter for the location of the Double Circuit Alternative.

year and contended that there would be a one-year delay in completing the double circuit portion of the Project. It estimates that additional costs for temporary transmission structures, temporary conductors and related equipment, demolition of existing facilities, and temporary easements associated with this option would be \$430,000.

d. According to Xcel, another alternative to taking an extended outage or installing a temporary 115 kV transmission line would be to construct a temporary connection at the Switch Alternative location between existing Line 5509 and new Line 5520 and supply the paper mill load from the Granite City Substation via new Line 5520 and Line 5509. After this connection is made, Line 5509 leading to Verso Paper Mill could be disconnected at the Mayhew Lake Substation, the portion of Line 5509 between the Switch Alternative location and the Mayhew Lake Substation could be demolished, and the new double circuit 115/115 kV transmission lines could be constructed. Two short-term outages also would be required to be taken for this option, which would result in a one-year delay in completing the Project. Xcel estimated that the additional cost for this alternative would be \$192,000.

e. Xcel indicated that the double circuit construction work could not be accomplished as a hot-work project because it is a major construction project involving a heavily loaded existing transmission line. In its view, the risks would be too great in terms of safety of construction personnel, the potential for outages, and potential damage and repair costs in the event of an accident.

f. Xcel does not consider any of the double circuit options to be preferable to the proposed Project.

g. Finally, Xcel addressed the possibility of routing the new 115 kV transmission line behind the residence of Leo and Linda Tauber, rather than using the existing County Road 29 right-of-way located in front of the Taubers' home.⁴⁷ Xcel concluded that this alternative would require four rather than two transmission structures. Xcel also determined that 460 feet of new right-of-way would be required for this alternative, and the acquisition of this new right-of-way would affect small amounts of forested and productive agricultural property and three additional landowners located adjacent to the Tauber property. Based on its assessment, Xcel does not believe that this alternative is a reasonable alternative to the route proposed by the Company along County Road 29.

⁴⁷ See Figure 1 attached to Xcel's Oct. 11, 2011, letter for the location of the "Tauber Alternative" as described by Xcel. It should be emphasized that this alternative is not the same as those suggested by the Taubers in their post-hearing written comment.

34. Craig Affeldt, Supervisor of the Environmental Review Unit of the Prevention and Assistance Division of the Minnesota Pollution Control Agency (MPCA), submitted a comment that was received after the close of the written comment period. In the letter, the MPCA noted that it was not uncommon for projects to encounter contamination and urged Xcel to make efforts prior to construction to determine if and where any petroleum or other contamination is likely to be encountered during the Project. The MPCA indicated that the Stormwater Pollution Prevention Plan must be developed and the National Pollutant Discharge Elimination System/State Disposal System Construction Stormwater Permit must be acquired before any ground-disturbing work takes place on the Project, and asserted that the requirements of the Construction Stormwater Permit must also be followed with respect to erosion control practices. Finally, the MPCA reminded Xcel Energy that it must secure any required permits and comply with any requisite permit conditions.⁴⁸

35. Mara Koeller of Xcel Energy submitted an additional written comment that was received after the close of the written comment period. The letter addressed an announcement issued by Verso Paper Corporation on October 11, 2011, that it would be shutting down two paper machines and laying off 175 workers at its paper mill in Sartell. Xcel indicated that it is its understanding that the bulk of the electrical load at the Verso Paper Mill in Sartell will be unchanged because this load relates to a pulping machine and a paper machine that will remain in operation, and asserted that the ability of Xcel to take outages to construct the Double Circuit Alternative remains a concern. Accordingly, Xcel indicated that it continues to propose construction of a separate 115 kV transmission line from Mayhew Lake Substation to Granite City Substation, and not a double circuit segment.⁴⁹

No other written comments were received.

Dated: November 10, 2011.

s/Barbara L. Neilson

BARBARA L. NEILSON
Administrative Law Judge

Reported: Angie D. Threlkeld, Court Reporter
Shaddix & Associates (one volume)

⁴⁸ Letter from Craig Affeldt dated Oct. 11, 2011, and received by email on Oct. 13, 2011 (e-Docket Document No. 201111-68209).

⁴⁹ Letter from Mara Koeller dated and e-Filed on Nov. 1, 2011 (e-Docket Document No. 201111-67931).