

In the Matter of the Applications of Dodge County Wind, LLC for a Certificate of Need, a Site Permit, and a Route Permit for the 170 MW Dodge County Wind Project and Associated 345 kV High-Voltage Transmission Line in Dodge, Olmsted, and Steele Counties

ENVIRONMENTAL IMPACT STATEMENT SCOPING DECISION

DOCKET NO. IP-6981/CN-17-306 DOCKET NO. IP-6981/WS-17-307 DOCKET NO. IP-6981/TL-17-308

The above matter has come before the assistant commissioner of the Department of Commerce (Department) for a decision on the scope of the environmental impact statement (EIS) to be prepared for the Dodge County Wind Project proposed by Dodge County Wind LLC (DCW or applicant) in Dodge, Steele, and Olmsted counties in Minnesota. DCW is a wholly owned subsidiary of Next Era Energy Resources (NEER).

Project Description

The proposed Dodge County Wind Project (project) will generate up to 170 megawatts (MW) of electric energy at a newly constructed Dodge County Wind Farm and deliver to the electrical grid at Southern Minnesota Municipal Power Agency's (SMMPA) existing Byron Substation via a newly constructed 345 kV transmission line.

The proposed 170 MW Large Wind Energy Conversion System (LWECS) consists of up to 70 turbines to be located in Dodge and Steele counties. The LWECS also includes underground electric collection lines, a new collector substation, an operation and maintenance building, permanent meteorological towers, and gravel access roads.

DCW proposes to construct between 21 and 26 miles of 345 kilovolt (kV) high voltage transmission line (HVTL) in Dodge and Olmsted counties to connect the LWECS to the grid. DCW has proposed two possible routes for the transmission line; several segments are common to both proposed routes. DCW proposes to use single-circuit monopole structures with heights of 80 to 140 feet, and spans of approximately 400 to 1200 feet between structures. For the majority of the proposed routes, DCW proposes a typical right-of-way (ROW) of 150 feet, with a narrower ROW (approximately 75 feet) for portions that are within road ROW. DCW is requesting a route width of 1500 feet for the majority of either proposed route, with a wider route width of 3,000 to 4,000 feet along certain segments of the proposed routes. DCW anticipates that construction will begin in 2019, with an in-service date in 2020.

Project Purpose

DCW has negotiated a 30-year power purchase agreement to sell the entire output of the project to the Minnesota Municipal Power Agency (MMPA). With the purchase of the Project's power, MMPA will meet and exceed its Renewable Energy Standard.

Regulatory Background

The Commission must approve a certificate of need (LWECS and HVTL), a LWECS site permit, and an HVTL route permit before the project can be built. DCW submitted separate certificate of need (covering both the LWECS and HVTL components of the project), site permit, and route permit applications on June 29, 2018. The Commission accepted the applications as complete on October 4, 2018. On January 9, 2019, DCW filed an amended site permit application, replacing the smaller of the planned turbine models and reducing the overall number of turbines. The amended application also included a revised layout and updated information on potential impacts from the proposed project. On January 18, 2019, DCW filed an amended Certificate of Need application, updating the project description consistent with the information provided in the amendment to the Site Permit Application. The certificate of need, site permit, and route permit applications are being processed jointly.

Environmental Review

Environmental review must be completed prior to the Commission consideration of a certificate of need or route permit. Commerce, Energy Environmental Review and Analysis (EERA) staff is responsible for conducting environmental review for the certificate of need and route permit applications submitted to the Commission.³ As two concurrent environmental reviews are required – an Environmental Report (ER) for the certificate of need application and an EIS for the route permit application – the Department has elected to combine the environmental review by preparing an "EIS in lieu of an ER" for the two applications.⁴ A draft site permit has been prepared for the LWECS site permit.⁵

Scoping Process

Scoping is the first step in the development of the EIS for the project. The scoping process has two primary purposes: (1) to gather public input as to the impacts, mitigation measures, and alternatives to study in the EIS, and (2) to focus the EIS on those impacts, mitigation measures, and alternatives that will aid in the Commission's decisions on the certificate of need and route permit applications.⁶

EERA staff gathered input on the scope of the EIS through a public meeting and an associated comment period. This scoping decision identifies the impacts and mitigation measures that will be analyzed in the EIS, including route alternatives for the HVTL component of the Project.

¹ Commission, *Order Accepting Applications as Substantially Complete*, October 4, 1018, eDocket ID: <u>201810-146829-03</u>

² Dodge County Wind, LLC, *Site Permit Application Amendment*, January 9, 2019, eDocket ID: <u>20191-149029-01</u>, -02, -03, -04, -05, -06, -07, -08, -09, -10)

³ Minnesota Rule 7849.1200; Minnesota Rule 7850.2500.

⁴ Minnesota Rule 7849.1900.

⁵ Commission, *Order Identifying Route Alternatives and Issuing a Draft Site Permit*, April 15, 2019, eDocket ID: 20194-151974-03

⁶ "The scoping process must be used to reduce the scope and bulk of an environmental impact statement by identifying the potentially significant issues and alternatives requiring analysis and establishing the detail into which the issues will be analyzed." (Minnesota Rule 7850.2500, subp. 4)

Additionally, this scoping decision identifies project alternatives to both the LWECS and HVTL components of the Project that will be analyzed in the EIS.

Public Scoping Meeting and Comment Period

Commission and EERA staff held a joint public information and EIS scoping meeting on October 25, 2018, in the city of Owatonna. Approximately 110 people attended the meeting and 23 people provided comments at the meeting.⁷

A 36-day comment period, closing on November 15, 2018, provided the public an opportunity to submit written comments to EERA staff on potential impacts and mitigation measures for consideration in the scope of the EIS. In response to the amended site permit and CN applications, the Commission issued another comment period, ending on February 6, 2019. Comments were received from 35 citizens and trade associations, 8 as well as the Minnesota Department of Natural Resources (DNR), 9 the Minnesota Department of Transportation (MnDOT) 10 and Dodge County Environmental Services. 11 DCW provided a response to comments on February 13, 2019. 12

Commenters expressed concern about a variety of potential impacts associated with both the LWECS and HVTL portions of the project, including impacts to agriculture, public safety, noise, aviation, aesthetics, wildlife, sensitive natural communities, property values, local economies, and the overall character of the community.

During the noticed comment period, two specific route alignment alternatives were proposed for consideration in the EIS. In addition to the two specific alternatives, several commenters at the public meeting and in written comments expressed a desire to see the line routed along U.S. Highway 14 to the extent possible, although none of the comments identified a specific route.

MnDOT did not identify specific concerns with the LWECS, but noted that DCW's plans to haul large loads could interfere with traffic along the major highways and requested that DCW coordinate with MnDOT on road usage.

DNR provided a range of comments on the project related to turbine locations, potential avian and bat fatalities, and potential impacts to natural communities from both the LWECS and HVTL aspects of the project.

Dodge County Department of Environmental Services provided a number of comments and clarifications on local environmental conditions and required permits.

⁷ Oral Comments from October 25, 2018, Public Information and EIS Scoping Meeting, eDockets Number <u>201812-</u> 148342-01

⁸ Written Public Comments on Draft Site Permit and Scope of EIS, eDockets ID <u>201812-148342-04</u>, 201812-148342-05, and 201812-148342-10, 20192-150073-02, 20192-150039-02, 20192-150055-01, 20192-150059-01, 20192-149964-01, 20191-149278-01

⁹ DNR Scoping Comments, November 15, 2018, eDockets ID <u>201811-147826-01</u>, DNR Comments, February 6, 2019, eDocket ID: <u>20192-150042-01</u>, -02, -03

¹⁰ MnDOT Scoping Comments, November 15, 2018, eDockets ID <u>201811-147810-01</u>

¹¹Dodge County Environmental Services Scoping Comments, November 11, 2019, eDockets ID 201812-148342-04.

¹² Dodge County Wind, LLC, Reply Comments, February 13, 2019, eDockets Number 20192-150274-01

Commission Consideration of Route Alternatives

After close of the public comment period, EERA staff conferred with the applicant and DNR staff on route alternatives proposed for study in the EIS. On December 20, 2018, EERA staff provided the Commission with a summary of the EIS scoping process. ¹³ The summary discussed the routing alternatives that were proposed during the scoping process and identified two additional alignment alternatives (the West 270th Avenue Alignment Alternative, and the Salem Creek Alignment Alternative) and one short route segment alternative (West 270th Avenue Crossover Segment) that EERA staff recommended for evaluation in the EIS.

In its Order of April 15, 2019, the Commission found that the route alternatives proposed by EERA staff were reasonable and appropriate for further analysis in the EIS. The Order also directed the Department to analyze routes along the existing 161 and 69 kV transmission lines to the north of the Applicant's proposed routes and that the analysis consider double-circuiting of the proposed 345 kV transmission line with the existing 161 kV and 69 kV transmission lines. The additional routes proposed by the Commission cross the cities of Dodge Center and Kasson. While acknowledging the potential difficulties of routing a large new transmission line along existing transmission infrastructure, the Commission directed review of the northern alternatives to build a thorough record on a range of route alternatives in order to resolve outstanding questions and enable the Commission to reach a better routing decision.

HAVING REVIEWED THE MATTER, consulted with Department staff, and in accordance with Minnesota Rule 7850.2500, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The issues outlined below will be analyzed in the EIS for the proposed Dodge County Wind Project. The EIS will describe the project and the human and environmental resources of the project area. It will provide information on the potential impacts of the project as they relate to the topics outlined in this scoping decision, including possible mitigation measures. It will identify impacts that cannot be avoided and irretrievable commitments of resources, as well as permits from other government entities that may be required for the project. The EIS will discuss the relative merits of the route alternatives studied in the EIS using the routing factors found in Minnesota Rule 7850.4100.

The EIS will include a description and analysis of the human and environmental impacts of both the LWECS and HVTL components of the proposed project and alternatives to the project that would have otherwise been required by Minnesota Rule 7849.1500 in an environmental report for a certificate of need. This includes evaluating matters of size, type, and timing that would not normally be included in an EIS for a route permit application. The EIS, in accordance with

¹³ EERA Comments on EIS Scoping and Route Alternatives, December 20, 2018, eDockets ID 201812-148623-02

¹⁴ Commission, *Order Identifying Route Alternatives and Issuing a Draft Site Permit*, April 15, 2019, eDocket ID: 20194-151974-03

Minnesota Rule 7849.1500, will describe and analyze the availability and feasibility of the system alternatives, including a no-build alternative, facilities of a different size, and facilities using a different energy source (LWECS).

Data and analyses in the EIS will be commensurate with the importance of potential impacts and the relevance of the information to consideration of the need for mitigation measures.¹⁵ EERA staff will consider the relationship between the cost of data and analyses and the relevance and importance of the information in determining the level of detail of information to be prepared for the EIS. Less important material may be summarized, consolidated or simply referenced.

If relevant information cannot be obtained within timelines prescribed by statute and rule, or if the costs of obtaining such information is excessive, or the means to obtain it is not known, EERA staff will include in the EIS a statement that such information is incomplete or unavailable and the relevance of the information in evaluating potential impacts.¹⁶

If, during preparation of the EIS, EERA staff determines that some route alternatives are either technically infeasible or imprudent due to impacts on humans or the environment, the EIS will not carry forward such routes into a detailed evaluation. In the event that any routes are not carried forward for full evaluation, the EIS will describe the considerations that led to that conclusion.¹⁷

The EIS will provide an abbreviated analysis of resource topics determined to be of minor importance to the Commission's decision in these dockets. Abbreviated analysis means that the resource topic will not be discussed in as much detail as the standard analysis. The decision whether to abbreviate analysis for certain resource topics will be made by EERA staff, and will be based on information from the route permit application, field visits, scoping comments received, preliminary environmental analysis, and staff experience with similar projects.

GENERAL DESCRIPTION OF THE PROJECT

- Project Purpose
- General Project Description and Location
- Project Costs
- Project Schedule

REGULATORY FRAMEWORK

- Certificate of Need
- Large Wind Energy Conversion System (LWECS) Site Permit
- High Voltage Transmission Line (HVTL) Route Permit
- Environmental Review Process
- Other Permits and Approvals

¹⁵ Minnesota Rule 4410.2300.

¹⁶ Minnesota Rule 4410.2500.

¹⁷ Minnesota Rule 4410.2300

PROPOSED LWECS PROJECT AND ALTERNATIVES

The EIS, in accordance with Minnesota Rule 7849.1500, will describe and analyze the availability and feasibility of the following project alternatives, and the human and environmental impacts and potential mitigation measures associated with each:

- Proposed LWECS Project
 - Project Description (turbines, collector system, project substation, roads, operations and maintenance facility, transmission intertie)
 - Wind Easement Acquisition
 - o Construction
 - Restoration
 - Operation and Maintenance
 - o Decommissioning
 - Required Permits
- LWECS Project Alternatives
 - No-Build Alternative
 - Generic 170 MW LWECS
 - o Generic 170 MW Solar Farm
 - Alternatives not Evaluated
- Potential Impacts of Proposed LWECS and Project Alternatives
 - Environmental Setting
 - Human Settlements
 - Demographics
 - Noise
 - Aesthetics (lighting, visibility impairment, appearance of project components)
 - Shadow Flicker
 - Property Values
 - Local Economies
 - Public Services (roads, utilities, emergency services)
 - Electronic Interference (radio, television, cellular service, internet service)
 - Public Health and Safety (Construction Safety, Stray Voltage, Aviation Hazards, Ice Throw)
 - Solid and Hazardous Waste
 - Air Quality (criteria pollutants, hazardous air pollutants and volatile organic compounds, ozone)
 - Agriculture (cropland, livestock, compaction, tile systems, aerial spraying, GPS)
 - o Natural Environment
 - Water Resources (water appropriations, surface water, groundwater, wetlands)
 - Geology and Soils
 - Vegetation
 - Wildlife
 - Rare and Unique Natural Resources
- Fuel Availability
- Availability and Feasibility of Alternatives

PROPOSED 345 kV HVTL PROJECT AND ALTERNATIVES

The EIS, in accordance with Minnesota Rule 7849.1500, will describe and analyze the availability and feasibility of the following system alternatives, and the human and environmental impacts and potential mitigation measures associated with each:

- Proposed 345 kV HVTL Transmission Line
 - Engineering and design (structures, conductors, Byron interconnect)
 - o Route width, Right-of-Way, Anticipated Alignment
 - o Right-of-way Acquisition
 - Construction
 - Restoration
 - Operation and Maintenance
 - Decommissioning
- HVTL Project Alternatives
 - No-Build Alternative
 - Transmission Alternative of a Different Size
 - Alternative Endpoints
 - Alternatives not Evaluated (Demand-Side Management, Purchased Power, Upgrading Existing Facilities)

HVTL ROUTE ALTERNATIVES - AFFECTED ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATIVE MEASURES

The EIS will include a discussion of the human and environmental resources potentially impacted by the proposed project and the route alternatives described herein. Potential impacts, both positive and negative, of the project and each route alternative will be described. Based on the impacts identified, the EIS will describe mitigation measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EIS will describe any unavoidable impacts resulting from implementation of the proposed project.

- Human Settlement
 - Noise
 - Aesthetics (lighting, appearance of project components)
 - Displacement
 - Property Values
 - Local Economies (local revenues, taxes, employment)
 - Zoning and Land Use Compatibility
 - Electronic Interference
 - Cultural Values
- Transportation and Public Services
 - Roadways and Railways
 - o Public Utilities
 - Emergency Services
 - Airports
- Public Health and Safety

- Construction Safety
- Electric and Magnetic Fields
- o Implantable Medical Devices
- Stray Voltage
- Induced Voltage
- Aviation Hazards
- Air Quality
- Land Based Economies
 - Agriculture (cropland, livestock, compaction, tile systems, aerial spraying, GPS)
 - Forestry
 - Mining
 - o Recreation and Tourism
- Archaeological and Historic Resources
- Natural Environment
 - Water Resources (water appropriations, surface water, groundwater, wetlands)
 - Geology and Soils
 - o Flora
 - o Fauna
 - Threatened / Endangered / Rare and Unique Natural Resources
- Electric System Reliability
- Use or Paralleling of Existing Rights-of-Way
- Costs that are Dependent on Design and Route
- Adverse Impacts that Cannot be Avoided
- Irreversible and Irretrievable Commitments of Resources
- Cumulative Potential Effects
- Relative Merits of Route Alternatives

ROUTES AND ROUTE ALTERNATIVES TO BE EVALUATED IN THE ENVIRONMENTAL IMPACT STATEMENT

The EIS will evaluate the routes and alternative route segments proposed in the applicant's route permit application – these are referred to in the application as Routes A and B, and are shown in orange and blue on the attached map.

In addition, the following routes and alternative route segments (shown in Map 1) will be evaluated in the EIS:

- West 270th Avenue Alternative Alignment (Yellow): This alternative, within the requested
 route width but along a different alignment than presented in the Route Permit application,
 would move the alignment from the road to a field line west of 270th Avenue.
- Salem Creek Alignment Alternative (Light Blue): This alternative was proposed by citizens to avoid a residential area along 670th street southeast of Kasson. This alternative is within the requested route width, but south of the proposed alignment along 670th Street

- West 270th Avenue Crossover Segment (Purple): EERA staff developed an alternative segment as a crossover between the eastern portions of routes A and B. This alternative could allow the route to parallel the existing 345 and 161 kV transmission line into the Byron Substation on the east side of the route, while avoiding the residential area along 670th street as well as the slopes and wooded area along the north fork of Salem Creek.
- Route D/69 kV Alternative (Green): EERA staff developed this 21.7 mile alternative in response to the Commission's order to study alternative routes that follow existing transmission lines. This alternative follows Route A eastward approximately 5.9 miles from the substation and then turns north to parallel Minnesota Highway 56 for approximately 2.5 miles. The route then turns westward along a field line for approximately one-half mile to avoid the Highway 56/Highway 14 interchange before turning north for approximately 0.9 mile to cross Highway 14 and connect to the double circuit 69 kV/161 kV transmission line along the railroad. This route follows the shared 69/161 kV for about 0.3 miles, before turning north and then east, following the existing 69 kV transmission line for 11.6 miles towards the Byron Substation. This alternative shares two segments in common with the 161 kV alternative.
- Route C/161 kV Alternative (Red): EERA staff developed this 21mile alternative in response to the Commission's order to study alternative routes that follow existing transmission lines. This alternative follows Route A eastward approximately 5.9 miles from the substation and then turns north to parallel Minnesota Highway 56 for approximately 2.5 miles. The route then turns westward along a field line for approximately one-half mile to avoid the Highway 56/Highway 14 interchange before turning north for approximately 0.9 miles to cross Highway 14 and connect to the double circuit 69 kV/161 kV transmission line along the railroad. This route follows the shared 69/161 kV for about 0.3 miles, and then continues generally eastward, with a jog to the north to avoid the Dodge Center airport, following the existing 161 kV transmission line for approximately 10.9 miles to the Byron Substation. This alternative shares two segments in common with the 69 kV alternative.

Of the alternatives proposed during the scoping process to mitigate potential impacts of the project, the following will not be included for further study in the EIS.

U.S. Highway 14 Alternative: Although no specific routes were proposed, several commenters recommended that the transmission line follow U.S. Highway 14. EERA staff evaluated several options for routing along U.S. Highway 14 and did not recommend a full evaluation of a U.S. Highway 14 alternative in the EIS due to extensive impacts to residences and communities.¹⁸

IDENTIFICATION OF PERMITS

The EIS will include a list and description of permits from other government entities that may be required for the proposed project.

¹⁸ EERA Comments on EIS Scoping and Route Alternatives, December 20, 2018, eDockets ID <u>201812-148623-02</u>

ISSUES OUTSIDE THE SCOPE OF THE ENVIRONMENTAL IMPACT STATEMENT

The EIS will not consider the following:

- Any route alternative not specifically identified for study in this scoping decision.
- Any project alternative (an alternative to the proposed LWECS or transmission line) not specifically identified for study in this scoping decision.
- Impacts or mitigative measures associated with specific LWECS tower or road locations for the proposed project and alternatives.
- The manner in which land owners are paid for LWECS easements or transmission line right-ofway easements.

SCHEDULE

The draft EIS is anticipated to be completed and available in June 2019. Public meetings and a comment period on the draft EIS will follow. Timely and substantive comments on the draft EIS will be responded to in a final EIS. Public hearings will be held in the project area after issuance of the draft EIS and are anticipated to occur in July 2019.

Signed this 18 day of 10, 2019

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

Katherine Blauvelt, Assistant Commissioner



