COMMERCE DEPARTMENT

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 up to 259 MW Large Wind Energy Conversion System and associated 161 kV Transmission Line in Dodge, Mower and Steele Counties, Minnesota. ENVIRONMENTAL ASSESSMENT SCOPING DECISION

DOCKET NOS. IP6981/CN-20-865 IP6981/WS-20-866 IP6981/TL-20-867

The above matters have come before the Commissioner of the Department of Commerce (Department) for a decision on the scope of the environmental assessment (EA) to be prepared for Dodge County Wind, LLC's (DCW) proposed 259 megawatt (MW) Large Wind Energy Conversion System (LWECS) in Dodge and Steele counties and the associated 161 kilovolt (kV) transmission line in Dodge and Mower counties.

Project Description

DCW, a subsidiary of NextEra Energy Resources, proposes to construct and operate an up to 259 MW LWECS in Dodge and Steele counties. DCW proposes to connect the LWECS to the grid at the Pleasant Valley Substation in Mower County by constructing approximately 27 miles of new 161 kV high voltage transmission line (HVTL) in Dodge and Mower counties. Together the LWES and HVTL are referred to as the Project.

DCW has negotiated a 30-year power purchase agreement with Great River Energy (GRE). The Project's output will assist GRE in maintaining compliance with Minnesota's Renewable Energy Standard and in meeting its own renewable goals.

DCW proposes to construct up to 79 wind turbines and associated facilities including approximately 71.5 miles of underground electric collector lines, a new project substation, and operations and maintenance facility, permanent meteorological towers, Aircraft Detection Lighting System towers, and approximately 26 miles of gravel access roads. The proposed site is approximately 44.3 square miles (28,350 acres) located in western Dodge County (Ashland, Claremont, Ripely, and Westfield townships) and eastern Steele County (Aurora and Havana townships).

DCW proposes to connect the LWECS to the electrical grid through a new 161 kV HVTL between the new project substation in Ripley Township in Dodge County and GRE's existing Pleasant Valley Substation in Pleasant Valley Township in Mower County. Most of the HVTL will be comprised of single-circuit monopole structures, with up to 4.5 miles double circuiting with a portion of GRE's existing Pleasant Valley to Austin Northeast 161 kV transmission line.

Regulatory Background

DCW's proposed project requires three separate approvals from the Minnesota Public Utilities Commission (Commission) – a certificate of need (CN), an LWECS site permit, and a HVTL route permit.

DCW filed applications for a certificate of need, LWECS site permit, and HVTL route permit on September 14, 2021. On January 14, 2022, DCW filed an amended route permit application (for the

transmission line.¹ DCW also filed amended site permit² and CN applications³ on January 12, 2022. The Commission accepted the applications as substantially complete in its order dated March 8, 2022.⁴

The Department's Energy Environmental Review and Analysis (EERA) staff is responsible for conducting environmental review for CN and route permit applications submitted to the Commission.⁵ As two concurrent environmental reviews are required, the Commission has authorized EERA staff to combine the environmental review for the CN and route permit applications.⁶ An EA will be prepared to meet the environmental review requirements for the CN and route permit review processes.

Scoping Process

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

EERA staff gathered input on the scope of the EA through public meetings and an associated comment period. In addition, an advisory task force identified issues and impacts of local concern and made recommendations on route alternatives. This scoping decision identifies the impacts and mitigation measures that will be analyzed in the EA; additionally, it identifies route alternatives and alternatives to the project itself that will be analyzed in the EA.

Public Scoping Comments

Commission and EERA staff held two public information and scoping meetings on May 10, 2022, in Kasson, Minnesota. Approximately 71 persons attended these meetings and 32 attendees provided public comments.⁷ The following evening, May 11, 2022, approximately 44 people attended the remote-access meeting and 14 people provided comments.⁸ In addition to the public meeting and associated comment period, 19 people responded to the survey on EERA's website.⁹

¹ DCW Amended Application to the Minnesota Public Utilities Commission for a Route Permit for a 161 kV High Voltage Transmission Line in Dodge and Mower Counties, Minnesota, January 14, 2022, eDocket ID: <u>20221-181565-01</u> -02, -03, -04, -05, -06, -07, -08, -09, -10 [hereinafter Amended RPA].

² DCW, Amended Application for a Large Wind Energy Conversion System Site Permit. Dodge County Wind, LLC Project. Dodge and Steele Counties, Minnesota, January 12, 2022, eDocket ID: <u>20221-181456-01</u>, -02, -03, -04, -05, -06, -07, -08, -09, -10 (herein after Amended Site Permit Application)

³ DCW eDocket ID: Amended Application for Certificate of Need Dodge County Wind LLC Large Wind Energy Conversion System, January 12, 2022, eDocket ID: 20221-181449-01, -02, -03 (herein after Amended Certificate of Need Application)

⁴ Commission, Order, March 8, 2022, eDocket ID: 20223-183535-03

⁵ Minnesota Rule 7849.1200; Minnesota Rule 7850.3700.

⁶ Commission Order, March 8, 2022, eDockets Number 20223-183535-03

⁷ Oral Comments, Public Information and Environmental Scoping Meeting, January 25, 2022 eDocket ID: <u>20221-</u> <u>181191-02</u>; Oral Comments, Public Information and Environmental Scoping Meeting, January 26, 2022 Remote Access Meeting eDocket ID: <u>20222-182558-06</u>

⁸ Oral Comments, Public Information and Environmental Scoping Meeting, May 11, 2022 Remote Access Meeting eDocket ID: <u>20225-185987-08</u>

⁹ EERA, Dodge County Wind Project Scoping Survey Report, June 30, 2022, eDocket ID: 20226-187097-01

In addition to the oral comments received at the in-person and remote-access public meetings, written comments were received from approximately 50 commenters representing individuals, trade and business associations, unions, advocacy groups, federal and state agencies, and local governments by the close of the comment period on September 21, 2022.¹⁰

Public Comments

In addition to general statements of support for or opposition to the Project, commenters identified a range of potential impacts, benefits, and mitigation strategies. Comments addressed whether valuable farmland should be used for power generation or transmission, turbine setbacks from residences, noise, decommissioning, the status of DCW's landowner agreements, impacts to livestock through stray voltage, concerns with electromagnetic fields, human health impacts, availability of emergency air evacuation services within and adjacent to the wind site, visual impacts, limitation on aerial spraying and resulting lost agricultural productivity, impacts to property values, impacts to wildlife, and impacts to calcareous fens. Comments also addressed the availability and suitability of other site or transmission alternatives including undergrounding the HVTL.

Many comments from member of the public and from local governments expressed concern with the applicant's proposal to locate the HVTL within county and township road right-of-way and expressed a preference to locate the HVTL on wider state highway right-of-way.

Comments from State and Federal Agencies

The Minnesota Department of Transportation (MnDOT) commented that the revised route submitted in the January 14, 2022, route permit application addressed MnDOT's concerns with the route proposed in August 2021.¹¹ On May 22, 2023, MnDOT filed comments indicating that it supported a pilot project to accommodate the proposed HVTL within MnDOT right-of-way along Minnesota Highway 56 and expressed optimism that this could help mitigate, minimize, and aid in avoiding potential impacts of the applicant's proposed routes.¹² The comments also identified issues requiring further record development along any portion of the route located within MnDOT right-of-way. On June 9, 2023, MnDOT affirmed its understanding of the task force's recommended route alternative within Minnesota Highway 56 right-of-way.¹³

¹⁰ Compiled Public Comments, February 17, 2022, <u>20222-182919-02</u>, April 14, 2022, <u>20224-184784-03</u>, Karen Biel, February 11, 2022, <u>20222-182675-02</u>; Jason Emde, May 19, 2022, eDocket ID: <u>20225-185959-01</u> Pete Henslin, March 22, 2022, <u>20223-184048-02</u>, May 9, 2022, <u>20225-185612-06</u>; Michael Jordal, May 10, 2022, eDocket ID: <u>20225-185612-03</u>; Land and Liberty Coalition, May 19, 2022, eDocket ID: <u>20225-185940-01</u> LIUNA Minnesota and North Dakota, eDocket ID: February 22, 2022, <u>-183067-03</u>; Minnesota Agri Growth Council, January 31, 2022, <u>20221-182243-01</u>; Operating Engineers Local and 49 and North Central States Regional Council of Carpenters, February 22, 2022, <u>eDocket ID: 20225-18501-01</u>; Carol Overland, May 24, 2022, eDocket ID: <u>20225-186023-01</u>, September 22, 2022, <u>20229-189258-02</u> Mark Preul, February 7, 2022, <u>20222-182493-01</u>; February 9, 2022, <u>20222-182617-02</u>; Renewable Energy Services, May 19, 2022, eDocket ID: <u>20225-185903-03</u> Aaron, Benjamin, James, and Nathan Tempel, March 8, 2022, <u>20223-183586-03</u>, 20224-184785-02, 20224-184786-03; Dodge County Engineer, May 6, 2022, <u>20225-185612-09</u> Compiled Written Public Comments provided to EERA, <u>20226-186283-08</u>, 20226-186283-11, 20226-186283-14, 20226-186283-17, 20229-189252-02

¹¹ Minnesota Department of Transportation, February 7, 2022, <u>20222-182488-01</u>

¹² MnDOT, Comment, May 22, 2023, eDocket ID: <u>20235-196040-03</u>

¹³ MnDOT Comment, June 9, 2023, eDocket ID: <u>20236-196472-01</u>

The Minnesota Pollution Control Agency commented on best management practices to avoid and minimize impacts to surface waters.¹⁴

The Minnesota Department of Natural Resources (DNR) commented on wind energy generation's impact on wildlife and the number of birds and bats killed in Minnesota and potential impacts from the transmission route on areas of diverse habitat, the potential for fragmenting riparian areas, and Sullivant's milkweed (a state-listed threatened plant), and the potential need to update NHIS searches.¹⁵ The DNR also requested that the EA evaluate potential visual and recreational impacts to Rice Lake State Park and suggested two alternate route segment alternatives.

The United States Fish and Wildlife Service comments addressed potential impacts to birds, bats, and the prairie bush clover and recommended seasonal tree clearing limitations and the use of lighting and tower design consistent with Federal Aviation Administration guidance to reduce potential for avian collisions.¹⁶

Local Governments

The Dodge County government provided comments indicating its concern with elements related to both the wind project and the transmission line.¹⁷ The County Engineer determined that placement of the transmission line within a road with a ROW of 50 feet or less is not feasible because the narrow road ROW would mean that many of the transmission poles would be placed on the ditch slope or in the ditch bottom which would impair the drainage function of the road ditches and require additional maintenance by the county. Additionally, Dodge County expressed doubts that the County has the authority to permit a private company to occupy road right-of-way.

Mower County also expressed concern with placement of poles in the road ROW, citing concerns with infringement on the road's clear zone and potential interference with drainage.¹⁸ Mower County's preference is that the transmission poles be placed outside of the road ROW consistent with the County's Essential Services ordinance. Mower County also stressed the importance of examining each proposed structure to assess potential impacts. On May 11, 2023, Mower County clarified its position that, of the routes proposed along Mower County roads, only Mower County Road 20 could accommodate transmission poles within its right-of-way and recommended that poles be placed outside of road right-of-way for other routes. Mower County also proposed a preliminary offset distance between the road centerline and pole placements.¹⁹

Advisory Task Force

In response to concerns about the feasibility of the proposed route, the Commission authorized the Department to establish an advisory task force to identify issues and impacts of local concern and to identify ways to avoid, minimize, or correct those impacts. The Department solicited task force members from local governments surrounding the project. The appointed task force members represented Dodge

¹⁴ Minnesota Pollution Control Agency, April 29, 2022, : <u>20224-185331-01</u>

¹⁵ Minnesota Department of Natural Resources, May 25, 2022, <u>20225-186081-01</u>, <u>20225-186081-02</u>

¹⁶ United States Fish and Wildlife Service, April 29, 2022,: <u>20225-185612-03</u>

¹⁷ Dodge County, May 24, 2022, <u>20226-186283-02</u>; June 6, 2022, <u>20226-186403-02</u>; September 28, 2022, <u>20229-189356-02</u>. Also, comments of Guy Kohlnhofer, Dodge County Engineer, May 6, 2022, <u>20225-185612-09</u>

¹⁸ Mike Hanson, Mower County Engineer Comments, May 25, 2022 20226-186283-05

¹⁹ Mower County Comments, May 12, 2023, eDocket ID: <u>20235-1957</u> 94-03

and Mower counties, Ashland, Hayfield, and Ripley, townships (Dodge County), and Sargeant Township (Mower County).²⁰

The task force met three times to discuss impacts associated with the proposed route and potential mitigation measures.²¹ Task force members discussed general concerns with the proposed route and particular concerns with the applicant's proposal to locate the transmission poles within very narrow township and county road rights of way. Task force members ranked the impacts in order of importance:

- Safety: Clear zone, farm equipment, aviation
- Drainage: Ditches, tiling
- Construction: Obstruction, means, and methods
- Communication
- Planning: Land use
- Maintenance

Task force members also discussed a variety of potential permit conditions and other mitigation measures including route alternatives. Following review of approximately 90 miles of route alternatives the task force recommended further review of approximately 40 miles of route alternatives. The recommendations combine portions of the applicant's original route proposal, most of the alternative segments proposed by the applicant in July 2022, and approximately 21 miles of route alternatives that were not in the record prior to the task force report. The task force also recommended that approximately 22 miles of the route in the application not be reviewed any further. The task force recommended two major north-south route alternatives (Minnesota Highway 56 and Dodge County Highway 9/Mower County Highway 20) with several connector segments

Applicant Comments

On July 29, 2022, DCW responded to comments received during the scoping comment period and proposed three route segment alternatives in response to scoping comments recommending that the proposed HVTL be located off public road ROW.²²

On June 9, 2023, DCW indicated general agreement with the task force's route recommendations and expressed optimism that the recommended route alternatives would provide a path forward.²³

²⁰ Department of Commerce, Advisory Task Force Establishment Charge and Order, March 2, 2023, eDocket ID: <u>20233-193613-03</u>; Department of Commerce, Notice of Appointment for the DCW Transmission Line Advisory Task Force, March 30, 2023, eDocket ID: <u>20233-194329-01</u>

²¹ Department of Commerce, *Dodge County Wind Project Advisory Task Force Report*, May 23, 2023, eDocket ID: <u>20235-196075-01</u>

 ²² DCW, Comments, July 29, 2022, eDocket ID: <u>20227-187978-03</u>, <u>20227-187978-06</u>, <u>20227-187978-09</u>, <u>20227-187978-09</u>, <u>20227-187978-09</u>, <u>20227-187978-09</u>, <u>20227-187978-09</u>, <u>20227-187978-09</u>, <u>20228-188494-02</u>
²³ DCW, Comments, June 9, 2023, eDocket ID: <u>20236-196469-06</u>

Commission Consideration of Route Alternatives

Following the task force report, EERA staff recommended to the Commission that the EA evaluate only the routes recommended by the task force.²⁴

On July 13, 2023, the Commission met to consider the alternative routes to be studied in the EA and supported EERA staff recommendations.

System Alternatives

Minnesota Rule 7849.1500 lists system alternatives that should be examined during environmental review.²⁵ These alternatives include, among others, the no-build alternative, purchased power, and transmission in lieu of generation.

In its order of July 13, 2021, the Commission approved exemptions requested by DCW for certain CN alternatives.²⁶ Consistent with the Commission's order, the EA will analyze system alternatives that are the same size as the project that use a renewable energy source.

Having reviewed the matter, consulted with EERA staff, and in accordance with Minnesota Rule 7850.3700, I hereby make the following scoping decision:

MATTERS TO BE ADDRESSED

The issues outlined below will be analyzed in the EA for the proposed DCW Project. The EA 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 and 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 EA will discuss the relative merits of the route alternatives with respect to the factors in Minnesota Rule 7850.4100.

The EA will include a description and analysis of the human and environmental impacts of the proposed project and alternatives to the project that would have otherwise been required by Minnesota Rule 7849.1500 in an environmental report.

General Description of the Project

- Project Purpose
- General Project Description and Location
 - Description of proposed wind facility
 - Description of route alternatives

²⁴ EERA Comments June 9, 2023, eDocket ID: <u>20236-196467-02</u>; June 27, 2023, eDocket ID: <u>20236-196888-01</u>

²⁵ Minnesota Rule 7840.1500.

²⁶ Commission, Order, July 13, 2021, eDocket ID: 20217-176053-01 .

- 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

Proposed Wind Facility and Alternatives

The EA, 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 Wind Facility

- Project description (turbines, electrical collector system, project substation, roads, operation and maintenance facility)
- Wind easement acquisition
- Construction
- Restoration
- Operation and maintenance
- o Decommissioning
- o Required permits

Wind Facility Alternatives

- o No-Build Alternative
- Generic 259 MW wind facility
- Generic 259 MW solar facility

Potential Impacts of Proposed Wind Facility 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, Emergency Services)
- 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)
- 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 161 kV Transmission Line and System Alternatives

The EA, 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 161 kV HVTL Transmission Line

- Engineering and design (structures, conductors, Pleasant Valley interconnect)
- o Route width, right-of-way, anticipated alignment
- Right-of-way acquisition
- Construction
- Restoration
- Operation and maintenance
- Vegetation management
- o Decommissioning

HVTL Project Alternatives

- No-build alternative
- Transmission alternative of a different size
- o Alternative endpoints

Transmission Line- Affected Environment, Potential Impacts, and Mitigative Measures

The EA will include a discussion of the human and environmental resources potentially impacted by the proposed 161 kV HVTL and the route alternatives described herein. Potential impacts, both positive and negative, of the HVTL and each route alternative will be described. Based on the impacts identified, the EA will describe mitigation measures that could reasonably be implemented to reduce or eliminate the identified impacts. The EA will describe any unavoidable impacts resulting from implementation of the proposed project.

Environmental Setting

Socioeconomics

- Environmental justice
- Local economies (local revenues, taxes, employment)

Human Settlement

- o Noise
- Aesthetics (lighting, appearance of project components, fencing)
- o Displacement

- Property values
- o Zoning and land use compatibility
- Electronic interference
- o 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
- Implantable medical devices
- Stray voltage
- Induced voltage
- Aviation hazards

Land Based Economies

- Agriculture (cropland, livestock, compaction, tile systems, aerial spraying, GPS)
- o Forestry
- Mining
- o Recreation and tourism

Archaeological and Historic Resources

Natural Environment

- Air quality
- o Greenhouse gases
- Water resources (water appropriations, surface water, groundwater, wetlands)
- Geology and soils
- Vegetation
- o Wildlife
- o Threatened / Endangered / Rare and Unique Natural Resources

Identification of permits

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

Routes and Route Alternatives to be Evaluated in the Environmental Assessment

The EA will evaluate the route alternatives shown on the attached "DCW Transmission Line Route Alternatives" map. The major route alternatives generally follow Minnesota State Highway 56 and Dodge County Road 9/Mower County Road 20, connecting to the Pleasant Valley Substation along Mower County Road 1.

ISSUES OUTSIDE THE SCOPE OF THE EA

The EA will not address the following topics:

- A. Route alternatives not specifically identified for study in this scoping decision.
- B. Any system alternative (an alternative to the proposed wind generating facility or 161 kV transmission line) not specifically identified for study in this scoping decision.
- C. The manner in which landowners are compensated for the project.

SCHEDULE

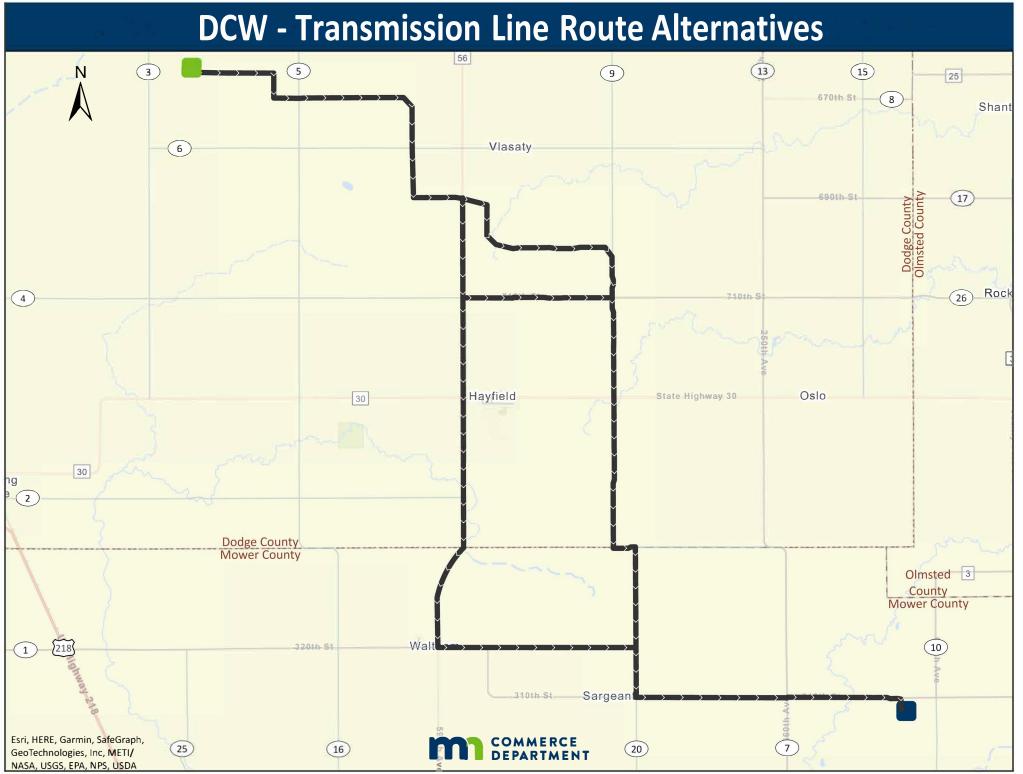
The EA is anticipated to be completed and available in November 2023. Upon completion, it will be noticed and made available for review. A public hearing will be held in the project area after the EA has been issued. Comments on the EA may be submitted into the hearing record.

Signed this <u>26th</u> day of July, 2023

STATE OF MINNESOTA DEPARTMENT OF COMMERCE

Michelle Joy Gransee

Michelle Gransee, Deputy Commissioner



Revision date: 6/16/2023