

**In the Matter of the Application of  
Three Waters Wind Farm, LLC for a  
Certificate of Need for the 201 MW Three  
Waters Wind Farm in Jackson County  
PUC Docket No. IP-7002/CN-19-154**

## **ENVIRONMENTAL REPORT SCOPING DECISION**

The above matter has come before the Department of Commerce for a decision on the content of the Environmental Report (ER) to be prepared in consideration of the Three Waters Wind Farm, LLC Application for a Certificate of Need for the proposed 201 Megawatt (MW) Three Waters Wind Farm in Jackson County. Three Waters Wind Farm, LLC is a wholly-owned subsidiary of Scout Clean Energy, LLC.

The project requires a Certificate of Need (CN) and a Site Permit for the wind farm from the Minnesota Public Utilities Commission (Commission) before construction and operation. The CN (CN-19-154) and the site permit (WS-19-576) are being considered by the Commission in separate dockets.

Statute and rule requires that an Environment Report (ER) be prepared in certificate of need dockets. The Department of Commerce's Energy Environmental Review and Analysis (EERA) staff is responsible for preparing the ER. The ER will be prepared per Minnesota Rule 7849.1100-2100, and is part of the record which the Commission will consider in making a decision on issuance of a CN for the Three Waters Wind Farm.

On July 31, 2019, Three Waters Wind Farm, LLC filed a Certificate of Need Application with the Commission for the Three Waters Wind Farm.<sup>1</sup> On October 23, 2019, the Commission issued an order accepting the Application as substantially complete and authorizing an informal review process.<sup>2</sup>

The proposed project encompasses 48,087 acres. The Applicant has proposed to construct up to 71 turbines for the project, with the primary turbine choice being the General Electric (GE) 2.82 MW machine. The Applicant is also considering the use of the GE 3.03 MW machine, which would result in the construction of 66 turbines. Regardless of the turbine selected the Project will yield a total nameplate capacity of up to 201 MW.

A public meeting was held on February 20, 2020, in Jackson to receive comments on the scope of the environmental report.<sup>3</sup> Approximately 55 persons attended the meeting. A public comment period preceded and followed the meeting; the comment period closed on February

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<sup>1</sup> Application for a Certificate of Need – Three Waters Wind Farm, July 31, 2019, eDocket No. 20197-154854-02

<sup>2</sup> Order Accepting Application - Commission, October 23, 2019, eDocket No. 201910-156842-01

<sup>3</sup> Notice Public Information and Scoping Meeting, January 23, 2020. eDocket No. 20201-159487-01

28, 2020. Sixteen members of the public commented during the Public Meeting. Twenty two written comments were received during the comment period.

Public comments, both oral and written, included remarks on concerns over the accuracy of participant/non-participant landowner maps, turbine locations, where does the power from the project go, potential impacts of the proposed Project on wildlife and livestock, potential for ice throw, noise modeling and impacts, low frequency noise, shadow flicker, road repair and agreements, coordination with the Townships, construction activities, local labor, Union labor, flooding, turbine vibration, decommissioning, turbine blade recycling, property values, aesthetics/visual, aviation, and recreation.

Two state agencies submitted written comments: the Minnesota Pollution Control Agency (MPCA) and the Department of Administration – State Historic Preservation Office (SHPO).

No member of the public or any state agency recommended a specific system alternative to be considered in the ER. A couple members of the public mentioned solar energy facilities in general, and a solar facility will be included as a system alternative in the ER.

The MPCA comments centered on the need for additional information within the record concerning the potential impacts to surface waters and floodplain resources, along with information on avoidance, minimization, and mitigation (BMPs) of said impacts. MPCA also identified the potential for the Project needing wetland permits, water quality certification, and stormwater management. MPCA also indicated that based on the information provided the Project will be compliant with the MPCA noise rules, but they requested the Applicant provide the final Figure 8 and Appendix D Noise Report prior to finalization of the Project plans. These comments deal with turbine siting and construction issues and will be addressed in the LWECS site permit application process (Docket IP7002/WS-19-576).

The SHPO recommended that the proposed project be designed to avoid impacts to known cultural resources, properties listed in the state historic site network, state register of historic places, and the National Register of Historic Places. Additionally, SHPO recommended that a Phase I archaeological survey should be completed for the proposed project area. These comments deal with turbine siting and construction issues and will be addressed in the LWECS site permit application process (Docket IP7002/WS-19-576).

The proposed project is intended to produce renewable energy in furtherance of Minnesota's renewable energy objectives. Accordingly, alternatives examined in the ER will be limited to "eligible energy technologies" that support these objectives (Minnesota Statute 216B.1691). These alternatives will include: (1) a generic 201 MW wind generation project sited elsewhere in Minnesota, (2) a 201 MW solar farm, and (3) a "no-build" option. An ER provides a high level environmental analysis of the proposed project and system alternatives, and reviews environmental impacts associated with named and alternative projects. It is a part of a larger

Public Utilities Commission investigation of the Certificate of Need Application. The Commission in its overall review will address all the issues and alternatives required by rule.

Having reviewed the matter and consulted with the Department of Commerce Energy Environmental Review and Analysis staff, and in accordance with Minnesota Rules 7849.1400 and 7849.1500, I hereby make the following scoping decision:

## **MATTERS TO BE ADDRESSED**

### **Three Waters Wind Farm**

#### **Abstract**

#### **1 Introduction**

#### **2 Regulatory Framework**

- 2.1 Environmental Report
- 2.2 Permitting Authority and Additional Permits
- 2.3 Public Participation

#### **3 Description of the Proposed Project [Minn. Rule 7849.1500, subp. 1, A]**

- 3.1 Project Description
- 3.2 Project Location
- 3.3 Project Cost and Schedule

#### **4 Description of Project Alternatives [Minn. Rule 7849.1500, subp. 1, B]**

- 4.1 201 MW LWECS
- 4.2 201 MW Solar Farm
- 4.3 No Build Alternative

#### **5 The No Build Alternative**

- 5.1 Impacts
- 5.2 Benefits

#### **6 Human and Environmental Impacts [Minn. Rule 7849.1500, subp. 1, C, D,E]**

- 6.1 Air Quality [Minn. Rule 7849.1500, subp. 2,]
  - 6.1.1 Criteria Pollutants
  - 6.1.2 Hazardous Air Pollutants and Volatile Organic Compounds
  - 6.1.3 Ozone
- 6.2 Water Resources
  - 6.2.1 Water Appropriations [Minn. Rule 7849.1500, subp. 2, G]
  - 6.2.2 Wastewater [Minn. Rule 7849.1500, subp. 2, H]
  - 6.2.3 Groundwater
  - 6.2.4 Surface Water
  - 6.2.5 Wetlands
- 6.3 Solid and Hazardous Wastes [Minn. Rule 7849.1500, subp. 2, I]

- 6.4 Natural Resources
  - 6.4.1 Environmental Setting
  - 6.4.2 Wildlife
  - 6.4.3 Vegetation
  - 6.4.4 Rare and Unique Natural Resources
- 6.5 Human and Social Environment
  - 6.5.1 Demographics
  - 6.5.2 Aesthetic Impact and Visibility Impairment
  - 6.5.3 Shadow Flicker
  - 6.5.4 Facility and Turbine lighting
    - Aircraft detection lighting systems (ADLS)
  - 6.5.5 Noise [Minn. Rule 7849.1500, subp. 2, J]
  - 6.5.6 Property Values
  - 6.5.7 Local Economy
  - 6.5.8 Public Health and Safety
- 6.6 Associated Electrical Facilities and Existing Infrastructure
  - 6.6.1 Associated Electrical Facilities [Minn. Rule 7849.1500, subp. 2, F]
  - 6.6.2 Existing Infrastructure
- 6.7 Fuel Availability [Minn. Rule 7849.1500, subp. 2, E]
- 6.8 Agriculture
  - 6.8.1 Cropland
  - 6.8.2 Livestock
- 7 Availability and Feasibility of Alternatives [Minn. Rule 7849.1500, subp. 1, F]**
  - 7.1 Three Waters Wind Farm
  - 7.2 Generic 201 MW LWECS
  - 7.3 201 MW Solar Farm
  - 7.4 No-build Alternative
  - 7.5 Additional Renewable Alternatives
- 8 Permits [Minn. Rule 7849.1500, subp. 1, G]**

The above outline is not intended to serve as a “Table of Contents” for the ER document, and as such, the organization (i.e., structure of the document) of the information and the data may not be similar to that appearing in the ER.

## ISSUES OUTSIDE OF THE ENVIRONMENTAL REPORT

The Environmental Report will not consider the following matters, as they are addressed in the Large Wind Energy Conversion System (LWECS) Site Permit process (Item 1), they are considered private contractual matters outside the Department's purview (Item 2), and would be outside the appropriate scoping procedures (Item 3):

1. Impacts or mitigative measures associated with specific sites, including specific tower or road locations for the proposed project and alternatives.
2. The negotiation and content of easement agreements by which land owners are paid for property rights, including wind rights.
3. Any alternatives not specifically described in this scoping decision.

## SCHEDULE

The Environmental Report will be completed no later than June 3, 2020. A public hearing will be held in the Project Area before an Administrative Law Judge after the Environmental Report has been issued and notice served.

Signed this 13 day of March 2020

STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE  
DIVISION OF ENERGY RESOURCES



Katherine Blauvelt, Assistant Commissioner