



In the Matter of the Application of Iron Pine Solar, LLC for a Site Permit and Route Permit for the up to 325 MW Iron Pine Solar Project and 230 kV Transmission Line in Pine County, Minnesota

**ENVIRONMENTAL ASSESSMENT
SCOPING DECISION**

DOCKET NOS. IP-7114/GS-23-414, TL-23-415

The above matter has 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 Iron Pine Solar, LLC's proposed 325 megawatt (MW) solar energy project and 230 kilovolt (kV) transmission line in Pine County, Minnesota.

Project Description

On May 15, 2024, Iron Pine Solar Power, LLC (Iron Pine Solar) submitted a joint site and route permit application to the Minnesota Public Utilities Commission (Commission) to construct the Iron Pine Solar Project, an up to 325 MW alternating current photovoltaic solar energy generating facility and connect it to the existing electrical grid.¹

The project would occupy approximately 1,537 acres in Kettle River Township, south of the town of Willow River and northeast of the town of Rutledge in Pine County, Minnesota. The project would use photovoltaic solar panels mounted on single axis tracking systems. Underground collection cables would gather and direct the electric power generated by the solar panels to a project substation. Iron Pine Solar would construct a new 230 kV transmission line and switching station to connect the project substation to the existing Minnesota Power 230 kV Arrowhead-Bear Creek transmission line, approximately one mile from the project substation.²

Construction is anticipated to begin in 2026 and operation anticipated to start in late 2027.³

Project Purpose

The Iron Pine Solar Project would generate up to 325 MW of energy at the Iron Pine solar facility and deliver the power to the Midcontinent Independent System Operator (MISO). The applicant is proposing to construct this facility to sell energy, capacity, and renewable energy credits, either bundled or unbundled, to one or more electric utilities or commercial customers. Iron Pine Solar is actively marketing the project to a number of potential off-takers and may sell the power in the form of a Power Purchase Agreement, virtual power purchase agreement, or similar contract, or the project could be owned directly by a utility.⁴

¹ Iron Pine Solar Project Joint Application to the Minnesota Public Utilities Commission for a Site Permit for a Solar Large Electric Generating Facility and a Route Permit for a High Voltage Transmission Line, May 15, 2024, eDockets Document Nos. 20245-206772-03 through 20245-206772-20; 20245-206773-01 through 20245-206773-20; 20245-206777-01 through 20245-206777-12; and 20245-206778-01 through 20245-206778-18 (Application).

² Application, Section 1.0.

³ Ibid.

⁴ Application, Section 1.1.

Regulatory Background

Per Minnesota Statute 216E.03, no person may construct a large electric generating plant in Minnesota without a site permit from the Commission.⁵ As proposed, the Iron Pine Solar facility would be capable of operating at up to 325 MW and would require a site permit from the Commission. Because the project is powered by solar energy, the site permit application qualifies for Commission review under the alternative permitting process described in Minnesota Statute 216E.04.⁶

Additionally, no person may construct a high voltage transmission line in Minnesota without a route permit from the Commission.⁷ As proposed, the transmission line would consist of approximately one mile of new 230 kV transmission line and therefore requires a route permit from the Commission. Transmission line projects greater than 200 kV and less than 5 miles in length qualify for the alternative permitting process.⁸

Minnesota Statute 216B.243 precludes construction of any large energy facility without a certificate of need (CN) from by the Commission.⁹ Solar energy generating systems proposed by an independent power producer are exempt from a CN.¹⁰ Transmission lines operating at a voltage of 230 kV and less than 10 miles in length do not require a CN.¹¹ Thus, the Iron Pine Solar Project does not require a CN.

Department of Commerce, Energy Environmental Review and Analysis (EERA) staff is responsible for conducting environmental review for site permit and route permit applications submitted to the Commission.¹² EERA staff will prepare an environmental assessment (EA) for the project. An EA contains an overview of the resources affected by the project. It also discusses potential human and environmental impacts and possible mitigation measures. Under the alternative permitting process, an EA is the only required state environmental review document.¹³

Scoping Process

Scoping is the first step in the environmental review process. 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 decision on whether to issue a site permit and route permit for the project.

Staff use the information gathered during scoping to inform the content of the EA. EERA staff gathered input on the scope of the EA through public meetings and an associated comment period. This scoping decision identifies the impacts and mitigation measures that will be analyzed in the EA.

⁵ Minn. Stat. 216E.03 Subd. 1.

⁶ Minn. Stat. 216E.04 Subd. 2 (8).

⁷ Minn. Stat. 216E.03 Subd. 2.

⁸ Minn. Stat. 216E.04 Subd. 2 (4).

⁹ Minn. Stat. 216B.243 Subd. 2.

¹⁰ Minn. Stat. 216B.243, Subd. 8 (7).

¹¹ Minn. Stat. 216B.2421, Subd. 2.

¹² Minnesota Rule 7850.3700.

¹³ Minnesota Statute 216E.04, subd. 5; Minn. Rule 7850.3700, subp. 4.

Public Information and Scoping Meetings

On July 24, 2024, Commission and EERA staff jointly held a public information and scoping meeting in Sandstone, Minnesota, and an on-line meeting was held on July 25, 2024.¹⁴ Approximately 40 people attended the in-person public meeting and five people offered oral comments.¹⁵ Three people attended the on-line meeting and one public agency requested information from the applicant.¹⁶ In addition to the oral comments received at the public meetings, EERA received written comments from three persons.

At the in-person meeting on July 24, 2024:

- James LeBlanc spoke about aesthetics, construction noise, and property values.
- Nancy Banta expressed similar concerns about aesthetics, construction noise, and property values. She also noted concerns regarding public health and loss of wildlife. She questioned who would be using the electricity, what would be the effect on rates, if there would be a financial benefit to the adjacent landowners, and if the land was being leased.
- Rod Eslinger spoke about property values, heat generated from panels affecting adjacent landowners, and the weather.
- Pete Derungs asked about any hazardous materials in solar panels and the potential to affect groundwater.
- Girard Bennet, Willow River Fire Department, asked about local tax funding for the project, fire department access outside the perimeter fence, the potential for a wildfire on site to spread to town; and on-site staff availability in cases of emergency.

Scoping Comment Letters

A comment period ending on August 7, 2024, provided the public with an opportunity to provide written comments on the scope of the EA.

The Minnesota Department of Transportation (MnDOT) submitted a comment letter¹⁷ to bring attention to the following areas of concern:

- Maintaining a visual barrier along I-35 to reduce motorist visual distractions and address other important safety concerns;
- The effect of the project's vegetation removal on the performance of an existing structural snow fence;
- MnDOT's required height clearances for transmission line crossing of trunk highway and Interstate rights-of-way modify those published in the National Electric Safety Code and must be adhered to;
- Installation of electrical transmission triggers the need to protect existing structural snow fences by installing further grounding measures, as per MnDOT 2557 Standard Specification Book; and

¹⁴ Notice, eDockets Document Nos. 20247-208526-01 and 20247-208526-02.

¹⁵ Public Comments, eDocket Document Nos. 20248-209565-01 and 20248-209565-02.

¹⁶ Public Comments, eDocket Document Nos. 20248-209565-03 and 20248-209565-04.

¹⁷ Comments, eDockets Document Nos. 20248-209326-01 and 20248-209326-02.

- Coordination with MnDOT by the applicant for a Utility Permit and other permissions will be required.

LIUNA Minnesota and North Dakota submitted a letter¹⁸ requesting the EA assess the extent to which construction, operation and maintenance jobs are created or preserved by the proposed facility, including priorities recently established by the legislature:

- Employ Minnesota residents and/or individuals who permanently reside within 150 miles of the facility (“local workers” as defined in statute) vs. non-local workers;
- Provide “wages that support families” and respect “the rights of workers to organize and unionize”; and
- Support participation by residents of environmental justice areas and individuals that live in or near facility host communities.

The Minnesota Department of Natural Resources (DNR) submitted a letter¹⁹ requesting the EA assess the project’s potential impacts to the following resources:

- Recreation:
 - The Willard Munger State Trail;
 - Kettle River State Water Trail; and
 - Grant-in-Aid snowmobile trails that pass through the project area, such as trail 187 that runs north to south within the west side of the project area.
- Wildlife, Habitat, and Rare Species:
 - Wild and Scenic River considerations, as the project is adjacent to the Kettle River Wild and Scenic River District;
 - Protection of Wood and Blanding’s turtles, with particular attention to fencing;
 - Protection of State-threatened mussels, including preparation of an avoidance plan, if the project impacts the Kettle River;
 - Bird collision and mortality from concentrated solar thermal devices and collision with transmission lines; and
 - Vegetation management plan, as it relates to chemicals, fertilizers, pollinators, mowing, grazing livestock, and planting of native seed mixes.

Applicant’s Response to Public Comments

On August 7, 2024, Iron Pine Solar responded to comments received prior to August 5, and submitted reply comments on August 14, 2024.²⁰ Iron Pine Solar provided two project updates:

¹⁸ Comments, eDockets Document Nos. 20248-209335-01 and 20248-209335-02.

¹⁹ Comments, eDockets Document Nos. 20248-209338-01 and 20248-209338-02.

²⁰ Iron Pine Comments and Reply Comments, eDocket Nos. 20248-209331-01, 20248-209331-02, 20248-209484-01, and 20248-209484-02.

1. The MISO interconnection process is experiencing delays. Iron Pine Solar is continuing to evaluate the impact of MISO delays on the anticipated timeframe for execution of a Generator Interconnection Agreement. As part of that evaluation, Iron Pine Solar is analyzing battery storage at the point of interconnection. Adding battery storage to the project scope may require additional permits and approvals for the facility.
2. Iron Pine Solar determined that there is a narrow parcel of tax forfeit land between the road right-of-way and a participating parcel that is crossed by the proposed 230 kV transmission line for which Iron Pine Solar did not previously have an easement or other land rights. Iron Pine Solar is coordinating with Pine County to obtain the rights needed for the transmission line crossing of this parcel.

In addition, Iron Pine Solar provided responses to verbal comments made at the public meetings and to written public comments received:

- Iron Pine Solar does not object to the following being studied in the EA:
 - Effects to recreational trails in the area;
 - Maintaining existing vegetation between the project and the I-35 right-of-way; and
 - Considerations identified by LIUNA.
- Iron Pine Solar committed to ongoing coordination with:
 - Neighboring landowners regarding potential visual impacts and construction impacts;
 - Local authorities regarding emergency response;
 - The Northern Pine Riders, the club responsible for maintaining the snowmobile trail MDNR referenced, to re-route the existing snowmobile trail;
 - With MDNR, regarding protected species;
 - The appropriate wildlife agencies to identify locations where marking devices, including avian flight diverters, may be installed; and
 - With MnDOT to minimize the project's impact on blowing snow.
- Iron Pine Solar referenced their joint application regarding the following items:
 - The implementation and maintenance of effective erosion and sediment control measures to protect downstream water quality, including the Kettle River.
 - The project's Vegetation Management Plan includes pollinator-friendly vegetation management practices.

Iron Pine Solar also clarified the project would use photovoltaic modules and would not use concentrated solar thermal devices.

Commission Review

After close of the public comment period, EERA staff provided a letter to the Commission stating no alternative sites were identified for the Iron Pine Solar facility nor alternative routes for the associated

230 kV transmission line.²¹ On August 27, 2024, the Commission authorized EERA to include in the scoping decision for the EA solely the site and route for the project identified by Iron Pine Solar.²²

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 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 proposed project with respect to the siting and routing factors in Minnesota Rule 7850.4100.

The topics listed below will be analyzed in the EA for the project. This outline is not intended to serve as a table of contents for the document itself.

I. GENERAL DESCRIPTION OF THE PROJECT

- A. Project Description
- B. Project Purpose
- C. Project Costs

II. REGULATORY FRAMEWORK

- A. Site Permit
- B. Route Permit
- C. Environmental Review Process
- D. Other Permits and Approvals

III. ENGINEERING, DESIGN, AND CONSTRUCTION

- A. Solar Arrays
- B. Electrical Collection Systems
- C. Substation
- D. Transmission Structures
- E. Switching Station
- F. Construction
- G. Restoration

IV. OPERATION AND DECOMMISSIONING

- A. Maintenance
- B. Vegetation Management

²¹ Letter, eDockets Document No. 20248-209570-01 and 20248-209570-02.

²² Order, eDockets Document No. 20248-209792-01, 20248-209792-02.

C. Repowering and Decommissioning

V. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEASURES

The EA will include a discussion of the human and environmental resources potentially impacted by the project. Potential impacts of the project will be described and characterized. 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 project.

Data and analyses will be commensurate with the level of impact for a given resource and the relevance of the information to consider mitigation measures. 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 EA. Less important material may be summarized, consolidated, or simply referenced.

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

- A. Environmental Setting
- B. Human Settlement
 - 1. Noise
 - 2. Aesthetics
 - 3. Displacement
 - 4. Property Values
 - 5. Zoning and Land Use Compatibility
 - 6. Cultural Values
 - 7. Transportation and Public Services
 - a) Snow Fences
- C. Socioeconomics
 - 1. Environmental Justice
 - 2. Local Economies
- D. Public Health and Safety
 - 1. Electric and Magnetic Fields
 - 2. Emergency Services
- E. Land Based Economies
 - 1. Agriculture
 - 2. Forestry
 - 3. Mining
 - 4. Recreation and Tourism
 - a) State Recreation Trails
- F. Archaeological and Historic Resources
- G. Natural Environment
 - 1. Water Resources
 - 2. Wild and Scenic Rivers
 - 3. Soils

4. Geology
 5. Wildlife
 6. Air Quality
 7. Climate Change / Climate Resiliency
 8. Threatened / Endangered / Rare and Unique Natural Resources
- H. Adverse Impacts that Cannot be Avoided
- I. Irreversible and Irretrievable Commitments of Resources

ISSUES OUTSIDE THE SCOPE OF THE EA

The EA will not address the following topics:

- Any site or route other than the project site and route proposed by the applicant.
- Any system alternative (an alternative to the proposed generation or transmission component).
- Potential impacts of specific energy sources.
- The manner in which landowners are compensated for the project.

SCHEDULE

The EA is anticipated to be completed and available in January 2025. Upon completion, it will be noticed and made available for review. Public hearings will be noticed and held in the project area after issuance of the EA. Comments on the EA may be submitted into the hearing record.

Signed this 3rd day of September, 2024

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE



Pete Wyckoff, Assistant Commissioner

Iron Pine Solar Project Overview Map

