

In the Matter of the Application of Otter Tail
Power Company and Western Minnesota
Municipal Power Agency, through its agent,
Missouri River Energy Services for a Route Permit
for a High Voltage Transmission Line for the Big
Stone South to Alexandria 345 kV Transmission
Project in West-Central Minnesota

ENVIRONMENTAL IMPACT STATEMENT SCOPING DECISION

Docket No. E017, ET10/TL-23-160

The above matter has come before the Commissioner of the Department of Commerce (Department) for a decision on the scope of the environmental impact statement (EIS) to be prepared for the Big Stone South to Alexandria 345 kV Transmission Project in west-central Minnesota.

Project Description

On October 22, 2024, Otter Tail Power Company and Western Minnesota Municipal Power Agency, through its agent, Missouri River Energy Services (hereinafter the applicants), filed a route permit application¹ with the Minnesota Public Utilities Commission (Commission) to construct approximately 91 to 106 miles of 345 kV transmission line using double-circuit capable structures from the Minnesota/South Dakota border, approximately one mile south of Ortonville, Big Stone County, Minnesota, to the existing Alexandria Substation in Alexandria, Douglas County, Minnesota. On December 3, 2025, the Commission found the route permit application to be complete.²

The applicants propose to construct the transmission line within a 150 foot right-of-way using double-circuit capable structures, with a single circuit installed initially and the other circuit remaining open for a future transmission line. The project's steel, monopole structures will be 120 to 180 feet in height with spans ranging from 400 to 1,400 feet. The applicants proposed two possible transmission line routes in each of three regions delineated for the Project: South, Central, and North (Attachment 1, Map 1). The applicants have requested a route width of 1,000 feet, with a few areas requiring a wider or narrower route width.

The Project also includes modifications to the existing Alexandria Substation, southwest of the City of Alexandria, Minnesota and the Big Stone South Substation, in Grant County, South Dakota. In addition, a new fiber optic regeneration station for amplifying and regenerating optical communications between substations is proposed.

¹ Otter Tail Power Company and Missouri River Energy Services. Big Stone South to Alexandria 345 kV Transmission Line Project, Application to the Minnesota Public Utilities Commission for a Route Permit for a High Voltage Transmission Line, October 22, 2024, eDockets Numbers 202410-211322-01 (through -07), hereinafter the Route Permit Application.

² Public Utilities Commission, Order, December 3, 2024, eDockets No. <u>202412-212609-01</u>.

The Big Stone South to Alexandria Project (Project) is the western segment of the larger Big Stone South – Alexandria – Big Oaks 345 kV Transmission Project. A certificate of need for the Big Stone South – Alexandria – Big Oaks Project was issued by the Commission on October 30, 2024.^{3,4}

Project Purpose

The Big Stone South – Alexandria – Big Oaks 345 kV Transmission Project is needed to provide reliable, resilient, and cost-effective delivery of energy as the generation resource mix continues to evolve over the coming years. ⁵ Specifically, the Project is needed to address reliability issues on the existing 230 kV system in eastern North Dakota and South Dakota and in western and central Minnesota. This existing 230 kV system is at its capacity leading to thermal and voltage issues. The Project would resolve these issues by adding a 345 kV circuit to the system in this area.

Regulatory Process and Procedures

The Big Stone South to Alexandria 345 kV Transmission Project requires a route permit from the Commission. Route permit applications are subject to environmental review conducted by Department Energy Environmental Review and Analysis (EERA) staff on behalf of the Commission. EERA will prepare an EIS that will inform the Commission's decision on the applicants' route permit application. The EIS preparation process includes scoping for the EIS, preparation of a draft EIS, public comment on the draft EIS, preparation of a final EIS, and a determination of EIS adequacy.

Scoping Process

The first step in preparing the EIS is scoping. The scoping process has two primary purposes: (1) to gather public input on 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 decision on the route permit application.

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

Public Information and Scoping Meetings

Commission and EERA staff gathered input on the scope of the EIS through six public scoping meetings and an associated comment period as summarized below:

³ Northern States Power Company, Great River Energy, Minnesota Power, Otter Tail Power Company, and Western Minnesota Municipal Power Agency. Big Stone South – Alexandria – Big Oaks Transmission Line Project, Application to the Minnesota Public Utilities Commission for a Certificate of Need for a High Voltage Transmission Line, September 29, 2023, eDockets Numbers 20239-199284-01 (through -05), hereinafter the Certificate of Need Application.

⁴ Public Utilities Commission, Notice of Certificate of Need for the Big Stone South – Alexandria – Big Oaks Transmission Line Project. October 30, 2024, 202410-211465-01.

⁵ Certificate of Need Application, Section 1.3

Date	Location	Approximate Number of Attendees	
January 14, 2025	Alexandria	14	
January 14, 2025	Glenwood	21	
January 15, 2025	Hancock	50	
January 15, 2025	Benson	26	
January 16, 2025	Ortonville	25	
January 16, 2025	Remote-Access	2	

The purpose of the meetings was to provide information to the public about the proposed project, to answer questions, and to allow the public an opportunity to suggest impacts, mitigation measures, and alternatives for analysis in the EIS.

Approximately 138 people attended the public meetings. Twenty-two persons provided verbal comments. Commenters asked questions about the potential impacts to farming, personal property and easements, water quality and wells, as well as many comments on wildlife and natural resources. Commenters also noted concerns with topics such as electric and magnetic fields (EMF), stray voltage, frequency interference, human health, among other topics.

Written Public Comments

A comment period, ending on January 31, 2025, provided the public an opportunity to submit comments to EERA staff on potential impacts and mitigation measures for analysis in the EIS.⁷ Written comments were received during this comment period from one federal agency, two state agencies, two local units of government, one labor union, one private company, and 97 community members. All of these public comments have been compiled and can be viewed in eDockets.⁶

U.S. Fish and Wildlife Service (USFWS)

USFWS comments focused on potential environmental impacts to lands that are part of the National Wildlife Refuge System near the Project. These lands include Waterfowl Production Areas and conservation easement interest lands (habitat easements and wetland easements). The USFWS comments included several alternative routes proposed to minimize potential impacts to these lands.

Minnesota Department of Natural Resources (DNR)

DNR comments focused on potential environmental impacts with a list of their preferred routes and recommendations. The comment included two Natural Heritage Reviews that were completed for the Project and suggested that the EIS refer to these reviews and incorporate steps to minimize or avoid impacts to state-listed species or other rare resources, such as calcareous fens, sites of biodiversity significance, and native plant communities. Additionally, DNR requested the EIS analyze lighting, dust control, and erosion control.

⁶ Big Stone South to Alexandria 345 kV Transmission Project – Scoping comments, eDockets Number 20252-215692-01.

⁷ Public Utilities Commission. Notice of Public Information and Environmental Impact Statement Scoping meetings, December 17, 2024, eDockets Number <u>202412-213102-01</u>.

Minnesota Department of Transportation (MNDOT)

MNDOT comments focused on potential impacts to scenic byways and requested that impacts to the following three scenic byways be discussed in the EIS: King of Trails Scenic Byway, Glacial Ridge Trail Scenic Byway, and Minnesota River Valley National Scenic Byway. MNDOT acknowledged their appreciation of extensive early coordination efforts by the applicants.

Lake Mary Township Board

The Lake Mary Township Board's comments focused on potential impacts to property values, agricultural properties, and associated farming activities. The comments also stated their preference for the route to follow existing rights-of-way.

Local 49 of the International Union of Operating Engineers

Local 49 of the International Union of Operating Engineers commented that while this Project would not provide a substantial amount of work for its members, the projects that this Project would induce would benefit heavy equipment operators. The comment requested that the EIS discuss the potential benefits to their members.

Minnerath Investments LLC

The Minnerath Investments LLC's comments focused on potential impacts to gravel mining operations and associated properties in the vicinity of the Project. The comment requests that the EIS include the following: an assessment of the economic impact of the Project on aggregate availability, operational efficiency, and property values; consideration of alternative routes that minimize impacts on industrial operations; and mitigation measures to address any negative impacts on Minnerath Investments LLC's business.

Other Comments

Community members that submitted written public comments expressed concern about a variety of potential impacts associated with the project, including but not limited to: farming operations, property values, multiple transmission lines on a property, human health/EMF, aesthetics, land use, wildlife and associated habitat, water resources, water quality, and noise. Approximately one-half of the comments expressed a preference for, or displeasure with, a routing option proposed in the route permit application. Commentors also proposed multiple route and alignment alternatives for analysis in the EIS.

Applicants' Response to Scoping Comments

EERA staff conferred with the applicants on the alternatives proposed for study in the EIS and reviewed their response to each proposed routing alternative. The applicants included a list of all of the routing alternatives and whether they believed each should be included in the scope of the EIS along with their justification.

⁸ Minnesota Rule 7850.2500, Subp.3; Applicants Response to Scoping Comments, February 21, 2025, eDockets Number <u>20252-215667-01</u>.

⁹ Ibid. Attachment 1.

Commission Review

On March 19, 2025, EERA staff provided the Commission with a summary of the EIS scoping process. ¹⁰ The summary discussed routing alternatives that were proposed during the EIS scoping process and EERA staff's recommendation to study the applicants' proposed routing alternatives and 20 additional routing alternatives proposed by the public during the scoping comment period. ¹¹ The Commission met on April 10, 2025, to consider EERA staff's recommendation. On May 1, 2025, the Commission agreed with and adopted EERA staff's recommendations on the scope of the EIS and included three additional routing alternatives for analysis in the EIS. ¹²

Routing Alternatives

Commenters recommended one route, six route connectors, 23 route segments, and six alignment alternatives during the scoping process. Of these, the Commission authorized three route connectors, 12 route segments, and five alignment alternatives be included for study in the EIS (Table 1). These alternatives will be included in the scope of EIS. The Commission added three routing alternatives to the scope of the EIS. These routing alternatives are included in Table 1.

Numbers provided after a commenter's name in the "Source" column in **Table 1** coincide with the comment number assigned in the index of scoping comments received.¹³

Table 1 Routing Alternatives Included in the EIS Scope

Name	Мар	Туре	Associated Route	Source
S104	Attachment 1 – Map 2-1	Route Connector	Connects South 1 and South 2 Routes	Pam Rehn #60 and #94
C101	Attachment 1 – Map 2-10	Route Connector	Connects Central 1 and Central 2 Routes	USFWS #48
C102	Attachment 1 – Map 2-7	Route Connector	Connects Central 1 and Central 2 Routes	Lance Mumm #7 Allen Mumm #30
S201	Attachment 1 – Map 2-3	Route Segment	South 2	Brian Hamman #3
S202	Attachment 1 – Map 2-3	Route Segment	South 2	USFWS #48
S203	Attachment 1 – Map 2-3	Route Segment	South 2	Brian Hamman #3
S204	Attachment 1 – Map 2-4	Route Segment	South 1	Roger Schmidt #54

¹⁰ Department of Commerce (March 19, 2025) *Scoping Summary Comments and Recommendations*, eDockets No. <u>20253-216613-01</u>.

¹¹ Ibid.

¹² Commission Order On Route Alternatives For The Environmental Impact Statement, May 1, 2025, eDockets No. <u>20255-</u> 218416.

¹³ Big Stone South to Alexandria 345 kV Transmission Project – Scoping comments, eDockets No. <u>20252-215692-01</u>.

Name	Мар	Туре	Associated Route	Source
S205	Attachment 1 – Map 2-4	Route Segment	South 1	USFWS #48
S207	Attachment 1 – Map 2-1	Route Segment	South 2	USFWS #48
S208	Attachment 1 – Map 2-2	Route Segment	South 1	USFWS #48
S210	Attachment 1 – Map 2-1	Route Segment	South 1	Cathy Klebofski #33
S211	Attachment 1 – Map 2-4	Route Segment	South 1 and South 2	Commission
C202	Attachment 1 – Map 2-10	Route Segment	Central 2	Loren Boysen #8
C203	Attachment 1 – Map 2-8	Route Segment	Central 2	Don/Michele Greiner #51
C208	Attachment 1 – Map 2-7	Route Segment	Central 2	John/Heidi Beyer #27 Daniel/Becky Beyer #28 Norman Beyer #29
N205	Attachment 1 – Map 2-11	Route Segment	North 1	Neal Kalina #39
N206	Attachment 1 – Map 2-11	Route Segment	North 2	Commission
N207	Attachment 1 – Map 2-11	Route Segment	North 2	Commission
SAA01	Attachment 1 – Map 2-6	Alignment Alternative	South 1 and South 2	Lance Mumm #7 Allen Mumm #30
SAA02	Attachment 1 – Map 2-6	Alignment Alternative	South 1 and South 2	Lance Mumm #7 Allen Mumm #30
SAA03	Attachment 1 – Map 2-5	Alignment Alternative	South 1	Nancy Vollmer #37
SAA04	Attachment 1 – Map 2-2	Alignment Alternative	South 2	David Hovde #20
CAA01	Attachment 1 – Map 2-9	Alignment Alternative	Central 2	Scott Johnson #44

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

MATTERS TO BE ADDRESSED

The EIS will describe the project, the existing environment, and the human and environmental resources potentially affected by the project. It will provide information about potential direct and indirect impacts—both positive and negative—resulting from construction, operation, and maintenance of the project. The EIS will describe mitigation measures that could reasonably be implemented to reduce or eliminate identified negative impacts. The EIS will identify impacts that cannot be avoided and irreversible 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 proposed routes with respect to the routing factors in Minnesota Rule 7850.4100.

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 EIS. 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 EIS a statement that such information is incomplete or unavailable and the relevance of the information in evaluating potential impacts or alternatives.

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

I. PROJECT OVERVIEW

- A. Description
- B. Purpose
- C. Costs
- D. Schedule

II. REGULATORY FRAMEWORK

- A. Certificate of Need
- B. Transmission Line Route Permit
- C. Environmental Review
- D. Other Permits and Approvals

III. PROJECT DESIGN AND CONSTRUCTION

- A. Transmission Line Structures
- B. Construction
 - 1. Transmission Line
 - 2. Right-of-Way Requirements
 - 3. Existing Substation Reconfigurations
 - 4. New Regeneration Station
 - 5. Associated Facilities
- C. Operation and Maintenance

1. Restoration and Vegetation Management

IV. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATIVE MEISSURES

- A. Environmental Setting
- B. Human Settlements
 - 1. Noise
 - 2. Aesthetics
 - 3. Displacement
 - 4. Property Values
 - 5. Zoning and Land Use
 - 6. Cultural Values
 - 7. Transportation and Public Services
 - 8. Radio and Television Interference
- C. Socioeconomics
 - 1. Environmental Justice
- D. Land Based Economies
 - 1. Agriculture
 - 2. Forestry
 - 3. Mining
 - 4. Recreation and Tourism
- E. Public Health and Safety
 - 1. Electric and Magnetic Fields
 - 2. Stray and Induced Voltage
 - 3. Emergency Services
 - 4. Implantable Medical Devices
- F. Archaeological and Historic Resources
- G. Natural Environment
 - 1. Air Quality
 - 2. Greenhouse Gas Emissions
 - 3. Climate Change / Climate Resilience
 - 4. Water Resources
 - 5. Wetlands and Calcareous Fens
 - 6. Geology and Soils
 - 7. Vegetation
 - 8. Public and Designated Lands
 - 9. Wildlife and Habitats
 - 10. Rare and Unique Natural Resources
- H. Use or Paralleling of Existing Right-of-Way
- I. Electric System Reliability
- J. Costs that are Dependent on Design and Route
- K. Unavoidable Impacts
- L. Irreversible and Irretrievable Commitments of Resources
- M. Cumulative Potential Effects

V. ROUTING ALTERNATIVES TO BE EVALUATED IN THE ENVIRONMENTAL IMPACT STATEMENT

The EIS will evaluate the routes, route connectors, and route segment alternatives proposed by the applicants in their route permit application. The EIS will also evaluate the routes, route connectors, route segments, and alignment alternatives listed in Table 1 and visually depicted in Attachment 1.

VI. IDENTIFICATION OF PERMITS

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

ISSUES OUTSIDE THE SCOPE OF THE EIS

The EIS will not address the following topics:

- Any routes, route connectors, route segments, or alignment alternatives not specifically identified for study in this scoping decision.
- Project need, including size, type, and timing.
- Policy issues concerning whether utilities or local governments should be liable for the cost to relocate utility poles when roadways are widened.
- The manner in which landowners are compensated for transmission line right-of-way easements.

SCHEDULE

Upon issuance of the EIS scoping decision, preparation of the draft EIS will begin. The draft EIS is anticipated to be completed and made available for review in September 2025. Joint public meetings and hearings, and a written comment period will then occur. Substantive comments on the draft EIS will be responded to and included in a final EIS.

Signed this 6th day of May, 2025

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

te Wyskaff

Pete Wyckoff, Deputy Commissioner

























