

June 2, 2009

VIA E-MAIL

David Birkholz Project Manager Office of Energy Security 85 7th Place East Suite 500 St. Paul, MN 55101-2198

Re: In the Matter of Xcel Energy Application for a Route Permit for the Chisago County to Apple River 115/161 kV High Voltage Transmission Line Project, Wherein the City of Taylors Falls has Made a Request for a Permit Amendment PUC Docket No.: E002/TL-06-1677

Dear Mr. Birkholz:

Enclosed please find the Comments of Northern States Power Company, a Minnesota corporation, in the above-referenced matter. The attached Comments are also being e-filed by posting the same at <u>www.edockets.state.mn.us</u>.

Sincerely,

/s/ Pamela Rasmussen

Pamela Rasmussen Manager, Siting and Land Rights-North

Enclosure cc: Michael Buchite, Mayor, City of Taylors Falls

2361942v1

CERTIFICATE OF FILING

In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy and Dairyland Cooperative for a Route Permit for a 115 kV and 161 kV Transmission Line from Taylors Falls to Chisago County Substation

Docket No. E-002/TL-06-1677

I, Theresa Senart, hereby certify that on the 2nd day of June, 2009, I filed a true and correct copy of the attached Comments of Northern States Power Company by posting the same at <u>www.edockets.state.mn.us</u> in the above-referenced docket.

<u>/s/ Theresa Senart</u>

Theresa Senart

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

David C. Boyd J. Dennis O'Brien Thomas Pugh Phyllis A. Reha Betsy Wergin

Chair Commissioner Commissioner Commissioner

IN THE MATTER OF THE PETITION OF NORTHERN STATES POWER COMPANY D/B/A XCEL ENERGY AND DAIRYLAND COOPERATIVE FOR A ROUTE PERMIT FOR A 115 KV AND 161 KV TRANSMISSION LINE FROM TAYLORS FALLS TO CHISAGO COUNTY SUBSTATION Docket No.: E-002/TL-06-1677

COMMENTS OF NORTHERN STATES POWER COMPANY

INTRODUCTION

On May 12, 2009, the City of Taylors Falls ("the City") filed with the Minnesota Public Utilities Commission ("Commission") a proposal to amend the route permit that the Commission issued on February 20, 2008, to Northern States Power Company, a Minnesota corporation ("Xcel Energy" or "the Company") and Dairyland Power Cooperative for the above-referenced transmission line project. The Commission requested that comments on the City's amendment proposal be submitted by June 2, 2009. Xcel Energy, a co-applicant in the above-referenced matter, submits these comments in response to the City's amendment proposal and respectfully requests that the Commission deny the City's request to amend the route permit.

Contrary to the City's characterizations in its amendment proposal, Xcel Energy kept the City updated regarding the Company's route proposal prior to and during the route permit proceedings before the Commission in the above-referenced matter. Despite having full knowledge and notice of the route as proposed and approved and of the fact that the proposed project and route would be different from the project and configuration in the September 2000 settlement agreement between, *inter alia*, the Company and the City,¹ the City neither participated in the route

¹ The 2000 settlement agreement contemplated construction of a 161 kV transmission line from the Company's Chisago County Substation to the new Lawrence Creek Substation in Taylors Falls, and the upgrade of the Company's existing 69 kV line from the Arden Hills Substation to Lawrence Creek from 69 kV to 115 kV. The project proposed by the Company in its route permit application was a single 115 kV upgrade from Chisago County Substation to Lawrence Creek.

permit proceeding before the Commission nor challenged the Commission's route permit in a timely manner. In its communications with the City, Xcel Energy understood the City to support the proposed and now approved route and configuration for the transmission line, including the overhead segment between Minnesota trunk highway ("TH") 95 and the St. Croix River. Now, more than a year after the permit was issued, the City is attempting to challenge the route permit.

The City is requesting that the Commission amend the route configuration as it is described in the route permit. Specifically, the City is requesting amendments that would require that Xcel Energy (1) start the underground segment of the line at a point just west of county state aid highway ("CSAH") 20; (2) use transition structures that will be 60 feet high on average; (3) continue the underground segment through TH 95 to the west bank of the St. Croix River; and (4) revegetate the unused right-of-way on the face of the bluff in the City.²

The City lacks authority to request the Commission to amend the route configuration in the route permit. Minn. R. 7849.5990 allows a person to request from the Commission an amendment to route permit *conditions* only. All but one of the City's amendment requests seek to change the route *configuration* of the approved transmission line in the route permit. Only the City's revegetation request could conceivably be considered an amendment to the route permit conditions, and Xcel Energy will revegetate the unused right-of-way down the bluff face identified by the City where utility facilities will be removed as needed once the project is complete. It is not necessary to reopen this matter and modify the route permit to ensure that this will be done.

The City's proposed configuration change of locating a 60-foot tall transition structure on the west side of CSAH 20 is not feasible. If a transition structure were located on the west side of CSAH 20 – rather than east of CSAH 20 – it would need to be a single pole almost 100 feet tall, resulting in increased visibility and impacts in that area. Xcel Energy believes the approved 60-foot tall three-pole riser configuration for the transition structure on the east side of CSAH 20 will result in less visual impacts. If the City, however, still wants the transition structure to be located on the west side of CSAH 20, then Xcel Energy is willing to voluntarily place the transition structure on the

² Proposed Route Permit Amendment from the City of Taylors Falls to the Chisago Transmission Project 115/161 kV Transmission Lines, Substation Upgrades and the New Lawrence Creek Substation Route Permit, at pp. 2-3.

west side of CSAH 20, with the understanding that the transition structure would need to be an approximately 100-foot tall, single pole riser in order to be located in that area.

The City's proposed route changes in the vicinity of TH 95 would result in significant wetland impacts³ and would likely not be approved for permitting by the U. S. Army Corps of Engineers ("USACOE"), who has claimed jurisdiction over the wetland east of TH 95 because it is directly connected to the St. Croix River. The USACOE is currently reviewing Xcel Energy's permit application under Section 10 of the Rivers and Harbors Act of 1899 that seeks authorization to cross this wetland and the St. Croix River.

The Company will continue to work directly with the City on the City's issues. If any minor route configuration changes result from the USACOE's permitting process or Xcel Energy's communications with the City regarding the transition structure location near CSAH 20, Xcel Energy will submit these alterations for Commission review.

The remainder of these comments are organized as follows:

- I. The City Lacks Authority to Request Amendments to Route Configuration in a Commission-Approved Route Permit
- II. The City Had Numerous Opportunities to Participate in the Route Permit Proceeding
- III. The City's Proposed Route Amendments in the Vicinity of TH 95 and the St. Croix River Will Result in More Environmental Impacts
- IV. The Proposed Change to the Location of the Transition Structure in the Vicinity of CSAH 20 Was an Attempt to Minimize Visual Impact to the Riverway Area

³ This is supported in the record by both the hearing testimony of Thomas Hillstrom of Xcel Energy who discussed the damage that would result to the wetland if underground construction was pursued east of TH 95 (Evidentiary Hearing Transcript, Vol. 2A, 112:8-113:23 (Sept. 5, 2007)) and the Environmental Assessment, which concluded that undergrounding the transmission line between TH 95 and the St. Croix River would result in both temporary and permanent impacts that could be avoided if the transmission line were constructed overhead (Environmental Assessment, (Aug. 20, 2007) pp. 61).

COMMENTS

I. The City Lacks Authority to Request Amendments to Route Configuration in a Commission-Approved Route Permit

The City lacks the authority to request a change to the route configuration provided in the route permit in the above-referenced matter at this late date. The City states that it submitted its amendment proposal pursuant to Section VI of the route permit in this matter, which generally allows for any person to request the Commission to amend the route permit.⁴ The Commission, however, has previously interpreted this section's boilerplate route permit language to allow for requests to amend route permit *conditions* only (as opposed to requests to amend an approved route or configuration), in accordance with Minn. R. 7849.5990.⁵ Minn. R. 7849.5990 only allows for requests for amendments to route permit *conditions*.⁶ All but one of the City's proposed route permit amendments constitute a change to the approved route and project *configuration*.⁷ Because the City

⁵ See In the Matter of the Request of Mark Zehms for a Route Permit Amendment to the Xeel Energy 161 kV High Voltage Transmission Line in Jay Township in Martin County, Minnesota (hereinafter "Zehms Amendment Matter"), MPUC Docket No. E,PT-6479/MC-05-1328, Order Denying Request for Route Permit Amendment, p. 3 (filed Feb. 6, 2006) (denying petitioner's request to amend route permit by altering the alignment of the proposed transmission line in a manner that would not go through the petitioner's windbreak because specific line alignment is not included within the conditions of the route permit). More recent route permits have modified the language of Section VI to specify that allowed amendment requests pertain to route permit "conditions," which corresponds to the language in Minn. R. 7849.5990 (providing for requests for amendments to route permit "conditions"). See e.g., In the Matter of the Application of Xeel Energy for a Route Permit for the Mary Lake 115 kV Transmission Project, MPUC Docket No. E002/TL-07-1365, Findings of Fact, Conclusions of Law and Order Issuing a Route Permit to Xcel Energy for the Mary Lake 115 kV Transmission Project (filed Sept. 17, 2008) (attaching Route Permit).

⁶ Minn. R. 7849.5980, which allows for an application for minor alterations to transmission lines, also does not apply to the City's amendment proposal as this rule only "authorizes [those] to apply for a minor alteration ... who already have the capacity but simply lack the authority to make the minor alteration [*i.e.*, route permitee]." *See Zehm's Amendment Matter*, Order Denying Request for Route Permit Amendment, p. 4.

⁴ See May 11, 2009 Letter from Michael D. Buchite, Mayor of the City of Taylors Falls, to David Birkholz filing the City's Route Permit Amendment Proposal. The Notice of Permit Amendment Requests issued by the Office of Energy Security ("OES") describes the City's amendment proposal as made pursuant to Minn. R. 7849.5990, which allows for requests to amend route permit conditions only.

⁷ See Proposed Route Permit Amendment from the City of Taylors Falls to the Chisago Transmission Project 115/161 kV Transmission Lines, Substation Upgrades and the New Lawrence

lacks the authority to request the Commission to amend the route configuration in the route permit, Xcel Energy respectfully requests that the Commission deny the City's amendment proposal.

II. The City Had Numerous Opportunities to Participate in the Route Permit Proceeding

Xcel Energy has been in communication with the City regarding this project and Xcel Energy's proposed route configuration prior to, during, and after the route permit proceeding in the above-referenced matter. Despite having full knowledge of the proposed route and project configuration, including the proposed overhead segment from TH 95 over the St. Croix River, and agreeing to participate in the route permit matter in the settlement agreement with Xcel Energy, the City failed to take advantage of numerous opportunities to participate in the route permit proceeding.⁸

In December 2006, approximately one month prior to filing its route permit application in the above-referenced matter, Xcel Energy met with City officials and notified them that despite the provision in the settlement agreement with the City, it did not appear to be feasible to construct the proposed transmission line underground between TH 95 and the west bank of the St. Croix River because of a wetland located in this area. At this meeting, the City appeared to understand the obstacle that the wetland posed to underground construction and to be willing to agree to overhead construction. Xcel Energy understood this and the City's subsequent non-participation in the route permit proceeding to mean that the City supported the overhead segment of the transmission line east of TH 95 since the Company did not receive anything to the contrary in writing from the City.

Creek Substation Route Permit, pp. 2-3 (providing for amendments to at least five provisions that are located outside of the Conditions section of the route permit). The only amendment that qualifies as an amendment to the route permit conditions, is the City's request that the following sentence be included on page 8 of the route permit under the Special Conditions section: "After construction is complete, Permitees must revegetate the unused right-of-way on the face of the bluff in Segment 6, in the City of Taylors Falls." *Id.* at p. 3.

⁸ The Company notes that paragraph 19 of the September 2000 settlement agreement required the City to become and remain a party to the route permit proceeding. However, the City did not file a motion to intervene, and did not participate in the evidentiary proceedings. The City also did not send a representative to present the City's views regarding the settlement agreement or the proposed route at either of the two evenings of public hearings conducted by Administrative Law Judge Lipman. In January 2007, Xcel Energy filed its route permit application with the Commission, proposing overhead construction from TH 95 across the river, of which the City was notified. The City did not come forward to contest the proposed route at that time. In February 2007, the Department of Commerce (now the Office of Energy Security) sent the City a letter inviting it to participate in an advisory task force for the transmission line project, but the City declined to participate in the task force.⁹ In February 2008, the Commission mailed the City a copy of it route determination and permit;¹⁰ the City, however, declined to challenge the route permit by either filing a motion for reconsideration with the Commission or appealing the Commission order approving the route configuration to the Minnesota Court of Appeals.¹¹

The City had the opportunity to participate in the Commission's route permit proceeding but declined to do so despite having full knowledge of the proposed route configuration of the transmission line near and within its city limits. As explained more fully below, the City's concerns, expressed to the Commission at this late date, are more appropriately addressed directly between the City and Xcel Energy.

III. The City's Proposed Route Amendments in the Vicinity of TH 95 and the St. Croix River Will Result in More Environmental Impacts

As communicated to the City prior to Xcel Energy filing its route permit application with the Commission, Xcel Energy discovered that undergrounding the transmission line between TH 95 and the St. Croix River poses significant complications. Between TH 95 and the St. Croix River, there is basalt bedrock formation, which is generally less than five feet from the surface. Burying the transmission line through this formation would present significant difficulties. Basalt is extremely hard bedrock; blasting may be necessary because trenching or directional bores may not be possible.

⁹ See Letter from David Birkholz of the Department of Commerce to the City of Taylors Falls and Other Cities Inviting Them to Participate in Advisory Task Force (Feb. 23, 2007).

¹⁰ See Order Granting Certificate of Need, Granting Route Permit, and Deferring Action on Portion of Route Permit Application Pending Negotiations and Further Filings (Feb. 20, 2008).

¹¹ See e.g., Minn. R. 7829.3000 (providing for petition to Commission for rehearing, amendment, vacation, reconsideration, or reargument 20 days from the relevant Commission decision or order); Minn. Stat. § 216E.15 (providing that challenges to a route permit must be filed with the Minnesota Court of Appeals within 30 days after the publication in the State Register of notice of the issuance of the permit by the Commission or the filing of any final order by the Commission).

Even if blasting a trench for the transmission line was physically feasible, the surrounding rock may not provide a suitable thermal setting for the operation of an underground 161 kV transmission cable.

Also, the area between TH 95 and Chisago Street consists of a deep marsh wetland that would make trenching or directional boring in this area infeasible. Because there is standing water, trenching through this wetland would necessitate either temporarily draining the entire wetland, or constructing coffer dams and draining a 30-foot wide strip of wetland, either of which would require coordination with the USACOE, local regulatory officers and obtaining a dewatering permit. Moreover, as there appears to be bedrock within five feet of the surface within this wetland, trenching would not be feasible through this wetland. Directional boring through this wetland is also not feasible because of the mucky texture of the soil. Additionally, given the elevation differential between TH 95 and Chisago Street, a steep entry angle would be required to cross under the wetland, which is likely not feasible. This steep entry angle and deep track depth makes it very likely that bedrock would be hit, which would further preclude a directional boring option.

It thus appears that blasting would be the construction technique required to construct in this area, which would result in environmental impacts.¹² Environmental review of the area between TH 95 and the St. Croix River was completed in the Environmental Assessment in this Docket, which sufficiently assessed the environmental impacts that would result in this area from either underground or overhead construction.¹³ Both the Company's testimony and the Environmental Assessment support that because of the presence of the wetland and basalt bedrock east of TH 95,

¹² The record includes photographs of the construction techniques required to install underground concrete transmission line vaults. Schedule 5 of Direct Testimony of Michael P. Dunham of Xcel Energy (July 13, 2007). Those photographs show the disruption to the surface area required to install such vaults in an accessible public right-of-way. The Company believes the blasting required to install such concrete vault structures between TH 95 and the St. Croix River would be more complicated (and damaging) than the blasting required to install City utilities in the area. City Amendment Proposal at pp. 5-6. The Company believes such extensive blasting would be inconsistent with concern for the integrity of the river valley. City Amendment Proposal at p. 5.

¹³ Environmental Assessment, p. 61,

underground construction in that area would result in environmental impacts.¹⁴ These environmental impacts can be avoided by constructing the transmission line overhead in this area.

Xcel Energy has outlined the above information in its application to the USACOE, who has claimed jurisdiction over the wetland between TH 95 and the St. Croix River, for a Section 10 permit.¹⁵ Xcel Energy has notified the City of its permit application to the USACOE. The USACOE's review will also include additional evaluation of the environmental impacts from construction in this area. The Commission, therefore, need not and should not modify the approved route configuration or require additional study of environmental impacts in the TH 95 area in this Docket at this time.

IV. The Proposed Change to the Location of the Transition Structure in the Vicinity of CSAH 20 Was an Attempt to Minimize Visual Impact to the Riverway Area

The City has always expressed to Xcel Energy the City's concern about minimizing visual impacts in the St. Croix River Valley and avoiding pole structures that would be taller than the tree line and visible for a great distance. The Company's approved configuration near CSAH 20 reflects those concerns. In Xcel Energy's March 26, 2009 letter to the City,¹⁶ Xcel Energy explained to the City that locating the transition structure on the west side of CSAH 20 (as contemplated by the settlement agreement) would not lessen visual impacts because right-of-way limitations on the west side would require the use of a single riser pole at least 98 feet in height, as opposed to the single 60 foot transition structure desired by the City.¹⁷ During Xcel Energy's siting process, it was determined that there is enough right-of-way east of CSAH 20 to install a three-pole riser configuration, keeping the riser height to approximately 60 feet and better concealing it within the wooded area.

¹⁴ Hillstrom Hearing Testimony, Vo. 2A, 112:8-113:23; Environmental Assessment, at 61.

¹⁵ See Section 10 Permit Application for Xcel Energy's Chisago County to Apple River Transmission Line Project (Apr. 16, 2009) (Attachment A).

¹⁶ This letter is attached to the City's route permit amendment proposal to the Commission.

¹⁷ See Route Permit Application (Jan. 5, 2007), Figures 3-9 and 3-10, pp. 27-28 (depicting a 161 kV 105-120-foot single-pole riser transition structure and a 161 kV 65-80-foot three-pole riser transition structure).

The Company, therefore, proposed locating the transition structure on the east side of CSAH 20 to allow for a shorter transition structure to minimize visual impacts in the St. Croix River Valley. If the City decides that it would still like the Company to place the transition structure on the west side of CSAH 20, Xcel Energy will voluntarily agree to do so with the understanding that the transition structure would necessarily consist of an approximately 98-foot single-pole riser structure on the west side of CSAH 20 rather than the shorter structures on the east side of CSAH 20. The Company continues to believe, however, that the Commission-approved route and configuration better achieve the City's goals of preserving the integrity of the St. Croix River Valley and avoiding installation of facilities that would be visible above the tree line.¹⁸

CONCLUSION

Xcel Energy respectfully requests that the Commission deny the City's route permit amendment proposal. The City lacks the authority to make its requests for route configuration changes to the Commission. The City was fully informed of the proposed route and had the opportunity to participate in the Commission's route permit process and challenge the route permit in a timely manner but did not do so, despite the requirements of the September 2000 settlement agreement. Xcel Energy is willing to work directly with the City on the concerns that it has raised regarding the location of the riser near CSAH 20, pursuant to the procedures set forth in the settlement agreement. Additional environmental review in this proceeding of the area between TH 95 and the St. Croix River is unnecessary. Xcel Energy will seek Commission review if any minor route or configuration changes result from the USACOE's permitting process for the facilities east of TH 95 or Xcel Energy's communications with the City regarding the transition structure location near CSAH 20.

¹⁸ The Company notes that a meeting of the Steering Committee contemplated by Paragraph three of the 2000 settlement agreement is scheduled for June 8, 2009, and the Company will discuss the CSAH 20 riser location issue with the City at that meeting.

Dated: June 2, 2009 Northern States Power Company, a Minnesota corporation

Respectfully submitted,

James P. Johnson Assistant General Counsel Xcel Energy Services Inc. 414 Nicollet Mall – 5th Floor Minneapolis, MN 55401 (612) 215-4592

<u>/s/ Catherine A. Biestek</u> Michael Krikava (#182679)

Catherine A. Biestek (#351088) Briggs and Morgan, P.A. 2200 IDS Center Minneapolis, MN 55402 (612) 977-8400

Attorneys for Northern States Power Company, a Minnesota Corporation

2361854v1



May 4,2009

Mr. Dan Seemon Department of the Army Corps of Engineers St. Paul District, Attn: PO-R 190 Fifth Street East, Suite 401 St. Paul, MN 55101-1638

Dear Mr. Seemon:

Attached please fmd one Section 10 permit application for Xcel Energy's Chisago County to Apple River Transmission Line Project; this should replace the application that was sent to your office on April 16,2009. The project includes crossing COE jurisdictional waters at the St. Croix River crossing north of Taylor Falls. The application includes a signed and completed ENG FORM 4345, seven pages of additional project information and nine pages of supporting maps and figures. I have also attached a record of a meeting we had in 2007 where we discussed the project.

The information provided in this application is complete and accurate to the best of our knowledge. If additional information is needed, or if you have any questions or concerns regarding the information supplied, please contact me at the address or numbers provided. Thank you for your prompt processing of our application, and we look forward to the opportunity to work with you to complete this project.

Sincerely.

Tom Hillstrom Permitting Analyst (612) 330-6538 thomas.g.hillstrom@xcelenergy.com

APPLICATION FOR DEPARTMENT OF THE ARMY PERMIT	OMB APPROVAL NO. 0710-0003
(33 CFR 325)	Expires December 31,2004

The public reporting burden for this collection of information is estimated to average 10 hours per response, although the majority of applications should require 5 hours or less. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Service Directorate of Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302 and to the Office of Management and Budget, Paperwork Reduction Project (0710-0003), Washington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RÉTURN your form to either of those addresses. Completed applications must be submitted to the District Engineer having jurisdiction over the location of the proposed activity.

PRIVACY ACT STATEMENT

Authorities: Rivers and Harbors Act, Section 10, 33 USC 403: Clean Water Ad, Section 404, 33 USC 1344; Marine Protection, Research, and Sanctuaries Act, Section 103, 33 USC 1413. Principal Purpose: Information provided on this form will be used in evaluating the application for a permit. Routine Uses: This information may be shared with the Department of Justice and other federal, state, and local government agencies. Submission of requested information is voluntary, however, if information is not provided, the permit application cannot be processed nor can a permit be issued.

One set of original drawings or good reproducible copies which show the location and character of the proposed activity must be attached to this application (see sample drawings and instructions) and be submitted to the District Engineer having jurisdiction over the location of the proposed activity. An application that is not completed in full will be returned.

(ITEMS 1 THRU 4 TO BE FILLED BY THE CORPS)				
1. APPLICATION NO.	2. FIELD OFFICE CODE	3. DATE RECEIVED	4. DATE APPLICATION COMPLETED	
	(ITEMS BELOW TO BE	FILLED BY APPLICANT)		
5. APPLICANT'S NAME		8. AUTHORIZED AGENT'S NAME AND TITLE (an agent is not required)		
Xcel Energy (Tom Hillstrom)				
6. APPLICANT'S ADDRESS		9. AGENT'S ADDRESS		
414 Nicollet Mall Minneapolis, MN 5540	1-1993			
7. APPLICANT'S PHONE NUMBERS WITH AREA CODE		10. AGENT'S PHONE NUMBERS WITH AREA CODE		
a. Residence		a. Residence		
b. Business (612) 330-65	538	b. Business		
11. STATEMENT OF AUTHORIZATION				

I hereby authorize

to act in my behalf as my agent in the processing of this application and to furnish, upon request, supplemental information in support of this permit application.

APPLICANT'S SIGNATURE	DATE
NAME, LOCATION AND DESCR	IPTION OF PROJECT OR ACTIVITY
12. PROJECT NAME OR TITLE (see instructions)	
Chisago County to Apple River Transmission Line	Project
13. NAME OF WATERBODY, IF KNOWN (if applicable)	14. PROJECT STREET ADDRESS (if applicable)
St. Croix River	
15. LOCATION OF PROJECT	7
Chisago Minnesota	
COUNTY STATE	
16. OTHER LOCATION DESCRIPTIONS, IF KNOWN (see instructions)	
The Section 10 river crossing is located in Sections	s 19, 24, 25, and 30 of Township 34N, Range 19W.
17. DIRECTIONS TO THE SITE	
The St. Croix River crossing is located just north of	f the city of Taylor Falls. Go north on Highway 95 from

Highway 8 out of Taylor Falls for approximately 0.7 miles. The river crossing location is identified on the attached figures.

Nature of Activity (Description of project, *include* all features)
Please see section 18 of the attached AdditionalInformation

19. Project Purpose (Describe the reason orpurpose of the project, see instructions)

Please see section 19 of the attached AdditionalInformation

USE BLOCKS 20-22 IF DREDGED AND/OR FILL MATERIAL IS TO BE DISCHARGED

20. Reason(s) for Discharge

 $Please \ see \ section \ 20 \ o \ f \ the \ attached \ Additional \ Information$

21. Type(s) of Material Being Discharged and the Amount of Each Type in Cubic Yards

Please see section 21 of the attached Additional Information

22. Surface Area in Acres of Wetlands or Other Waters Filled (see instructions)

Please see section 22 of the attached Additional Information

23. Is Any Portion of the Work Already Complete? Yes _____ No ____ IF YES, DESCRIBE THE COMPLETED WORK

24. Addresses of Adjoining Property Owners, Lessees, etc., Whose Property Adjoins the Waterbody (if more than can be entered here, please attach a supplemental list).

Not applicable

SIGNATURE OF APPLICANT

25. List of Other Certificationsor Approvals/Denials Received from other Federal, State, or Local Agencies for Work Described in This Application						
	AGENCY	TYPE APPROVAL'	IDENTIFICATION NUMBER	DATE APPLIED	DATE APPROVED	DATE DENIED
	Please see	Table 1 in the	attached additional	information		

*Would include but is not restricted to zoning, building and flood plain permits

26. Application is hereby made for a permit or permits to authorize the work described in this application. I certify that the information in this application is complete and accurate. I further certify that I possess the authority to undertake the work described herein or am acting as the duly authorized agent of th applicant.

5/4/09

SIGNATURE OF AGENT

DATE

The application must be signed by the person who desires to undertake the proposed activity (applicant) or it may be signed by a duly authorized agent if the statement in **block 11** has been filled out and signed.

18 U.S.C. Section 1001 provides that: Whoever, in any manner within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals, or covers up any trick scheme, or disguises a material fact or makes any false, fictitious or fraudulent statements or representations or makes or uses any false writing or document knowing same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10.000 or imprisoned not more than five years or both. Blocks 1 through 4. To be completed by Corps of Engineers.

Block **5.** Applicant's Name. Enter the name of the responsible party or parties. If the responsible party is an agency, company, corporation, or other organization, indicate the responsible officer and title. If more than one party is associated with the application, please attach a sheet with the necessary information marked Block **5**.

Block **6.** Address of Applicant. Please provide the full address of the party or parties responsible for the application. If more space is needed, attach an extra sheet of paper marked Block 6.

Block **7.** Applicant Telephone **Number(s)**. Please provide the number where you can usually be reached during normal business hours.

Blocks 8 through 11. To be completed, if you choose to have an agent

Block **8.** Authorized Agent's Name and Title. Indicate name of individual or agency, designated by you, to represent you in this process. An agent can be an attorney, builder, contractor, engineer, or any other person or organization. Note: An agent is <u>not</u> required.

Blocks 9 and 10. Agent's Address and Telephone Number. Please provide the complete mailing address of the agent, along with the telephone number where he / she can be reached during normal business hours.

Block 11. Statement of Authorization. To be completed by applicant, if an agent is to be employed.

Block **12.** Proposed Project Name or Title. Please provide name identifying the proposed project, *e.g.*, Landmark Plaza, Burned Hills Subdivision, or Edsall Commercial Center.

Block **13.** Name of Waterbody. Please provide the name of any stream, lake, marsh, or other waterway to be directly impacted by the activity. If it is a minor (no name) stream, identify the waterbody the minor stream enters.

Block **14.** Proposed Project Street Address. If the proposed project is located at a site baving a street address (not a box number), please **enter** it here.

Block **15.** Location of Proposed Project. Enter the county and state where the proposed project is located. If more space is required, please attach a sheet with the necessary information marked Block 15.

Block **16.** Other Location Descriptions. If available, provide the Section, Township, and Range of the site and I or the latitude and longitude. You may also provide description of the proposed project location, such as lot numbers, tract numbers, or you may choose to locate the proposed project site from a known point (such as the right descending bank of Smith Creek, one mile downstream from the Highway 14 bridge). If a large river or stream, include the river mile of the proposed project site if known.

Block **17**, Directions to the Site. Provide directions to the site from a known location or landmark. Include highway and street numbers as well as names. Also provide distances from known locations and any other information that would assist in locating the site.

Block **18.** Nature of Activity. Describe the overall activity or project. Give appropriate dimensions of structures such as **wingwalls**, dikes (identify the materials to be used in construction, as **well** as the methods by which the work is to be done), or excavations (length, width, and height). Indicate whether discharge of dredged or fill material is involved. Also, identify any structure to be constructed on a fill, piles, or float-supported platforms.

The written descriptions and illustrations are an important part of the application. Please describe, in detail, what you wish to do. If more space is needed, attach an extra sheet of paper marked Block 18.

Block **19.** Proposed Project Purpose. Describe the purpose and need for the proposed project. What will it be used for and why? Also include a brief description of any related activities to be developed as the result of the proposed project. Give the approximate dates you plan to both begin and complete all work.

Block **20.** Reasons for Discharge. If the activity involves the discharge of dredged and/or fill material into a wetland or other waterbody, including the temporary placement of material, explain the specific purpose of the placement of the material (such as erosion control).

Block **21.** Types of Material Being Discharged and the Amount of **Each** Type in Cubic Yards. Describe the material to be discharged and amount of each material to be discharged within Corps jurisdiction. Please be sure this description will agree with your illustrations. Discharge material includes: rock, sand, clay, concrete, etc.

Block **22.** Surface Areas of Wetlands or Other Waters Filled. Describe the area to be filled at each location. Specifically identify the surface areas, or part thereof, to be filled. Also include the means by which the discharge is to be done (backhoe, dragline, etc.). If dredged material is to be discharged on an upland site, identify the site and the steps to be taken (if necessary) to prevent runoff from the dredged material back into a waterbody. If more space is needed, attach an extra sheet of paper marked Block **22.**

Block **23.** Is Any Portion of the Work Already Complete? Provide any background on any part of the proposed project already completed. Describe the area already developed, structures completed, any dredged or fill material already discharged, the type of material, volume in cubic yards, acres filled, if a wetland or other waterbody (in acres or square feet). If the work was done under an existing Corps permit, identity the authorization, if possible.

Block **24.** Names and Addresses of Adjoining Property Owners, Lessees, etc., Whose Property Adjoins the Project Site. List complete names and full mailing addresses of the adjacent property owners (public and private) lessees, etc., whose property adjoins the waterbody or aquatic site where the work is being proposed so that they may be notified of the proposed activity (usually by public notice). If more space is needed, attach an extra sheet of paper marked Block 24.

Information regarding adjacent landowners is usually available through the office of the tax assessor in the county or counties where the project is to be developed.

Block 25. Information about Approvals or Denials **by** Other Agencies. You may need the approval of other federal, state, or local agencies for your project. Identify any applications you have submitted and the status, if any (approved or denied) of each application. Yon need not have obtained all other permits before applying for a Corps permit.

Block **26.** Signature of Applicant or Agent. The application must be signed by the owner or other authorized party (agent). This signature shall be an affirmation that the party applying for the permit possesses the requisite property rights to undertake the activity applied for (including compliance with special conditions, mitigation, etc.).

DRAWINGS AND ILLUSTRATIONS

General Information.

Three types of illustrations are needed to properly depict the work to be undertaken. These illustrations or drawings are identified as a Vicinity Map, a Plan View <u>or</u> a Typical Cross-SectionMap. Identify each illustration with a figure or attachment number.

Please submit one original, or good quality copy, of all drawings on 8% x 11 inch plain white paper (tracing paper or film may be substituted). Use the fewest number of sheets necessary for your drawings or illustrations.

Each illustration should identify the project, the applicant, and the type of illustration (vicinity map, plan view, or **cross**-section). While illustrations need not be professional (many **small**, private project illustrations are prepared by hand), they should be clear, accurate, and contain all necessary information.

ADDITIONAL INFORMATION APPLICATION FOR ARMY CORPS OF ENGINEERS SECTION 10 PERMIT XCEL ENERGY -- CHISAGO COUNTY TO APPLE RIVER

XCEL ENERGY - CHISAGO COUNTY TO APPLE RIVER TRANSMISSION LINE UPGRADE PROJECT

Block 18. NATURE OF ACTIVITY

Xcel Energy is proposing to upgrade approximately 18 miles of the existing 69 kV transmission line from the Chisago County Substation to the St. Croix Falls Substation in St. Croix Falls, Wisconsin to a 115 kV and 161 kV transmission line. Approximately 380 feet of the project crosses the St. Croix River, a Section 10 River. The information in this application concerns the section of the transmission line between TH 95 and the St. Croix Falls Substation.

The project was permitted through a Minnesota Public Utilities Route Permit process. The outcome of that process specifies the project's route and configuration including whether the line will be constructed above ground or underground in specific areas. Figure 1 shows the general location of the project.

St. Croix River Crossing

As determined in the route permit process, the rebuilt 161 kV transmission line is proposed to be constructed underground (buried within a concrete duct bank) from the top of the bluff (CSAH 20) to the base of the bluff, east of TH 95.

From TH 95 to the St. Croix Falls Substation on the east side of the river, the proposed line will be constructed aboveground. Xcel Energy will use overhead transmission lines to cross the St. Croix River in the general vicinity of existing transmission poles, replacing the existing structures. The proposed overhead line will be designed to minimize as much as possible the number of structures within the wetland located to the west of the St. Croix River. The St. Croix River Crossing is located in sections 24 and 25 of Township 34N, Range 19W and sections 19 and 30 of Township 34N, Range 18W.

The transition structure on the east side of TH 95 (Structure 31) is proposed to be a triple shaft, self-supported, self-weathering steel structure (Figure 2) with two davit arms per shaft for support of the cable terminators to transition to the overhead structures. Xcel Energy proposes to use three shafts to reduce the height of the structure and self-weathering steel to blend into the landscape. The first three structures east of the transition structure (Structures 32, 33, and 34) will be approximately 56 to 60 feet tall and each will be an H-frame configuration (Figure 3). At each edge of the river crossing, H-frame structures will be used (Structures 35 and 36), with an approximate height of 50 feet and a span over the river of approximately 600 feet (Figure 4). The height of the

structures on the west and east side of the river will be approximately 14 and 6 feet lower than the existing structures, respectively.

As part of the rebuild, Xcel Energy will remove the existing overhead transmission line and all existing distribution lines from the west bluff. At the river crossing, the Project would result in a net reduction of 10 wires crossing the river (the removal of 15 existing wires crossing the river and installation of three conductors and **two** shield wires). A jurisdictional wetland is located east of TH 95 and west of Highway 16/Chisago St. Discussions with the Corps of Engineers (COE) determined that this wetland is directly connected with the St. Croix River and therefore any impacts associated with the proposed project would need to be addressed in the application to the COE. Wetland delineations were conducted in September 2007 and a delineation memo was provided to the COE. The eastern and western wetland boundaries are identified on Figures 5 and 6. There are no wetlands on the Wisconsin side of the river crossing; the two poles on the Wisconsin side will be placed in the existing paved lot of the St. Croix Falls Substation and within the substation.

Figures 7 and 8 show the plan and profile view of this crossing, from TH 95 to the St. Croix Falls Substation. Figure 9 shows the proposed structure locations on an aerial photo. Figure 7 shows the locations of the existing and proposed structures, as well as the delineated boundaries of the wetland located between TH 95 and Highway 16/Chisago St. As shown on Figure 8, Structures 31 and 32 are proposed to be constructed in wetland and the lowest point of the transmission line conductors will be approximately 43 feet over the high water level of the St. Croix River; this is 7.7 feet higher than the existing lowest point of the transmission line conductors that currently cross the river and 23.7 feet above the existing distribution lines that cross the river, which will be removed due to the project.

Construction methods

No construction activities will occur within the river itself. Construction activities at the locations of the poles will include use of drilling equipment, cranes and bucket trucks. The 3-pole transition structure (Structure 31) will be installed on 6.5-foot diameter, 30-foot deep drilled concrete pier foundations. The H-frame structures (Structures 32 through 36) will be installed by direct-embedment in Class 5 rock. Construction methodology for the direct embedded structures involves using an auger to remove soil and rock material for the foundations. The poles are placed in the augered hole and the annular space filled with gravel. Any excess material will be hauled off-site. In order to minimize disturbance associated with pole removal, existing structures within the wetland will be cut off at ground level, and the above-ground portion will be removed from the site.

In accordance with the Minnesota Pollution Control Agency's National Pollutant Discharge Elimination general permit, the Applicant will prepare a storm water pollution prevention plan (SWPPP) prior to beginning construction. The SWPPP will contain all the required information to be employed during construction to protect topsoil and adjacent water resources, and to minimize soil erosion and trap it before it reaches surface water resources. Xcel Energy construction crews or an Xcel Energy contractor will comply with local, state, National Electrical Safety Code (NESC) and Xcel Energy standards regarding clearance to ground, clearance to crossing utilities, clearance to buildings, ROW widths, erection of power poles and stringing of transmission line conductors.

Xcel Energy will minimize tree felling and shrub removal near the St. Croix River by removing only trees that would impact the safe operation of the facility. Areas disturbed due to construction activities would be restored to pre-construction contours. Reseeding will occur in a timely manner using a seed mix certified to be free of noxious weeds. Final seed mixes will be coordinated with the landowner.

Environmental Impacts and Mitigation

Structure 31 would require approximately 118 square feet of permanent wetland fill. This includes the area for the three structure foundations (each with a 6.5 foot diameter) as well as an approximately 2 foot by 3 foot concrete duct bank on the west side of each structure, housing the conductors. Figure 2, Section B-B shows the cross section of the foundation and duct bank for Structure **31**. The total fill volume placed within the wetland for the structure foundations will be approximately 110 cubic yards.

A small area of temporary wetland impact associated with construction of the underground to overhead transition will occur on the east side of Highway 95. This construction will require placement of equipment in the wetland fringe, a directional bore and a small excavation. Any excavated soil will be contained in accordance with the SWPPP, and storage of excavated soil within wetland boundaries **vvill** be minimized to the extent feasible. Restoration of any temporary wetland disturbance will consist of replacing excavated wetland soils, grading to pre-construction contours, seeding with a wetland seed mix and finishing with erosion control blankets.

Structure 32 would require 25 square feet of permanent wetland fill (the area of the two structure foundations). The total fill volume placed within the wetland for the structure foundation will be approximately 10 cubic yards.

Swan flight diverters will be installed on the shield wires across the St. Croix River crossing to minimize conflicts with avian movement.

During construction, limited ground disturbance (approximately 2,000 square feet per replaced structure) at the structure sites may occur. Temporary impacts associated with construction will be minimized through use of best management practices. Specific practices that may be implemented include timing of work to occur during *dry* periods or winter and the use of construction mats to minimize vegetation and ground disturbance. Staging areas for temporary storage of materials and equipment, as required for the project, will be established away from the river. Disturbed areas **vvill** be restored to their original condition to the maximum extent practicable. Post-construction reclamation

activities will include removing and disposing of debris and employing appropriate erosion control measures to prevent sediment fiom reaching the rivers.

Block 19. PROJECT PURPOSE

Today, the Chisago County-Polk County-northern Washington County area is served by a 69-kilovolt (kV) transmission system. This portion of the electric grid is powered from three sources: the Chisago County substation near North Branch, MN, the Arden Hills substation in Arden Hills, MN, and the Apple River substation north of Amery, WI. Xcel Energy and Dairyland Power design their electric transmission system so that if any one of those power sources is interrupted, customers can still be served from the remaining two. However, electric demand in this area has grown to the point where that is no longer the case. Today, if any one of the power sources is interrupted, some customers will see power outages or low-voltage conditions. Low voltage can damage equipment such as motors and air conditioners.

To improve electric reliability to the level our customers require, Xcel Energy and Dairyland Power propose to upgrade parts of this system to the next level of transmission voltage. Upgrading of 69 kV lines to 115 kV or 161 kV is part of the normal evolution of the transmission system. As population and electric use grow, 69 kV lines must be upgraded to the next level of voltage to maintain reliability standards. In Minnesota, 69 kV and 115 kV are the customary load-serving transmission voltages; in Wisconsin, 69 kV and 161 kV are the customary load-serving transmission voltages.

Project Alternatives

Xcel Energy considered various alternatives including a new 230 kV line and rebuilding the existing 69 kV line. Building a separate transmission line was rejected because it did not seem advisable to construct an entirely new line along a different right-of-way when an existing liie was available; additionally, it would add five new conductors/shield wires at the St. Croix River Crossing. Xcel Energy has designed the line to minimize as feasible the number of structures in the wetland between TH 95 and Chisago St./Highway 16. Due to the location of Minnesota Department of Transportation (MnDOT) right of way east of TH 95, which is adjacent to the wetland boundary (Figures 7 and 9), it was not possible to place the transition structure, Structure 31, out of the wetland. Moving Structure 31 west into the MnDOT right of way would necessitate moving the transition structure uphill, which would increase its top elevation, increasing its visibility and going against the general commitments made in the Route Permit to minimize the visibility of the rebuilt line. Additionally, placing the structure in MnDOT right of way has the potential to result in future wetland impacts if MnDOT requires Xcel Energy to move the structure out of their right of way. The No Build alternative would not address the reliability concerns for the region.

Project Schedule

Xcel Energy anticipates starting construction spring 2010, after obtaining all required permits. The company anticipates the construction will take approximately one year and

that the entire line will be energized to 115 kV and 161 kV sometime in the first half of 2011.

Block 20. REASONS FOR DISCHARGE

As discussed above in the Project Alternatives and in Block 18, Xcel Energy is proposing to construct along the existing right-of-way to minimize the number of wires at the St. Croix River Crossing and to minimize visual impacts on the bluff. The fill in the wetland between TH 95 and Highway 16 will be to support two structures: one 3-pole underground to overhead transition structure (Structure 31) and one two-pole H-Frame transmission line structure (Structure 32).

Block 21. Type of material being Discharged and Amount

By following the existing right-of-way, the route crosses a wetland between TH 95 and Highway 16. As such, wetland fill will be required for Structure 32. Please see the summary of materials and amount summarized in the table below:

Table 1. Summary of Wetland Pill

Structure	Material	Amount	Surface Area ¹
32	Class 5 rock	10 cubic yards	25 square feet
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¹Surface area is the area of the foundations at grade.

Block 22. SURFACE AREA OF WETLANDS FILLED

The H-frame structure (structure 32) will be directly embedded into the ground. Direct embedding will require a hole 10.5 feet deep and 4 feet in diameter that is augered. The hole is then partially filled with crushed rock and the pole is set on top of the rock base. The area around the pole is then backfilled with crushed rock and/or soil. Construction mats are also placed in wet or soft soil locations and narrow ditches to minimize disturbances. These mats can also provide access to sensitive areas during times when the ground is not frozen to minimize impacts at the site.

Once the structures are set, holes are back-filled with the excavated material, native soil or crushed rock. In poor soil conditions, a galvanized steel culvert is sometimes installed vertically with the structure set inside. *All* excess soil will be removed from the wetland area and disposed of off site in non-wetland areas.

Block 25. INFORMATION ABOUT APPROVALS OR DENIALS BY OTHER AGENCIES

Table 2 lists other permits and/or approvals that are being applied for as part of the Project. As part of the Minnesota Route Permit process, Xcel coordinated with the National Park Service (NPS) regarding the St. Croix River Crossing. This portion of the

river is designated as the St. Croix National Scenic Riverway (Riverway). The St. Croix River's scenic and recreational qualities are one of the primary factors in its inclusion in the WSR Act. The WSR Act requires management agencies to protect and enhance the values that caused them to be eligible for inclusion in the National Wild and Scenic Rivers System. The NPS manages the Upper Riverway and the NPS, Minnesota Department of Natural Resources (MnDNR) and Wisconsin DNR jointly manage the Lower Riverway. The Lower St. Croix River is protected in Minnesota under the WSR Act of 1968 and the Minnesota Wild and Scenic Rivers Act, specifically the Lower St. Croix Wild and Scenic River Act (Minnesota Statutes § 103F.351) The route crosses the Lower St. Croix Riverway, and the river is managed as a recreational river at this point. Although it is administered by the NPS and the MnDNR, the Riverway is not a state or national park. Impacts to the visual character of the St. Croix River will be avoided by utilizing an existing crossing location and reducing the number of lines crossing the river.

Additionally, the viewshed will be improved by the fact that the transmission line will be buried from the top of the west bluff to TH 95. There are currently two parallel cleared corridors approximately 100 feet apart that cut through the wooded bluff slope. Where the existing transmission and distribution lines currently share the southern cleared corridor, the existing transmission line will be replaced with the new underground transmission line, and the distribution will be buried from the top of the bluff to HWY 95. Since the underground transmission line will be required in the southern corridor, some tree clearing for construction will be required in addition to a permanent corridor free of trees at ground level above the buried transmission line.

In the long term, it is expected that the tree canopy will completely fill in the northern cut and the southern cut will substantially fill in despite the need to keep the ground level clear of woody vegetation. Through coordination with the NPS and DNR throughout the route permit process, the mitigation measures described above were found by these agencies to be an overall improvement to the scenic qualities of the river at this location. The NPS sent a letter to the Minnesota Department of Commerce, approving the proposed river crossing plans.

Table 2. List of Permits

Jurisdiction	Type of Approval	Status		
Local Approvals				
Chisago County	Utility Permit	Pending		
City of Taylor Falls	Driveway Permit	Pending		
	Minnesota State Approvals			
MN Public Utilities Commission	Certificate of Need	Approved		
MN Public Utilities Commission	Route Permit	Approved		
MN DNR – Lands and Minerals	License to Cross Public Waters	Pending		
MN DNR – Lands and Minerals	Public Water Works Permit	Pending		
Mn/DOT	Utility Permit (Highway Crossing)	Pending		
МРСА	NPDES Permit	Pending		
Federal Approvals				
US Army Crops of Engineers	Section 10 Permit (Navigation)	Pending		
US Army Corps of Engineers	Section 404 Approval (Fill in wetlands)	Pending		
Wisconsin State Approvals				
Public Service Commission of WI	Certificate of Public Convenience & Necessity	Approved		





<u>A PHASE</u>

<u>B</u> PHASE

C PHASE

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Section 10 Permit Application

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