

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Application of Northern
States Power Company d/b/a Xcel Energy
And Dairyland Power Cooperative for a
Route Permit for a 115kV and 161kV
Transmission Line from the Chisago
County Substation through Taylors Falls/St.
Croix Falls to the Apple River in Wisconsin.

PUC Docket: E-002/TL-06-1677

**AFFIDAVIT OF BILL NEUMAN CONCERNING THE TAYLORS FALLS
PROPOSED ROUTE PERMIT AMENDMENT**

STATE OF MINNESOTA)
) ss.
COUNTY OF CHISAGO)

Bill Neuman, after being duly sworn on oath, states and deposes as follows:

1. I am a resident of Chisago County and have been party to events surrounding the Chisago Project since the initial utility application in 1996.
2. I was appointed to the Minnesota Environmental Quality Board Citizens Advisory Task force in 1996. The Task Force ultimately became a formal party to the proceedings (MEQB Docket No. NSP-TR-4). I represented the Task Force through approximately 26 days of contested case proceedings (OAH Docket No. 7-290-11843-4), developing a hearing record for the 1996 application. I further represented the Task Force through a lengthy nine-day mediation proceeding between the intervening parties. The utilities withdrew the 1996 application before it would have received a negative recommendation. NSP then approached the parties with the idea of mediation as a preferred way to resolve Chisago Project routing issues through the St. Croix River Valley.
3. Participants in the mediation process included Northern States Power Company, Dairyland Power Cooperative, Taylors Falls, St. Croix Falls, Concerned River Valley Citizens, MEQB Task Force, Minnesota Department of Public Service, and Minnesota Environmental Quality Board. Staff from the two Minnesota agencies attended all mediation sessions as observers of the process. The Office of Administrative Hearings assigned then Administrative Law Judge Phyllis Reha to assist the parties through the mediation process. Then MEQB staffer and currently Manager of Energy Facility Permitting for the Minnesota Public Utilities Commission, Robert Cupit, attended mediation sessions.
4. Mediation ultimately resulted in a signed Settlement Agreement (Agreement) between the cities of Taylors Falls and St. Croix Falls and Northern States Power Company – Minnesota, Northern States Power Company – Wisconsin, and Dairyland Power Cooperative. The Agreement was signed by representatives of both cities and by representatives of the three utilities effective September 13, 2000.

5. The Agreement was available to Public Utility Commissioners prior to their issuance of the Routing Permit. The Settlement Agreement was entered as Exhibit #218 in the following dockets: MPUC Docket Nos. E-002, ET3/CN-04-1176 (CON); E-002, ET3/TL-06-1677 (Route); and OAH Docket No. 8-2500-17840-2. In addition, Vol. 1a of the hearing record of September 4, 2007 indicates PUC staffers Bret Eknes and Bob Cupit were present for the testimony of Chisago Project Manager Michael Dunham, during which the Settlement Agreement was entered into the record and during which testimony regarding the Settlement Agreement was taken.

6. The importance of sticking to the Settlement Agreement cannot be overstated. The reasons to negotiate a Settlement Agreement in the first place are not unlike the issues that have locked the Stillwater Bridge Proposal in litigation for a quarter century. The St. Croix National Scenic Riverway is not just some routing impediment that can be harmed without drawing serious opposition. A primary purpose of developing the specific language in the Settlement Agreement (and holding the parties to the Agreement) was to find a way to permit construction of a power line through the valley on an existing corridor, minimize scenic viewshed impacts to the National Scenic Riverway, cross the St. Croix River in the least intrusive manner, and avoid the kind of litigation we have witnessed with the Stillwater Bridge.

7. Every party that participated in the mediation process understood that visible scenic impacts to the St. Croix National Scenic Riverway and to Taylors Falls and St. Croix Falls, both immediately adjacent to (and visible from) the Riverway required siting and routing considerations (specifically undergrounding) that would not apply in most other locations. Of the various parties that publicly advocated for adoption of a settlement agreement, including NSP, Dairyland and ALJ Reha, the reasons for undergrounding, as stated in the Agreement, were to protect the St. Croix River Valley landscape. With this understanding, a small writing group consisting of Jordan Hemaïdan (representing NSP), Jeffrey Landsman (representing Dairyland), Diane Gerth (representing Concerned River Valley Citizens), and Bill Neuman (representing the Task Force) met to draft preliminary language for an agreement. After Jordan Hemaïdan revealed additional agreements existed between the cities and the utilities that would not be included in the Settlement Agreement, CRVC and the Task Force declined to sign any agreement. The final Settlement Agreement of September 13, 2000 between the cities and utilities was drafted by NSP attorney Jordan Hemaïdan.

8. The Taylors Falls Proposed Route Permit Amendment should be granted. The terms of the Settlement Agreement provide a basis for protecting the St. Croix National Scenic Riverway. The application and subsequent positions of NSP and Dairyland conflict with the signed Settlement Agreement. If the order stands without amendment, natural and scenic resources within the St. Croix National Scenic Riverway will be irreparably harmed.

9. NSP and Dairyland have taken the position that it is more important to limit impacts to the designated wetland between Highways 95 and County 16 than to limit impacts to the National Scenic Riverway. They are wrong. In addition, overhead installation in this area will directly impact a designated Minnesota Scenic Byway. The St. Croix Scenic Byway runs along County 16 and would be visually impacted by the transition structures.

10. It is important to understand the nature of the wetland in question and to determine whether there are undergrounding alternatives that will prevent harm to the Riverway. First, the wetland is a recent one and the following photos demonstrate the wetland could not have existed before 1964:

*The following 1938 aerial photo on page 4 was supplied by the Taylors Falls Historical Society. The aerial photo shows the area of the modern wetland was solid land with trees and rocks in 1938.

*The first photo on page 5 shows a March 4, 1925 image of a railroad turntable looking south across the area which is occupied by the modern wetland. The second photo on page 5 shows the area of the present day wetland in October of 1964. The area is completely forested/vegetated and shows a man standing alongside the remnants of a discarded railroad engine smoke jack dating from the time the entire "wetland" was a railroad freight and switching yard. Both photos on page 5 are from the book *The Taylors Falls & Lake Superior Railroad* by Richard E Thompson and Steven J. Monson.

*The map on page 6 was prepared by the Taylors Falls Historical Society and shows the extent of the Taylors Falls Railroad Yard that extended across the area that is the modern wetland. The map shows there were buildings and sidings that carried railroad engines and cars over a considerable area well north of the power line corridor and there is not a sign of wetland during the railroad era that ended after World War II.

*The photo on page 7 shows the circa 1905 excavation by Northern States Power in the area immediately east of the modern wetland. The image is taken from the south, looking north. The St. Croix River is to the right in the photo and the modern wetland is to the left of the excavation. The wetland does not exist at the time of the excavation.

11. There are present options to stick to the Settlement Agreement and underground the power line all the way to the hydroelectric dam. If the applicants are inclined to miss the wetland all together that would be possible by constructing the power line underground, jogging slightly south to Maple Street, slightly east on Maple and north on County 16 to the proposed corridor. The entire distance required to miss the wetland would be about a city block. I am told by Taylors Falls representatives that this would also move construction from an area of water and potentially rock to an area where the substrata is comprised of peat, thereby making construction easier.

12. The Taylors Falls Proposed Route Permit Amendment should be granted in its totality.

Further your affiant sayeth not.

Dated: June 2, 2009

Bill Neuman
Bill Neuman

Signed and sworn to before me this
20 day of June, 2009.

Kim A. Paetzl
10/30/2011







This bird's eye view of the turntable at Taylors Falls was captured on film on March 4, 1925. The photographer climbed the ladder on the engine house to get this excellent view of the railroad facilities looking south. Notice the car of coal spotted along side the turntable lead track. The engine's tender would be positioned next to the coal car, and then the engine house watchman would shovel what must have seemed like several tons of coal into the tender. The coal track was slightly elevated, but not nearly enough, and the poor watchman probably didn't shovel more than he absolutely had to. The building on the left is the stockyard shelter shed. Cattle loading was generally done on the far left siding, but an additional cattle loading chute more accessible can be seen on the left. Farther to the left are some warehouses and a local coal facility. A large lumberyard is far off in the center along side the long spur that was originally extended for the St. Croix Lumber Company. In the foreground is a pile of cinders and ashes from various locomotives that tied up here for a layover.
Iron Horse Central Museum collection

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Bob Thompson standing by the discarded engine house smoke jack in October of 1964. This area is flooded today, but perhaps it is still out there.
Photo by Richard E. Thompson

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Central Taylors Falls historic transportation, trails, paths, railroad facilities



