

PP-63

(PP-63-2
Amend.)

4-14-92

DEPARTMENT OF ENERGY
Fossil Energy
[Docket No. PP-63-2]

ORDER
AMENDING PRESIDENTIAL PERMIT PP-63
ISSUED TO

NORTHERN STATES POWER COMPANY

BACKGROUND

On June 10, 1991, Northern States Power Company (NSP) applied to the Department of Energy (DOE) to amend the Presidential permit in Docket No. PP-63 issued on March 6, 1979. The facilities previously authorized by Presidential Permit PP-63 consist of one 500,000 volt (500-kV) overhead transmission line which crosses the U.S.-Canadian international border approximately seven and one half miles west of Warroad in Roseau County, Minnesota, and extends approximately 200 miles south of the Canadian border to an existing substation in the vicinity of Forbes, Minnesota.

In its application, NSP proposes to increase the electricity transfer capability between Canada and the U.S. by constructing a new 80-acre substation midway along the existing 500-kV line in Roseau County, Minnesota, and by upgrading the existing Forbes, Chisago, Kohlman Lake, and Red Rock substations.

The proposed Roseau County Substation would contain two 41.5 ohm series capacitor banks. In addition, static VAR compensators and a 500-kV ring bus would be installed at the existing Forbes Substation. Approximately 5 acres would be added to the 30-acre

Forbes site to house the additional equipment. Also, a second 500/345-kV transformer would be installed at the Chisago County Substation as part of this project.

In 1989 agreements were reached, providing for long-term (20-year) diversity exchange arrangements among NSP, United Power Association (UPA), and the Manitoba Hydro-Electric Board (MHEB). The agreements are designed to take advantage of the seasonal load diversity existing between the summer-peaking U.S. systems and the winter-peaking MHEB system. Under these arrangements NSP and UPA will each exchange 150 megawatts (MW) seasonally with the MHEB during the 1995-2014 time period. To facilitate the exchanges, it was agreed to increase the existing Manitoba-to-U.S. transfer capability by 300-400 MW. Although construction of a new 230-kV or 345-kV line between the MHEB and the U.S. initially was anticipated, it was decided, after technical studies were completed, that the increase in transfer capability could be accomplished by enhancements to the existing system.

The proposed alterations will enable both utilities to meet projected demand for electric power. Eventually, NSP and the MHEB plan not only to export 400 MW to the United States during the summer months, but also to export 400 MW to Canada during the winter months to meet the MHEB's peak electrical demand.

Notice of the application from NSP for amendment of the Presidential permit was placed in the Federal Register on July 22, 1991, (56 FR 33423) stating that any person desiring to be heard or to make any protest with reference to the application should file with the DOE a petition to intervene or protest in accordance with the Rules of Practice and Procedure (18 CFR 1.8 and 1.0) on or before August 21, 1991. No comments, protests, or petitions to intervene were received.

The DOE has prepared an environmental assessment (EA) (DOE/EA-0587) which assesses the potential environmental impacts associated with granting or denying the amendment to the existing Presidential permit that would allow NSP to undertake activities associated with upgrading its 500-kV line. Based on the information contained in the EA, the DOE has determined that the proposed action clearly would not constitute a major Federal action which could significantly affect the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. 4321, et seq. The DOE has prepared a Finding of No Significant Impact dated April 14, 1992, which documents the rationale supporting this finding.

FINDINGS

Based on the information contained in the EA prepared by the DOE, it was determined that the granting of the proposed amendment

would not result in significant effects on the quality of the human environment and, hence, a Finding of No Significant Impact was issued on April 14, 1992. This action satisfies the requirements of the National Environmental Policy Act of 1969.

After a review of factors relating to electric system reliability, the Office of Fuels Programs' (OFP) staff recommended on February 27, 1992, that the proposed project as described above would not adversely impact on the reliability of the U.S. electric power supply system as long as the rate of energy transmission from MHEB to NSP does not exceed 1850 MW. This limit was demonstrated in the applicant's submission and was approved by the Mid-Continent Area Power Pool's Design Review Committee at its November 12, 1991 meeting. The OFP staff also recommended that the granting of the amendment should be conditioned on a continuation of the present operating practices.

The Secretary of State by letter dated March 30, 1992, and the Secretary of Defense by letter dated April 2, 1992, favorably recommended that the request for amendment be granted as hereinafter provided.

ORDER

A. Pursuant to Executive Order No. 10485, as amended, Article 2, of the Presidential permit issued by the DOE in Docket PP-63 on

March 6, 1979, is hereby amended by the addition of the following paragraphs:

1. The new Roseau County Substation to be constructed on an 80-acre site at approximately the midpoint of the existing 500-kV transmission line and which would occupy an area of approximately 800 feet by 800 feet directly under the 500-kV line;

2. Series capacitors at the new Roseau County substation and at the existing Chisago County Substation, the southern terminus of the 500-kV line;

3. Static VAR compensators and a 500-kV ring bus at the existing Forbes substation and the addition of approximately 5 acres to this substation to accommodate this equipment;

4. A second 500/345-kV transformer at the existing Chisago County Substation; and,

5. Shunt capacitors at NSP's existing Kohlman Lake and Redrock substations.

B. Pursuant to Executive Order No. 10485, as amended, Article 12, of the Presidential permit issued by the DOE in Docket PP-63 on March 6, 1979, is hereby amended by the addition of the following paragraphs:

The following conditions shall apply to the construction at the

proposed Roseau County and the Forbes substation sites and during upgrading at Chisago County, Red Rock and Kohlman Lake substations. In the event that NSP is unable to comply substantially with one or more of these conditions, NSP shall file with DOE a statement of reasons justifying such failure and requesting waiver of condition at least 15 (fifteen) days before commencing any action in violation thereof.

a) Runoff - NSP shall control any runoff during construction and operation of the substations.

b) Wetlands at Roseau County site - The substation shall completely avoid wetlands that are present.

c) Rare species - Species on the State of Minnesota's list of rare species are found in the general vicinity of Roseau County (sandhill crane) Chisago County (Blanding's turtle), and Kohlman Lake (Blanding's turtle). Known habitats of these species are located a sufficient distance away from the sites to avoid impacts; however, NSP shall provide relevant information to site supervisors.

d) Cultural resources - NSP shall provide properly trained site supervisors so that, if artifacts are discovered, appropriate mitigation measures can be implemented.

C. Pursuant to Executive Order No. 10485, as amended, Article 14, of the Presidential permit issued by the DOE in Docket PP-63 on March 6, 1979, is hereby amended by the addition of the following paragraph:

The facilities described in Article 2 will be designed and operated in accordance with the applicable criteria established by the Mid-Continent Area Power Pool, and consistent with those of the North American Electric Reliability Council. The subject facilities shall be operated under the terms and conditions set forth in the NSP Diversity Exchange Agreement between NSP and Manitoba Hydro dated February 1, 1991, until April 30, 2019. Furthermore, the existing 500-kV transmission line initially authorized by Presidential Permit PP-63 shall be operated in the import mode at power transfer levels not to exceed 1850 MW. This operating limit is predicated on installation of the facilities identified in Article 2 and NSP must obtain approval by DOE for operation at this level in the event any or all of those facilities are not constructed or that they are permanently removed from service in the future.

Issued in Washington, D.C., April 14, 1992.



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