



David R. Moeller, Senior Attorney – Legal Services

Fax 218-723-3955 / E-mail dmoeller@allete.com

RECEIVED

March 23, 2011

MAR 23 2011

VIA U.S. MAIL & EMAIL

PUBLIC SERVICE COMMISSION

Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 E. Boulevard Ave., Dept. 408
Bismarck, North Dakota 58505-0480

RE: Bison 1 Wind Project
Oliver/Morton Counties
Siting Application
Case No. PU-09-151

Dear Mr. Nitschke:

Please find attached Minnesota Power's report regarding an environmental incident and follow-up regarding the above-referenced case pursuant to PSC Order Point 25.

Please let us know if you have any questions.

Sincerely,

David R. Moeller

kl
Enc.

c: Ron Gullicks, Minnesota Power
Jim Atkinson, Minnesota Power
Dave Schmitz, Minnesota Power
Todd Simmons, Minnesota Power

110 PU-09-151 Filed: 3/23/2011 Pages: 5
Environmental incident report

Allete, Inc.

David Moeller

Minnesota Power

Environmental Incident Report

**Bison 1 Wind Project
Oliver/Morton Counties
Siting Application
PSC Case No. PU-09-151**

Name of Permittee and Project: Minnesota Power – Bison 1 Wind Project

Property Location: Morton County
NW ¼ Section 10, T 140 N R 86 W
Minnesota Power Wind Tower #33

Date of Event: March 19, 2011

Nature of Event: Transformer for wind turbine #33 overheated for unknown reasons. Approximately 185 gallons of mineral oil spilled into concrete pit and some absorbed by adjacent crushed rock and gravel.

Name of Person Receiving Information of Event: Todd Simmons

Name of Person Reporting to the PSC: David Moeller

Phone Number of Person Reporting to the PSC: 218-723-3963

Action Taken: Incident reported to the North Dakota Department of Health and North Dakota Department of Emergency Services on March 19, 2011. Oil contained. Environmental cleanup actions and investigation of cause continues.

From: William Fraundorf (ALLETE)
Sent: Saturday, March 19, 2011 12:40 PM
To: Todd Simmons (MP); Dave Schmitz (ALLETE)
Cc: Brad Oachs (MP); Al Rudeck Jr. (MP); Pat Mullen (MP); Amy Rutledge (MP); Ron Gullicks (MP); Jim Atkinson (ALLETE); Tom Pustovar (ALLETE); Blake Francis (ALLETE); Maggie Thickens (ALLETE)
Subject: FW: Environmental Incident Report

Greetings,

Attached is a completed North Dakota Department of Health Environmental Incident form that I submitted a few minutes ago.

The Report is in reference to the failure of the transformer associated with Bison 1 wind turbine # 33.

The situation is controlled and contained and cleanup is well underway.

Any question related to environmental response may be directed to myself or to Bison 1 Manager Todd Simmons.

Sincerely,
William J. Fraundorf REP
ALLETE/Minnesota Power
Environmental Compliance Specialist Sr
wfraundorf@allete.com
(218) 720-2517
Cell: (218) 343-1317

From: Todd Simmons (MP)
Sent: Saturday, March 19, 2011 12:32 PM
To: William Fraundorf (ALLETE)
Subject: FW: Environmental Incident Report

Todd Simmons
Operations Manager
Allete Renewable Resources

Bison O&M Building
5198 30th street
New Salem, ND 58563
tsimmons@mnpower.com
(701) 843-6102 Office
(701) 426-7820 Cell

From: aharries@nd.gov [mailto:aharries@nd.gov]
Sent: Saturday, March 19, 2011 12:26 PM
To: sradig@nd.gov; cerickso@nd.gov; rdisney@nd.gov; dahall@nd.gov; christysmith@nd.gov;

croob@nd.gov; stillots@nd.gov; btorgers@nd.gov; tpoppe@nd.gov; jkangas@nd.gov; kijohnson@nd.gov; gaberret@nd.gov; dcameron@nd.gov; dfewless@nd.gov; cjanders@nd.gov; aharries@nd.gov; kroberts@nd.gov; sstockdill@nd.gov; ssuggs@nd.gov; jegrosz@nd.gov; nbartels@nd.gov; hhubrig@nd.gov; gbracht@nd.gov; msauer@nd.gov; toclair@nd.gov; t bachman@nd.gov; jsemerad@nd.gov; cthorstenson@nd.gov; wkern@nd.gov; dbergsag@nd.gov; dglatt@nd.gov; ajohnson@nd.gov; ccain@nd.gov; tlundquist@nd.gov; jestrada@nd.gov; jkwanner@nd.gov; pflander@nd.gov; mabata@nd.gov; mslee@nd.gov; ecotto@nd.gov; sladams@nd.gov; mfischer@nd.gov; cjpetererson@nd.gov; jmichael@nd.gov; jheckman@nd.gov; amckay@nd.gov; crcarlson@nd.gov; kpavlish@nd.gov; lkok@umdhu.org; jbitz@nd.gov; rdeboer@nd.gov; sdyke@nd.gov; bgunners@nd.gov; twiedric@nd.gov; nddes@nd.gov; slwalters@nd.gov; bnesemeier@nd.gov; blakeschaan@nd.gov; dclark@umdhu.org; thaak@grandforksgov.com; dstreitz@grandforksgov.com; mlarson@grandforksgov.com; bbergman@grandforksgov.com; rklockmann@grandforksgov.com; dhuseby@cityoffargo.com; mschacher@cityoffargo.com; MOBerglund@cityoffargo.com; richard_grosz@fws.gov; micah_reuber@fws.gov; R8_RRC@epamail.epa.gov; Todd Simmons (MP); Todd Simmons (MP)

Subject: Environmental Incident Report

Location Information

Location of Incident (County/Township/Range/Section/Q/QQ/QQQ):

Morton / / / / /

Description of Incident Location: NW 1/4 Section 10, T 140 N R 86 W

Distance to Nearest Occupied Building: 1 Miles

Incident Information

Date and Time of Incident: 3/19/2011 at 0725

Type of Incident: Spill of Non-PCB Mineral Oil

Duration of Incident/Release: 10 minutes

Estimated Volume of Release: 235 gallons

Description of Substance of Concern: NON-PCB mineral oil. Name-plated as No PCBs. ~185 gal to concrete box & ~ 50 gal to crushed rock/gravel.

Agriculture Related: No

On Extremely Hazardous Substance List: No

Cause of Incident: The transformer for wind turbine # 33 over-heated for reasons unknown at this time. The transformer is located over a sealed concrete wire pit which captured about 185 gallons of NON-PCB mineral oil. About 50 gallons was released to the adjacent crushed rock and gravel. Oil is contained.

Action Taken and Recommended/Planned Future Action: The NON-PCB mineral oil was immediately contained by the sealed concrete wire box located below the transformer (~185 gallons). About 50 gallons of NON-PCB mineral oil was released to, and contained by, crushed rock and gravel. Actions to isolate the unit and to ensure scene safety began immediately after discovery at 0725. I was notified of the event at 0910. I reported the event to the North Dakota Department of Health after-hours receptionist at 0933 and requested a call back from ND Department of Health Waste Management staff. Additional Minnesota Power staff from Center, ND were called in to assist. Cleanup is ongoing at this time. Most spilled oil remains as free oil in the concrete pit and is being pumped out into drums. Equipment is being mobilized to remove the crushed rock and gravel that contains oil. A sealed roll-off was delivered at 1150 today.

Where Will the Recovered Wastes be Disposed: The recovered NON-PCB mineral oil will be managed as a Used Oil wastestream by TRI-B, or another local area licensed Used Oil Marketer. The oily crushed rock and gravel as well as any oily absorbents will be disposed at the Bismarck MSW landfill following a confirmation phone call by Minnesota Power Bison 1 staff to MSW Landfill Manager Joe Keeler. The transformer will undergo routine investigation and review processes with eventual metals recovery for re-use/recycling.

Impact Information

Fatalities: 0

Injuries: 0

Medium Affected: 05 - air and soil

Risk Evaluation: Environmental, health and safety risk due to the released oils is low. Oils were always contained. Char indicates that an arc or fire, of unknown duration, occurred which may have released some NON-PCB mineral oil soot to the air. The arc/fire is out with no remaining associated risk.

Potential Environmental Impacts: An arc, or fire of unknown duration apparently occurred. Combustion of the NON-PCB mineral oil may have released some soot to the air. Crushed rock and gravel adjacent to the transformer contained the oil that went beyond the concrete pit.

Responsible Party Information

Responsible Party: Minnesota Power

Contact Address: 5198 30th Street

City: New Salem

State: ND

Zip: 58563

Contact Person: Todd Simmons

Contact Telephone: (701) 426-7820

Contact Email: tsimmons@mnpower.com

Property Owner (if not the Responsible Party): Leslie and Jacqueline Doll

Has or Will the Incident be Reported to Property Owner: Yes

Reporting Information

Reported By: William Fraundorf

Date and Time of Notice: 3/19/2011 at 0933

Other Agencies That Have or Will be Notified:

Dept Health Notified Morton County

Has or Will This Incident be Reported to the NRC: No

Agency Person Who Received Call:

DEM Incident Number:

This Report Also Emailed to:

tsimmons@mnpower.com