

PIPELINE ROUTING PERMIT

For A

NATURAL GAS PIPELINE

IN

DAKOTA AND RAMSEY COUNTIES

ISSUED TO

NORTHERN STATES POWER COMPANY

D/B/A

XCEL ENERGY

PUC DOCKET No. G002/GP-05-1706

In accordance with the requirements of Minnesota Statutes 116I.015 and Minnesota Rules Chapter 4415, this Pipeline Routing Permit is hereby issued to:

NORTHERN STATES POWER COMPANY

D/B/A

XCEL ENERGY

Northern States Power Company d/b/a Xcel Energy is authorized by this permit to construct and operate approximately 2.5 miles of new 20-inch (outside diameter) natural gas pipeline and associated facilities in Dakota and Ramsey Counties along the route identified in this Routing Permit and in compliance with the conditions contained in this Permit.

Dated: _____

BY THE ORDER OF THE COMMISSION

BURL A. HAAR

Executive Secretary

(SEAL)

I. PIPELINE ROUTING PERMIT

The Minnesota Public Utilities Commission (PUC) hereby issues this Pipeline Routing Permit to the Northern States Power Company d/b/a Xcel Energy (hereinafter "the Permittee") pursuant to Minnesota Statutes 116I.015 and Minnesota Rules, Chapter 4415 to construct and operate a natural gas pipeline and associated facilities approximately 2.5 miles long that will begin at the Mendota Regulator Station in the southeast quadrant of the interchange between Interstate Highway 35E and Minnesota Highway 13 in Mendota Heights, pass through Lilydale (Dakota County) and end at the High Bridge facility on the north shore of the Mississippi River near downtown St Paul (Ramsey County). See Attachment 2.

The proposed pipeline will have an outside diameter of 20 inches and an operating pressure of 650 pounds per square inch gauge (psig). The pipeline will be buried underground and primarily within existing rights-of-way in the cities of: Mendota Heights and Lilydale (Dakota County); and St. Paul (Ramsey County).

II. PROJECT DESCRIPTION

The natural gas pipeline authorized to be constructed in this Permit consists of approximately 2.5 miles of new 20-inch outside diameter steel pipe to transport natural gas. The proposed natural gas pipeline and associated facilities are designed to have a maximum capacity of 148.8 million cubic feet per day (Mcf) The minimum throughput design is 76.8 Mcfd. The normal operating pressure of the pipeline and associated facilities will be 650 pounds per square inch gauge (psig). The pipeline is more specifically described in the Xcel Energy High Bridge Generating Plant Conversion Project Application for Pipeline Routing Permit dated November 8, 2005.

III. DESIGNATED ROUTE

The pipeline route designated by the Public Utilities Commission by this Permit is shown in Attachment 3 and described as follows:

From the south terminus of the project at the Mendota Regulator Station, the pipeline will be directionally-drilled northward to a point approximately 400 feet northeast of the Pool and Yacht Club in Lilydale. The elevation change from the Mendota Regulator Station to the exit point near the yacht club is over 100 feet, which will necessitate a deep, curving pathway for the drill shaft. An alternative approach may be selected by Xcel if warranted, which would utilize an open trench following Lilydale Road's curving alignment down the bluff, a bore section under the BNSF railroad tracks, and then open trenching northeast up to the existing electric transmission line easement.

From the Pool and Yacht Club in Lilydale, the pipeline will be constructed with open trenching for approximately 5,900 feet, running northeast along Lilydale Road/Water Street to a gravel parking lot west of Pickerel Lake in Lilydale Regional Part. Two remaining directional drill sections will both originate from a point approximately 1,300

feet northeast of the northeast corner of Pickerel Lake. One section will be drilled due north under the Mississippi River, exiting near the north side of the existing coal pile on the High Bridge plant site. The pipeline under the river is to be installed approximately 30 feet below the river bed. The final drilled section will head southwest under the northern edge of Pickerel Lake, exiting at the northeast end of the gravel parking lot at the lake's edge.

IV. RIGHT-OF-WAY LOCATION

The route designated is depicted on aerial photos on file with the PUC that are a part of the Xcel Energy application for a pipeline routing permit and administrative record in this proceeding.

The authorized route is shown on the map attached hereto as Attachment 2.

The designated route includes a variable width of up to 500 feet within which the actual right-of-way for the pipeline can be selected by the Permittee in order to accommodate landowner requests and to minimize impacts.

V. PUC REVIEW OF PLAN AND PROFILE AND RIGHT-OF-WAY SPECIFICATIONS

At least 14 days before right-of-way preparation begins on any segment of the pipeline, the Permittee shall provide the PUC with a plan and profile of the right-of-way and the specifications and drawings for right-of-way preparation, construction, cleanup, and restoration for the segment for which construction is scheduled. The Permittee may not commence construction until the 14 days has expired or until the PUC has advised the Permittee that it has completed its review of the plan and profile and specifications and drawings. If the Permittee intends to make any significant changes in its plan and profile or the specifications and drawings for right-of-way preparation, construction, cleanup, and restoration after review by the PUC, the Permittee shall notify the PUC at least five days before implementing the changes. The Permittee shall also provide the Minnesota Office of Pipeline Safety with the information it gives the PUC. The Permittees plan and profile and specifications and drawings, shall become a condition of the Permit and shall be complied with by the Permittee.

VI. PERMIT DISTRIBUTION

The Permittee shall, within 10 days of receipt of this pipeline routing permit from the PUC, send a copy of the permit to the office of each regional development commission of a development region, soil and water conservation district, watershed district, watershed management district office, office of the auditor of each county, and clerk of each city and township crossed by the designated route. At least five days before commencing construction of the pipeline on a landowner's property, the Permittee shall provide a copy of this pipeline routing permit to the landowner. (Minnesota Rule 4415.0175, subp. 2).

VII. PERMIT CONDITIONS

The following conditions apply to pipeline right-of-way preparation, construction, cleanup, and restoration.

A. CONSTRUCTION PRACTICES

1. The Permittee shall comply with those practices set forth in its application for right-of-way preparation, construction, cleanup and restoration for the new pipeline.
2. Following completion of construction, the Permittee shall clean up the right-of-way and all premises on which pipeline construction activities were conducted. This shall include, but not be limited to removal of debris, fence repair, removal of temporary road and ditch crossings, additional grading to correct for soil settling and seeding of the right-of-way as required by permit conditions or agency permits.
3. The Permittee shall restore the work area as quickly as possible after installation of the pipe.
4. The Permittee shall comply with applicable state rules and statutes.
5. The Permittee shall clear the right-of-way only to the extent necessary to ensure suitable access for construction, safe operation and maintenance. Windbreaks or tree rows will be crossed by using boring or directional drilling techniques that preserve the trees and surround area, unless otherwise negotiated with the affected landowner.
6. The Permittee shall stabilize stream banks disturbed by pipeline construction with vegetation using native plant species indigenous to the area or by other methods required by applicable state or federal permits or laws.
7. The Permittee shall minimize the compaction of soil on cultivated lands and confine compacted lands to as small an area as practicable.
8. The Permittee shall take all appropriate precautions to protect against pollution of the environment.
9. The Permittee shall promptly remove and properly dispose of all waste and scrap that are the products of the pipeline construction process.
10. The Permittee shall provide for daily cleanup of all bottles, cans, paper, and other personal litter.
11. The Permittee shall promptly repair or replace all drainage tiles broken or damaged during right-of-way preparation, construction and maintenance activities, unless otherwise negotiated with the affected landowner.

12. The Permittee shall repair private roads and lanes damaged when moving equipment or when obtaining access to the right-of-way, unless otherwise negotiated with the affected landowner.
13. The Permittee shall replace or repair all fences and gates removed or damaged as a result of right-of-way preparation, construction and restoration activities, unless otherwise negotiated with the affected landowner
14. The Permittee shall, to the extent possible, take measures to protect shelter belts and trees in a manner compatible with the safe operation, maintenance and inspection of the pipeline.
15. The Permittee shall, to the extent possible, restore the area affected by the pipeline to the natural conditions that existed immediately before construction of the pipeline. Restoration must be compatible with the safe operation, maintenance and inspection of the pipeline.

B. COMPLIANCE WITH DEPARTMENT OF NATURAL RESOURCES PERMITS

The Permittee shall comply with all terms and conditions of permits or licenses issued by the Minnesota Department of Natural Resources.

C. COMPLIANCE WITH CITY OR MUNICIPAL PERMITS

The Permittee shall comply with all terms and conditions of permits or licenses issued by the cities of St. Paul, Mendota Heights and Lilydale.

D. ARCHAEOLOGICAL SURVEY

The Permittee shall work with the Minnesota Historical Society prior to commencing construction to determine whether an archaeological survey will be necessary for any length of the proposed pipeline. The Permittee shall mark and preserve any archaeological sites that are found during construction and shall promptly notify the Minnesota Historical Society (MHS), State Archaeologist and the PUC of such discovery. The Permittee shall not excavate at such locations until so authorized by the Minnesota Historical Society.

E. ACCESS TO PROPERTY FOR CONSTRUCTION

1. The Permittee shall obtain all necessary permits authorizing access to public rights-of-way.
2. The Permittee shall obtain approval of the landowners for access to private property.
3. The Permittee shall work with property owners to identify and address any special problems the landowners may have that are associated with the pipeline.

F. COMPLAINTS

1. The Permittee shall establish a complaint reporting procedure in accordance with the requirements of Attachment 1 to this permit prior to commencing construction. The Permittee shall advise the PUC in writing when such procedure has been established.
2. The Permittee shall advise the PUC in writing of any substantial complaints received by the Permittee during the course of construction that are not resolved within 30 days of the complaint.

G. PERMIT AMENDMENT

The Permittee may apply to the PUC for an amendment of the route designation or to any of the permit conditions in accordance with the requirements and procedures of Minn. Rule 4415.0185.

H. PERMIT MODIFICATION OR SUSPENSION

This permit may be modified or suspended in accordance with the requirements of Minnesota Rules part 4415.0205 at any time a modification or suspension is warranted.

VIII. TERMINATION OF PUC JURISDICTION OVER THE PIPELINE

Upon determination by the Permittee that it has completed construction of the pipeline and restored the land in accordance with all permit conditions and agreements with landowners, the Permittee shall file with the PUC a written certification that the permitted pipeline construction has been completed in compliance with all permit conditions. The certification shall be considered by the PUC within 60 days of its filing. The PUC shall accept or reject the certification of completion and make a final determination regarding costs or reimbursements due. If the PUC rejects the certification, it shall inform the Permittee in writing of which deficiencies, if corrected, will allow the certification to be accepted. When corrections of the deficiencies are completed, the Permittee shall notify the PUC, and the PUC shall reconsider the certification at its next regularly scheduled meeting, provided the notification is received at least 20 days before the meeting. After acceptance of the certification by the PUC, the PUC's jurisdiction over the Permittee's pipeline routing permit shall be terminated. (Minnesota Rule 4415.0207).

MINNESOTA
PUBLIC UTILITIES COMMISSION
COMPLAINT REPORT PROCEDURES FOR PIPELINES

1. Purpose

To establish a uniform and timely method of reporting complaints received by the permittee concerning the permit conditions for right-of-way preparation, construction, cleanup and restoration, and resolution of such complaints.

2. Scope

This reporting plan encompasses complaint report procedures and frequency.

3. Applicability

The procedures shall be used for all complaints received by the permittee.

4. Definitions

Complaint - A statement presented by a person expressing dissatisfaction, resentment, or discontent as a direct result of pipeline right-of-way preparation, construction, cleanup and restoration. Complaints do not include requests, inquiries, questions, or general comments.

Substantial Complaint - Any complaints submitted to the permittee in writing that, if substantiated, could result in permit modification or suspension pursuant to the applicable regulations.

Person - An individual, partnership, joint venture, private or public corporation, association, firm, public service company, cooperative, political subdivision, municipal corporation, government agency, public utility district, or any other entity, public or private, however organized.

5. Responsibilities

Everyone involved with pipeline right-of-way preparation, construction, cleanup and restoration is responsible to ensure expeditious and equitable resolution of all complaints. It is therefore, necessary to establish a uniform method for documenting and handling complaints directed to this project. The following procedures will satisfy this requirement:

- A. The permittee shall document all complaints by maintaining a record of all applicable information concerning the complaint, including the following:
1. Name of the permittee and project.
 2. Name of complainant, address and phone number.
 3. Precise property description or tract number (where applicable).
 4. Nature of complaint.
 5. Response given.
 6. Name of person receiving complaint and date of receipt.
 7. Name of person reporting complaint to the PUC and phone number.
 8. Final disposition and date.

- B. The permittee shall assign an individual to summarize complaints for transmittal to the PUC.

6. Requirements

The permittee shall report all complaints to the PUC according to the following schedule:

Immediate Reports - All substantial complaints shall be reported to the PUC by phone the same day received or on the following working day for complaints received after working hours. Such reports are to be directed to Pipeline Permit Compliance, 651-296-5089.

Monthly Reports

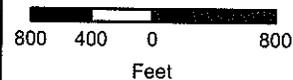
By the 15th of each month, a summary of all complaints, including substantial complaints received or resolved during the proceeding month, and a copy of each complaint shall be sent to Pipeline Permit Compliance, Minnesota Department of Commerce, 85 7th Place East, Suite 500, St. Paul, MN 55101.

7. Complaints Received by the PUC

Copies of complaints received directly by the PUC from aggrieved persons regarding pipeline right-of-way preparation, construction, cleanup and restoration shall be promptly sent to the permittee.



1:14,400



Legend

- Proposed Pipeline - Directionally Drilled
- Proposed Pipeline - Open Trench
- - - Pipeline Route
- ▭ Additional Area for Drill Rig
- Bore Pits

Attachment 2

Proposed Gas Pipeline Route
 Xcel Energy
 High Bridge Generating Facility
 Gas Pipeline
 Routing Permit Application
 Saint Paul, MN

February 2006