Energy Facility Permitting
85 7th Place East, Ste 500
Saint Paul, MN 55155-2198
Minnesota Department of Commerce

September 18, 2006

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
127 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: Comments and Recommendations of the Minnesota Department of Commerce Energy Facility Permitting Staff
Docket No. PL-6580/GP-06-931

Dear Dr. Haar:

Attached are the comments and recommendations of the Minnesota Department of Commerce (DOC) Energy Facility Permitting (EFP) Staff in the following matter:

In the matter of the Application of Greater Minnesota Transmission (GMT) for a Pipeline Route (Partial Exemption) Permit for the Cannon Falls Natural Gas Pipeline Project in Goodhue and Dakota counties.

The Department is providing you with DOC EFP staff:

(1) Comments and Recommendations;
(2) Findings of Facts, Conclusions of Law and Order;
(3) Proposed Pipeline Route Permit

The Department EFP staff recommends approval and adoption the Findings of Fact, Conclusions and Order which (1) grant a partial exemption from pipeline route selection procedures; (2) designates a corridor for the construction of a 13 mile, 16-inch natural gas pipeline, and; (3) issues a Pipeline Route Permit to GMT.

Staff is available to answer any questions the Commission may have.

Sincerely,

William Cole Storm
DOC EFP Staff

Enclosures

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS AND RECOMMENDATIONS OF THE MINNESOTA DEPARTMENT OF COMMERCE ENERGY FACILITY PERMITTING STAFF

DOCKET NO. PL-6580/GP-06-931

Meeting Date: October 26, 200……Agenda Item # _____

Company: Greater Minnesota Transmission, LLC

Docket No. Pl-6580/GP-06-931

In the Matter of the Application by Greater Minnesota Transmission (GMT) for a Pipeline Routing Permit and for Partial Exemption from Pipeline Route Selection Procedures

Issue(s): Should GMT be granted a partial exemption from Pipeline Route Selection Procedures and issued a pipeline routing permit for a 13.0 mile natural gas pipeline in Dakota and Goodhue Counties serving the Cannon Falls Energy Center?

DOC Staff: William Cole Storm…….……...651-296-9535

Relevant Documents (in Commission Packet).

1. Greater Minnesota Transmission's Application to the MPUC for a Gas Pipeline Routing Permit and Partial Exemption from Pipeline Route Selection Procedures, Dated July 20, 2006;
2. GMT's amendment/corrections to the Pipeline Route Permit Application, Dated October 11, 2006;
3. Public Comment Letters, Dated September 29, 2006;
4. Dakota County Division of Physical Development Comment Letter, Dated September 27, 2006.

The enclosed materials are work papers of the Department of Commerce Energy Facility Permitting (DOC-EFP) Staff. They are intended for use by the Public Utilities Commission and are based on information already in the record unless otherwise noted.

This document can be made available in alternative formats (i.e., large print or audio tape) by calling (651) 201-2202 (Voice) or 1-800-627-3529 (TTY relay service).

Documents Attached

1. Proposed Findings of Facts, Conclusions of Law and Order;
2. Proposed Pipeline Route Permit

(Note: Relevant documents and additional information can be found on eDockets (PL-6580/GP-06-931) or the PUC Facilities Permitting website:
http://energyfacilities.puc.state.mn.us/Docket.html?Id=18685

STATEMENT OF ISSUES

Should the Minnesota Public Utilities Commission (the Commission) grant or deny a partial exemption from pipeline route selection procedures to Greater Minnesota Transmission (GMT) for its proposed 13.0-mile natural gas pipeline project? If the Commission grants the partial exemption, it must issue a pipeline routing permit with conditions. If the Commission denies the partial exemption GMT may reapply under the pipeline route selection procedures.

Project Overview and Purpose

The proposed natural gas pipeline consists of approximately 13.0 miles of new 16-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 91,200 million cubic feet per day (Mcdf). The minimum throughput design is 0.0 Mcfd. The normal operating pressure of the pipeline and associated facilities will be 650 pounds per square inch gauge (psig). The maximum allowable operating pressure (MAOP) for the pipeline and associated facilities will be 800 psig. The pipeline is more specifically described in the Greater Minnesota Transmission Cannon Falls Pipeline Project Application for Pipeline Routing Permit dated July 20, 2006.

Regulatory Framework and Background

A pipeline routing permit from the Minnesota Public Utilities Commission is required to construct a natural gas pipeline with a pressure of more than 275 pounds per square inch. Minn. Rule, part 4415.0010 Subp 26.B. This requirement became law in 1987. Minnesota Statutes, Chapter 116I.015. The rules to implement the permitting requirement for pipelines are in Minnesota Rules Chapter 4415.

The GMT application for partial exemption from pipeline route selection procedures has been reviewed pursuant to the requirements of Minnesota Rules, Part 4415.0035 through 4415.0040.

Upon acceptance of the application the required review and notice requirements of Minnesota Rules, 4415.0035 were initiated.

The review process provides opportunities for the public to submit comments on the permit application. The public was advised of the application after it was accepted by the Commission on August 25, 2006. The deadline for submitting comments on the application was October 1, 2006.

Public information meetings on the application and project were held during the afternoon and evening in Dakota and Goodhue counties on September 13, 2006, and September 14, 2006. Five people attended the meetings in Goodhue County and approximately 28 people attended the meetings in Dakota County.

DOC staff reviewed the permitting process requirements and responded to questions about the draft site permit, and permitting process. Representatives of the applicant were available to describe the project and answer questions. The issues discuss with many of the landowners included: specific alignments on and along their properties; compensation (both easement and crop loss); land restoration (including handling of top soil and subsoils, soil compaction, crossing of drainage tiles, and debris and rock clean-up); and design specifications (diameter of pipe, construction material, bury depth, and pipe pressure and capacity)

Written Comments

Three written comments were received on GMT's application for a pipeline routing permit.

Dakota County Office of Planning

The staff of the Physical Development Division reviewed the GMT's application for a natural gas pipeline route permit and provided comments. These comments identified areas of concern (i.e., waste and spill sites, private wells, mining activities, licensed hazardous waste generators and register tank operators) along the proposed pipeline route, spoke to the need to use caution where wetlands and protected waters would potentially be impacted and noted the County's requirements concerning road crossings.

None of the areas of concern identified lie within the proposed pipeline route corridor; the applicant has stated that they will obtain and comply with the Minnesota Department of Natural Resources (i.e., crossing public waters), Minnesota Pollution Control Agency (i.e., storm water) and Dakota County (i.e., road crossing) permits.

Citizen Wigfield Comment

Ms. Susan Wigfield, on behave of landowner (Micheal Toohey) and the tenant farmer (Gustfson) submitted a comment letter expressing a preference for the alternative alignment depicted in the Pipeline Routing Permit Application (Figure 3-1) across the Toohey/Gustafson farm property.

GMT did not change its proposed route as requested, but did have extensive discussions with that landowner at the Hampton public meeting regarding potential specific alignment options and construction methods meant to minimize farming and other impacts.

Citizen Brockman Comment

Mr. Kevin Brockman expressed concern regarding the ability to restore the agricultural soils back to productivity.

The proposed permit includes extensive requirements to minimize agricultural damage due to pipeline construction and operation.

Issues

No outstanding significant issues were identified during the course of this proceeding.

Record

The pertinent documents (i.e., application, public notices, public comments, etc) that are part of the record to this proceeding are contained within the PUC's edocket filing system. The DOC EFP staff can make any of these documents available to a PUC member upon request, and copies will be available at the PUC meeting.

Findings of Fact

The staff has prepared Proposed Findings of Fact and Conclusions for the project. Basically, the Findings address the procedural aspects of the process followed, describe the project, respond to the written comment(s), and address the environmental and other considerations of the project. Most of the findings in the Findings of Fact reflect findings that were also made for other pipelines. The following outline identifies the categories of the Findings.

Category	Findings
Applicant	Finding No. 1
Project Description	Findings Nos. 2 – 7
Background and Procedure	Findings Nos. 8 - 17
DOC Information Meetings	Finding No. 19
Comment Letters	Findings Nos. 19 – 22
Agricultural Mitigation Plan	Finding No. 27
Alternatives to the Proposed Pipeline	Finding Nos. 30
Standard for Partial Exemption	Findings Nos. 31 – 32

Standard for Permit Issuance

In determining whether to grant or deny a partial exemption from pipeline route selection procedures, the PUC must apply the requirements of Minnesota Rules part 4415.0040 [Criteria for Partial Exemption from Pipeline Route Selection Procedures]. This part contains the

standard and criteria that the Commission must apply in determining whether to grant or deny the partial exemption.

Other

Pipeline routing permits are subject to reasonable conditions imposed by the PUC. Conditions are intended to protect the environment and landowners from adverse effects from construction of the pipeline.

EFP Staff Analysis and Comments

DOC EFP staff has reviewed GMT's *Application to the MPUC for a Gas Pipeline Routing Permit and Partial Exemption from the Pipeline Route Selection Procedures*, Minnesota Rule Chapter 4415, and evaluated the proposed pipeline route (and alignment therein) relative to the criteria specified within Minnesota Rule 4115.0040, subpart 3.

EFP staff has concluded that the application and record support a determination for the granting of a partial exemption and issuing of a pipeline route permit as requested by the applicant.

PUC Decision Options

A. Adopt the staff Proposed Findings of Fact and Conclusions that grant a partial exemption from pipeline route selection procedures and issue a Route Permit with conditions and specify the location of the route for the GMT 13.0 mile, 16-inch diameter high-pressure (800 psig MAOP) natural gas pipeline that will begin at the Northern Natural Gas Town Border Station south of Coates and terminates at the Cannon Falls Energy Center on the northwest edge of Cannon Falls in Goodhue County.

B. Amend the proposed Findings of Fact and Conclusions and proposed Site Permit as deemed appropriate.

C. Deny the request for a partial exemption. GMT may reapply under the full selection process

D. Make some other decision deemed more appropriate.

DOC Staff Recommendation

Staff recommends option #1.

STATE OF MINNESOTA

PUBLIC UTILITIES COMMISSION

In the Matter of the Application by Greater Minnesota Transmission, LLC, for a Pipeline Routing Permit and Partial Exemption from Pipeline Route Selection Procedures for the Cannon Falls Natural Gas Pipeline Project	**PROPOSED FINDINGS OF FACT, CONCLUSIONS AND ORDER GRANTING PARTIAL EXEMPTION AND ISSUING A PIPELINE ROUTE PERMIT FOR A NATURAL GAS PIPELINE AND ASSOCIATED FACILITIES** **MPUC DOCKET NO.** **PL-6580/GP-06-931**

The above-captioned matter came before the Minnesota Public Utilities Commission (PUC) at a regularly scheduled meeting pursuant to the Application of Greater Minnesota Transmission, LLC (hereinafter "GMT") to construct, own, and operate an approximately 13.0 mile, 16-inch maximum diameter high-pressure natural gas pipeline in central Dakota County. The proposed pipeline route originates at a new Northern Natural Gas (NNG) town border station (TBS) south of Coates and terminates at the proposed Invenergy Electric Generating Plant on the northwest edge of Cannon Falls in Goodhue County. The proposed pipeline route generally parallels U.S. Highway 52 through Vermillion, Hampton, and Randolph townships in Dakota County and the city of Cannon Falls in Goodhue County.

The Department of Commerce held two public meetings regarding this application. The first meeting was held in Cannon Falls on September 13, 2006, at 7:00pm at the Stone Mill Restaurant. The second meeting was held in Hampton on September 14, 2006, at 7:00pm at the Black Stallion Restaurant. The meetings continued until all persons who desired to speak had done so. The record closed on October 1, 2006, at 4:00 p.m. The meetings were held by Mr. William Storm, member of the Minnesota Department of Commerce (DOC) Energy Facility Permitting Staff.

STATEMENT OF ISSUE

Should Greater Minnesota Transmission, LLC, be granted a partial exemption from pipeline routing permit requirements and issued a routing permit to construct an approximately 13-mile natural gas transmission pipeline operating at over 650 pounds per square inch (psig) on the applicant's proposed route? If so, what permit conditions should be imposed?

Based on information in the Application, the comments at the public information meeting, written comments received, and other documents included in this proceeding, the PUC makes

the following:

FINDINGS OF FACT

The Applicant

1. The Applicant is Greater Minnesota Transmission, LLC. The Cannon Falls Natural Gas Pipeline will be constructed, owned, and operated by Greater Minnesota Transmission, LLC.

The Project

2. The proposed project is an approximately 13.0 mile natural gas pipeline with a maximum outside diameter of 16 inches. The proposed route starts at a new Northern Natural Gas (NNG) town border station (TBS) south of Coates and terminates at the proposed Invenergy Power Plant on the northwest edge of Cannon Falls in Goodhue County. The proposed pipeline route generally parallels U.S. Highway 52 through Vermillion, Hampton, and Randolph townships in Dakota County and Cannon Falls in Goodhue County.

3. The estimated total cost of the pipeline is approximately $7.5 million.

4. The normal operating pressure of the pipeline and associated facilities will be 650 psig. The maximum allowable operating pressure of the proposed pipeline is 850 pounds per square inch. The proposed natural gas pipeline and associated facilities are designed to have a maximum throughput capacity of 91million cubic feet per day. The minimum throughput design is 0 million cubic feet per day.

5. The primary purpose of the proposed project is to provide natural gas to the Invenergy Power Plant in Cannon Falls, Minnesota. No additional specific customers or service areas have been identified at this time.

6. GMT plans to install an above-ground mid-line shut off valve that will allow future full instrumented internal evaluation of the entire pipeline. Above-ground instrument launch and receive stations will be installed at a later date, but will be planned as part of the original pipeline design. In addition, GMT plans to install three taps along the route to allow future distribution of natural gas to a natural gas distribution company. No service areas or retail customers are currently identified, but GMT is proposing to install the taps in order to avoid potential additional construction impacts in the future.

7. Additional project details, route details, and safety features of the proposed pipeline and route are provided in the Application dated July 20, 2006, and Application revisions dated October 5, 2006.

Procedural History

8. On July 21, 2006, GMT filed an Application for a pipeline routing permit and partial exemption from pipeline route selection procedures for its preferred route under Minn. Rules Chapter 4415, for the approximately 13.0 mile natural gas pipeline.

9. The partial exemption procedures and criteria are found in Minn. Rules parts 4400.0035 to 4415.0040.

10. DOC staff reviewed the application for compliance with the application requirements of Minnesota Rules 4415.0115 through 4415.0165. The DOC staff recommended that the PUC accept the Application as complete in comments dated August 17, 2006.

11. On August 17, 2006, the PUC considered whether GMT's Application for a pipeline routing permit and partial exemption from pipeline route selection procedures was complete. In an Order dated August 25, 2006, the Commission accepted GMT's application.

12. On August 22, 2006, GMT mailed a copy of the Application and a description of the procedures for commenting on the Application to affected landowners and governmental units in the areas that would be crossed by the pipeline along the GMT preferred route in accordance with Minnesota Rules 4415.0035, subp. 2. B. and C. The mailing also provided notice to the recipient of the DOC's public information meetings.

13. On Thursday, August 24, 2006, GMT published a notice of its Application and the place and times of the DOC public information meetings in the Farmington *Independent* and in the Cannon Falls *Beacon* newspapers. The published notices announced that the Application had been filed, the DOC public information meeting dates and times, and how to obtain additional project information and other project related material.

14. The notices as published contained the information required by Minnesota Rule 4415.0035, subp. 2. A, including a description of the proposed project and a description of the procedures that must be followed for commenting on the application.

15. On August 28, 2006, GMT mailed notices that the public meeting in Hampton had been rescheduled from Tuesday, September 12, 2006, to Thursday, September 14, 2006, to avoid a conflict with primary elections being held the evening of September 12, 2006. This notice of the rescheduled meeting was mailed to all parties who received the original notice.

16. The DOC held public information meetings, as required by Minnesota Rules 4415.0035, subp. 4. The DOC public information meetings were held in Cannon Falls on September 13, 2006, at 7:00 p.m. at the Stone Mill Restaurant and in Hampton on September 14, 2006 at 7:00pm at the Black Stallion Restaurant. The meetings

continued until all persons who desired to speak had done so. The record closed on October 1, 2006, at 4:00 p.m.

17. On October 5, 2006, GMT mailed revised pages of the Application to all government agencies, landowners and other interested parties who received the original Application, as required by Minn. Rule 4415.0105, subp. 3. The text and map revisions mailed by GMT included a clarification that directional drilling will be used under hard-surfaced roads but not gravel or soft-covered township roads. GMT also corrected an error regarding the pipeline wall thickness, and made other clarifications. Finally, GMT modified the cross-section diagram of the typical open-trench pipeline installation (Application Figure 2-1) to better reflect how GMT proposes to normally complete trench installation on agricultural land.

DOC Public Information Meeting

18. Approximately six persons attended the DOC public information meeting in Cannon Falls in Goodhue County. Approximately 45 people attended the public meeting in Hampton, in Dakota County. At both meetings, DOC staff presented an overview of the requirements for a pipeline routing permit and a partial exemption from pipeline route selection procedures. GMT provided an overview of the project and answered specific questions regarding the proposed route and construction procedures to minimize farming impacts. Most of the public's questions concerned how pipeline construction would be completed so farming impacts would be minimized and the amount of compensation to be paid for the easements.

Comment Letters

19. The DOC staff announced at the public meetings that the DOC would accept public comments about the proposed project and the Application for a partial exemption and routing permit until October 1, 2006. Two comment letters were received from landowners on the proposed route. One additional comment letter was received from the Dakota County Office of Planning. Exhibits 7 and 8.

20. In one of the comments, the landowner requested that the proposed pipeline follow an alternative route on his property that GMT considered but rejected in its Application. GMT did not change its proposed route as requested, but did have extensive discussions with that landowner at the Hampton public meeting regarding potential specific alignment options and construction methods meant to minimize farming and other impacts. GMT will continue discussions with this landowner to accommodate their concerns and minimize potential impacts as much as possible. GMT's written response to this comment letters further summarizes the issue.

21. The second landowner comment was not specifically directed at the proposed route, but expressed unhappiness over the pipeline project and its potential impact on crops and property values. As described below, the proposed permit includes extensive requirements to minimize agricultural damage due to pipeline construction and

operation.

22. The comment letter from Dakota County focused on providing a list of potentially contaminated property within one-mile of the proposed pipeline route. None of the potentially contaminated properties listed appear to be within the proposed natural gas pipeline route.

Land Requirements

23. The total right-of-way length is approximately 13.0 miles. The majority of the pipeline route will require GMT to procure gas pipe line rights-of-way through easement purchase or condemnation. The permanent easement width will be 60 feet or less, and reduced to 35 feet where the route parallels State Highway 52. Estimated acreage within the permanent right-of-way is 79 acres. This total does not include the approximately 500-foot portion of the route that will be directionally drilled under the Vermillion River, Judicial Ditch No. 1, or the directional boring under State Highway 52. Minimal impact on landowners or encroachment on the land is expected near these crossings since pipe will be installed through directional drilling in these areas.

24. Temporary construction easements will also be obtained from landowners to use workspace adjacent to the permanent right-of-way. This area will vary as needed but will average approximately 100 feet. The estimated acreage of temporary workspace is 158 acres. Temporary right-of-way or workspace will revert to landowners upon completion of construction. Additional temporary workspace adjacent to the construction right-of-way may be necessary during construction in areas such as steep slopes and staging areas for stream, wetland, and road crossings, for safety reasons, to provide an area for prefabrication of sections of pipeline, or storage of spoil materials. GMT will acquire additional workspace from the landowner where necessary; however in all cases, the size of extra workspace will be kept to the minimum required to safely conduct the work.

Trench and Depth of Cover Requirements

25. Minnesota Statutes 116I.06, subd. 1, requires pipelines to be buried with a minimum level cover of not less than 54 inches in all areas where the pipeline crosses the right-way of any public drainage facility or any county, town or municipal street or highway and where the pipeline crosses cultivated agricultural land. As provided by Minnesota Statutes 116I.06, subd. 2, the landowner may waive the depth of cover requirements. Any political subdivision authorized by law to approve the use of the right-of-way of any public drainage facility or any public street or highway for a pipeline may waive the minimum depth of cover requirement or adopt and enforce by resolution or ordinance rules or regulations establishing a greater depth than the minimum required and other measures for protection of public roads and drainage facilities under its jurisdiction. GMT has committed to burying the pipeline 54 inches deep or more in accordance with state requirements.

26. The trench in which the pipe is placed will have a minimum depth of 74 inches to

allow for a minimum of 54 inches of ground cover to the top of the pipe. The trench will have a minimum width of 36 inches for the 16-inch pipe. The top and bottom widths are determined by soil conditions. In sandy soils, a wider trench will be necessary for sidewall stability. The trench required for the proposed pipeline will result in a minimum excavation volume of 64,000 cubic yards of soil.

Agriculture Impact Mitigation Plan

27. An Agriculture Impact Mitigation Plan has been included as part of the proposed route permit for this project. As required by Minnesota Statutes 116c.61, Subd. 3(b), GMT has worked with the Minnesota Department of Agriculture and others to develop this plan, which describes in detail the construction techniques that GMT will typically use to minimize agricultural impacts during project construction.

Pipeline Safety

28. Pipeline safety is a matter of paramount concern to all parties. GMT, as noted in its Application and in these findings, is subject to the U.S. Department of Transportation, Pipeline Safety Regulations (Title 49, C.F.R., Part 192).

29. The Minnesota Office of Pipeline Safety is responsible for enforcement of the pipeline safety regulations. The Office of Pipeline Safety intends to monitor construction of the proposed pipeline for compliance with the regulations. The Office of Pipeline Safety also has an ongoing responsibility for monitoring GMT pipeline facilities for compliance with the safety regulations.

Alternatives to the Proposed Pipeline Route

30. GMT reviewed numerous alternative routes before selecting its preferred route. All of the alternative routes considered would have had more impacts than the preferred route on natural resources, farming operations, or residences. As described in the application, one of these alternative routes considered largely follows an existing natural gas pipeline right-of-way. This route was rejected because it crossed more wetlands and came nearer to more residences than the selected route.

Standard and Criteria for Partial Exemption

31. In determining whether to grant or deny a partial exemption from pipeline route selection procedures, the PUC must apply the criteria for Partial Exemption from Pipeline Route Selection Procedures. Minnesota Rule 4415.0040.

32. Minnesota Rule 4415.0040, subp. 2, requires the PUC to determine that the proposed pipeline will not have a significant impact on humans or the environment in order to grant the partial exemption. In conducting this evaluation, the PUC must consider the following criteria set forth in subpart 3 of the rule.

Criterion A. Impact on human settlement, existence and density of populated areas, existing and planned future land use, and management plans.

33. The pipeline will be installed in an area that is primarily zoned agricultural. The nearest residential area is approximately 500 feet southeast of the proposed pipeline alignment. Nearby residential areas will experience minimal impacts from pipeline construction and operation.

34. All of the state and county highway and road crossings will be directionally drilled. Township roads will be crossed by trenching, but construction will create minimal delays on these roadways in consultation with township requirements. Therefore, the pipeline will not affect traffic or traffic patterns. No railroads or airports will be impacted by the pipeline.

35. Future development along the pipeline right-of-way is regulated by ordinance setbacks established pursuant to the requirements of Minnesota Statutes 299J.05 [Pipeline Setback Ordinance]. This ordinance requires that no development occur within the permanent right-of-way. The proposed pipeline alignment is not in conflict with any existing or planned residential, commercial or industrial development in the area.

36. The GMT right-of-way alignment will not significantly affect human settlement areas, planned future land uses, or any local management plans.

Criterion B. Impact on the natural environment, public and designated lands, including but not limited to natural areas, wildlife habitat, water, and recreational lands.

37. Two water crossings have been identified along the alignment of the proposed pipeline. The pipeline will cross the Vermillion River and Judicial Ditch No. 1, which is a small tributary of Pine Creek. GMT will directionally drill under these waters so as to minimize any impact to these waters or nearby wetlands. Permits to cross these water bodies will be obtained from the Minn.Department of Natural Resources (DNR), and the specific crossing methods will be dictated by the permit conditions.

38. For these directionally drilled areas, any inadvertent releases of drilling fluids would be contained by hay bales or other appropriate materials. Vacuum or sump pumps would then be used to clean up and transfer the drilling fluids back to the entry or exit points of the drilling mud pits for either reprocessing or disposal.

39. No compression facilities are to be installed on the proposed pipeline so there will not be any exhaust or other noise from these facilities. The pipeline does not generate any noise under normal operations. During construction, the machinery generates noise between 75-90 decibels within 50 feet of the equipment. The noise is typical of the machinery that is used in tilling, harvesting and other agriculture operations. Equipment noise impact would be short-term as the construction process moves continuously along the right-of-way.

40. A hydrostatic or nitrogen test of the pipeline is required prior to its being placed in service. If hydrostatic testing with water is used, GMT will fill the pipeline with water and pressure test the pipeline to 1.5 times the design pressure (850 psig) and maintain that pressure for at least eight hours prior to discharge of the water. During the testing, GMT will screen water intakes to prevent entrapment of fish and debris and will neither withdraw nor discharge water during critical fish spawning periods. No chemicals will be added to the hydrostatic test water. The water will be tested during withdrawal, after the pipeline is filled, and during discharge. The hydrostatic test water will be discharged into a holding tank with a progressive weir arrangement to trap rust, mill scale or other undesirable items. The discharge rate would be regulated under an federal water discharge permit and splash plates or other similar devices installed to disperse the discharge in order to prevent erosion, stream scour, suspension of sediments, or excessive stream flow. An appropriation permit for the hydrostatic test water will be obtained from the MDNR and a discharge permit from the Minnesota Pollution Control Agency is required to return the water to its source. Impacts from this testing should be minimal and short term.

Criterion C. Impact on lands of historical, archaeological and cultural significance.

41. As summarized in the Application, the Minnesota Historical Society/State Historic Preservation Office (SHPO) was contacted to review the route pursuant to the Minnesota Historical Sites Act and the Field Archaeology Act. The pipeline will not adversely affect nearby archaeological or cultural resources. While no impacts on such resources are anticipated, the pipeline routing permit addresses preservation of archeological sites should any be discovered during construction.

Criterion D. Impact on economies within the route, including agricultural, commercial or industrial, forestry, recreational and mining operations.

42. The land crossed by the pipeline is primarily zoned as agricultural.

43. No parkland or other public open space will be disturbed during construction of the pipeline.

44. Construction activities will temporarily utilize lands within the construction work areas. After construction is completed, activities will be allowed to resume in the pipeline right-of-way. Landowners will be compensated for losses and other damages caused by construction activities as described in the Agriculture Impact Mitigation Plan or as otherwise negotiated with individual landowners.

45. To minimize soil compaction, right-of-way stripping, or other appropriate techniques will be implemented.

46. GMT will implement double ditching as a means to minimize mixing of topsoil and subsoil during excavation of the trench for the pipe. Double ditching is a technique whereby the topsoil and the sub soils are placed in separate areas. Double ditching is

a requirement in the pipeline routing permit. Other techniques can be investigated with the landowner at the time construction is to take place.

47. As described in the Agriculture Impact Mitigation Plan, under some wet weather conditions, construction will have to be temporarily delayed until weather permits.

48. Pipeline routing permit conditions and construction specifications specifically address soil compaction, erosion control and right-of-way restoration. In addition, GMT will continue to work with state, regional, county and local units of government to discuss any particular concerns they may have.

49. During construction of the pipeline, workers from pipeline contractors, local laborers, equipment contractors, suppliers and regional testing firms will be involved with the project. In addition, construction inspectors as well as county inspectors will be employed during the project, as described in the Agriculture Impact Mitigation Plan. During the period of right-of-way preparation, construction, testing and restoration, these workers will contribute to the local economy.

Criterion E. Impact on pipeline cost and accessibility.

50. GMT Energy has estimated that the pipeline will cost approximately $7.5 million to construct on the proposed route.

51. The location of the proposed pipeline will only temporarily limit land accessibility during the construction phase.

Criterion F. Impact on use of existing rights-of-way and right-of-way sharing or paralleling.

52. Construction of the pipeline will generally require a 100-foot-wide temporary construction right-of-way when trenching to allow for temporary storage of topsoil and spoil to accommodate safe operation of construction equipment. During construction, GMT will acquire nearby temporary storage areas for pipe, materials, construction staging, equipment storage, and parking. At this time those areas have not been identified. Use of temporary storage areas outside the right-of-way is not regulated by the permit.

53. Additional temporary work space adjacent to the construction right-of-way may be necessary during construction in areas such as steep slopes and staging areas for stream, wetland and road crossing, for safety reasons, to provide an area for prefabrication of sections of pipeline or storage of spoil material and directional drilling. In all cases, the size of extra work space will be kept to the minimum required to safely conduct work. Temporary right-of-way will revert to landowners upon completion of construction.

54. Typically, public roads will be used to gain access to the construction right-of-way. In areas where public roads are limited, and to minimize repeated travel on portions

of the right-of-way, existing privately owned roads might be used to provide access to the construction right-of-way. Use of private access roads and construction of any new access roads would require obtaining landowner permission. No private or new access roads have been identified at this time.

55. Traffic flows will temporarily increase during the construction period due to materials, equipment and laborer movements where roadways are crossed. GMT will implement measures to minimize disruption to traffic and to protect the public. Access to the right-of-way will be properly coordinated with county and city officials and affected property owners.

56. Damage to surfaced roadways resulting from the crossing of construction equipment will be minimized by the use of protective planking or other appropriate material. Any road damages will be repaired to the satisfaction of the landowner or appropriate permitting authority.

57. Minnesota Department of Transportation guidelines do not allow pipelines directly within state right-of-way. However, right-of-way requirements for the proposed pipeline have been minimized as much as possible by paralleling State Highway 52 where residential or other conflicts do not prohibit it. The permanent easement width where the route parallels Highway 52 can be reduced down to about 35-feet.

Criterion G. Impact on natural resources and features.

58. As described in Finding 36, the impacts of the pipeline on water crossings will be minimized by directionally drilling under both waters to be crossed, and through compliance with other MDNR requirements for crossing public lands and waters. The GMT restoration plan and other permit requirements will minimize impacts.

59. On open lands, roadway, and ditch crossings, grasses and other vegetation will be removed, but reseeding of any disrupted areas along the route is part of the GMT restoration plan and will be coordinated with other permitting authorities.

60. Wildlife species will be temporarily disrupted and may relocate to adjacent areas and reroute their travel in the area during construction of the pipeline. There is no evidence that any endangered or threatened species will be affected.

61. Immediately following construction, disturbed areas will be restored to original contours and reseeded in consultation with other permitting authorities. Once vegetation is reestablished, there should be no further disturbance.

62. Where clearing is required on the right-of-way, soil from tree or shrub roots will be retained on the right-of-way. Rock, roots and stumps that are uprooted and other trench debris will be properly disposed of.

63. Exposed soils are also subject to wind and water erosion. However, the potential for erosion is not excessive due to the low relief of the area crossed and the fact that the

trench will be open only for a relatively short time. GMT will required contractors to use specific erosion control measures and practices in areas where the potential for erosion exists.

Criterion H. The extent to which human or environmental effects are subject to mitigation by regulatory control and by application of the permit conditions contained in part 4415.0185 for pipeline right-of-way preparation, construction, cleanup and restoration practices.

64. Human and environmental impacts will occur as a result of pipeline construction. However, most of the impacts associated with pipeline construction will cause only a temporary disturbance or disruption. Many of the impacts will be mitigated through compliance with strict adherence to the construction specifications, and compliance with the pipeline routing permit conditions, including the Agriculture Impact Mitigation Plan. Permits from other federal and state agencies and units of government are also designed to reduce or mitigate the impact of pipeline construction.

65. Following completion of construction operations, the right-of-way and all premises on which construction activities were conducted will be cleaned up. This will include 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 PUC permit conditions and other federal, state agency and local permits.

Criterion I. Impact on cumulative potential effects of related or anticipated future pipeline construction.

66. There is no evidence to indicate that cumulative adverse effects will occur that cannot be mitigated by compliance with appropriate permitting requirements and conditions. Additional future residential development may be somewhat accelerated because of the availability of natural gas service in the area along the pipeline. However, other factors determine the rate of residential development in this currently agricultural area more than the potential availability of retail natural gas service. Compliance with applicable permits, regulations and agreements and strict adherence to the construction specifications will reduce the adverse effects of the project.

67. The capacity of the proposed pipeline is believed to be adequate to serve the foreseeable future needs of the Invenergy Cannon Falls power plant. Any future project expansion will require review pursuant to the applicable statutes and rules.

Criterion J. Impact on relevant policies, rules, and regulations of the state and federal agencies and local government land use laws including ordinances adopted under Minnesota Statutes, section 299J.05, relating to the location, design, construction, or operation of the proposed pipeline and associated facilities.

68. There is no evidence in the record indicating that the proposed pipeline would be inconsistent with any relevant policies, rules and regulations of any known state or federal agencies or local land use laws.

69. GMT provided in the Application a list of the known permits that must be obtained.

70. All appropriate permits will be acquired prior to undertaking the activity for which a permit is required. GMT must comply with the terms and conditions of all necessary permits.

71. Minnesota Rule 4415.0200 and the pipeline routing permit (including the Agriculture Impact Mitigation Plan) provide a procedure to report complaints concerning violation of the pipeline routing rule requirements and pipeline routing permit conditions.

72. Minnesota Rule 4415.0205 provides procedures for permit modification or suspension for violation of the terms and conditions of a pipeline routing permit or of Minnesota Rules 4415.0010 to 4415.0215.

Based on the foregoing Findings of Fact, the PUC makes the following:

CONCLUSIONS

1. The Minnesota Public Utilities Commission has fulfilled all relevant procedural requirements of law or rule applicable to the consideration of an application for a partial exemption from pipeline route selection procedures, and has the authority to grant a partial exemption from pipeline route selection procedures and to issue a pipeline routing permit.

2. GMT has complied with the procedural requirements for a partial exemption from pipeline route selection procedures as set forth in Minnesota Rule 4415.0035, including publication of Application notice in a newspaper in the counties where the pipeline will be located, and mailing the notice and Application to required parties, including affected landowners.

3. Minnesota Rule 4415.0040 provides a standard and criteria for a partial exemption from pipeline route selection procedures. The Commission has considered the potential impacts of the proposed natural gas pipeline in each of the areas specified in the rule, including the natural environment and human settlement. The Commission concludes that with implementation of proper construction practices and mitigation measures, and compliance with appropriate permit conditions, and negotiation of specific accommodations with individual landowners, such a pipeline will not have a significant impact on humans or the environment and that a partial exemption from full routing procedures can be granted.

4. The GMT proposed route crosses through land that is primarily agricultural; therefore, the primary impact of concern is the impact on agricultural lands. GMT will also directionally drill approximately 500 feet of the 13.0 mile line route under waterways and paved roadways.

5. Based on its consideration of the criteria for granting a routing permit for a new natural gas pipeline, the Commission concludes that a pipeline routing permit for construction of a natural gas pipeline approximately 13.0 miles along the following route (as shown in the proposed Pipeline Route Permit) and as described below will minimize human and environmental impacts.

6. "Route" has been defined in Minn. Rules 4415.0010, subp. 32, to include "a variable width from the minimum required for the pipeline right-of-way up to 1.25 miles." In other pipeline routing permits previously issued by the PUC and the EQB (Board), the width of the route has been limited when an existing right-of-way is being used. In this instance GMT is acquiring rights-of-way by easement purchase or condemnation for the length of the 13.0 mile long pipeline. Pipeline routing permits are subject to reasonable conditions imposed by the PUC. Conditions are intended to protect the environment and landowners from adverse effects from construction of the pipeline.

7. The Commission recognizes that designating a pipeline route with a width of up to 1,500 feet will give GMT the flexibility to adjust the specific alignment to accommodate requests by individual landowners to avoid certain areas, allow enough adaptability to deal with unknown conditions, and to minimize the impact of construction on those criteria contained in Minn. Rule 4415.0040, subpart 3. The Commission concludes that the stated alignment within the proposed pipeline route conforms to these goals.

8. The Commission further concludes that a pipeline routing permit for the new pipeline should be conditioned in a number of respects, including applicable conditions specified in Minn. Rule 4415.0195 and as proposed by the Department and as agreed to by the applicant.

9. Any Finding of Fact more properly considered a Conclusion, or any Conclusion more properly considered a Finding of Fact, is hereby expressly adopted as such.

ORDER

A partial exemption from route permitting requirements is hereby granted and a route permit is hereby issued to GMT to construct an approximately 13-mile long, high pressure natural gas pipeline in Goodhue and Dakota counties. The proposed pipeline route originates at a new Northern Natural Gas (NNG) town border station (TBS) south of Coates and terminates at the proposed Invenergy Electric Generating Plant on the northwest edge of Cannon Falls in Goodhue County. The route permit shall be issued in the form attached hereto, with a map showing the approved route.

Approved and adopted this _____ day of October, 2006

BY ORDER OF THE COMMISSION

_____

Burl W. Haar,
Executive Secretary

I:\EQB\Power Plant Siting\PIPELINE\Cannon Falls Natural Gas Pipeline\PUC Materials\Permit\Proposed-FOF.doc

PIPELINE ROUTING PERMIT

For A

NATURAL GAS PIPELINE

IN

DAKOTA AND GOODHUE COUNTIES

ISSUED TO

GREATER MINNESOTA TRANSMISSION

PUC DOCKET No. PL-6580/GP-06-931

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

GREATER MINNESOTA TRANSMISSION, LLC

Greater Minnesota Transmission, LLC (GMT) is authorized by this permit to construct and operate approximately 13.0 miles of new 16-inch (maximum outside diameter) natural gas pipeline and associated facilities in Dakota and Goodhue 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 Public Utilities Commission (PUC) hereby issues this Pipeline Routing Permit to the Greater Minnesota Transmission, LLC (hereinafter "the Permittee") pursuant to Minnesota Statutes section 116I.015 and Minnesota Rules, Chapter 4415 to construct and operate a natural gas pipeline and associated facilities approximately 13.0 miles long that will begin at the Northern Natural Gas (Northern Natural) Town Border Station (TBS) south of Coates (Dakota County) and terminates at the proposed Cannon Falls Energy Center on the northwest edge of Cannon Falls in Goodhue County (**Attachment 1**).

II. PROJECT DESCRIPTION

The natural gas pipeline authorized to be constructed in this Permit consists of approximately 13.0 miles of new 16-inch maximum outside diameter steel pipe to transport natural gas. The proposed natural gas pipeline and associated facilities are designed to have a maximum capacity of 91,200 million cubic feet per day (Mcdf). The minimum throughput design is 0.0 Mcfd. The normal operating pressure of the pipeline and associated facilities will be 650 pounds per square inch gauge (psig). The maximum allowable operating pressure (MAOP) for the pipeline and associated facilities will be 800 psig. The pipeline is more specifically described in the Greater Minnesota Transmission Cannon Falls Pipeline Project Application for Pipeline Routing Permit dated July 20, 2006.

III. DESIGNATED ROUTE

The pipeline route designated by the Public Utilities Commission by this Permit is described as follows:

From the north terminus of the project at the NNG town border station, the pipeline will be installed primarily using open-trench construction heading roughly eastward to U.S. Route 52, then turning southeast to parallel the highway for approximately one mile. The pipeline will then be directionally-drilled under U.S. Route 52. From the exit pit of the directional drill, the pipeline will be trenched parallel to the highway for approximately 0.7 mile. It will then be directionally drilled under the Vermillion River at a point just east of the confluence of the river's north and south branches. After crossing the river, the pipeline will be installed using open-trenching along a route that parallels U.S. Route 52 for approximately 1.5 miles, then further away from the highway across open agricultural fields and pasturelands southeasterly toward the southern terminus at the northwest edge of Cannon Falls. Approximately 1.6 miles northwest of the southern terminus, the pipeline will be directionally drilled under an extension of Pine Creek.

The maximum width of the approved route in which the final alignment (i.e., ROW) may be placed will be limited to the highlighted 1,500 feet depicted in Maps #1 through #9 (**Attachment 2**). This width will give GMT the flexibility to adjust the specific alignment to accommodate requests by individual landowners to avoid certain areas, allow enough adaptability to deal with unknown conditions, and minimize the impacts of construction of the pipeline on those criteria contained in Minn. Rule 4415.0040, subpart 3.

GMT has selected and the DOC EFP staff has evaluated an alignment within GMT's proposed route that minimizes the potential impacts to the criteria identified in Minn. Rule 4415.0040, and as such this permit anticipates that the actual ROW will generally conform to this proposed alignment unless changes are requested by individual landowners or unforeseen conditions are encountered. Any alignment modifications shall be located to have the same or less impacts relative to the criteria in 4415.0040 as the alignment noted in this permit.

Note: Potential change in route/alignment at the request of the Minnesota Department of Transportation (MNDOT) to accommodate potential changes associated with the intersection of U.S. Route 52 and Highway 62: If required as a condition of a MNDOT road crossing permit, the approved route maybe expanded to a width of 1,500 feet on either side of U.S. Route 52 starting at a point 1,500 feet north of Highway 62 and extending to a point 1,500 feet south of Highway 62. At least 14 days before ROW preparation begins on the affected segment of the pipeline, the Permittee shall provide the PUC with a written explanation of the need to modify the planned route/alignment, along with aerial photographs illustrating said changes.

IV. RIGHT-OF-WAY SELECTION

Estimates of land use requirements are provided as follows:

A. Permanent right-of-way length, average width, and estimated acreage:

a. The total right-of-way length is approximately 13.0 miles. The majority of the pipeline route will be in agricultural land in townships in Dakota County. The permanent easement width will be a maximum of 60 feet, reduced to 35 feet where proximity to public rights-of-way allows for such reduction. Estimated acreage within the permanent right-of-way is 78.8 acres. This total does not include the approximately 500-foot portions of the route that will be directionally drilled under the Vermillion River and under Jurisdictional Ditch No.1 (Pine Creek tributary).

b. Additional right-of-way in the form of road crossing permits will be needed from Mn/DOT for the Highway 52 crossing (250 feet), and for other roadway crossings (60 to 100 feet each).

B. Temporary right-of-way (workspace) length, estimated width, and estimated acreage:

Permission to use temporary workspace will be obtained from landowners adjacent to the permanent easement rights-of-way. GMT plans to obtain a general right of access to the easement right-of-way, which would include temporary workspace. This area will vary as needed but will average approximately 100 feet. The estimated acreage of temporary workspace is 157.6 acres.

C. Estimated range of minimum trench or ditch dimensions including bottom width, top width, depth, and cubic yards of dirt excavated:

a. Estimated trench bottom width – 24 inches
b. Estimated trench depth - 80 inches
c. Estimated trench top width - 42 inches
d. Estimated excavation – 63,555 cubic yards

D. Minimum depth of cover for state and federal requirements: 54 inches

E. The only right-of-way sharing opportunity on the proposed route is along U.S. Highway 52, where the normal 60-foot wide right-of-way could be reduced to 30-feet where feasible, as determined in consultation with Mn/DOT during permitting and final design.

V. 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 Rules part 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 regulations.

5. The Permittee shall clear the right-of-way only to the extent necessary to assure suitable access for construction, safe operation, and maintenance of the pipeline.

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. Precautions shall be taken by the Permittee to protect and segregate topsoil in cultivated lands unless otherwise negotiated with the affected landowner.

8. Compaction of cultivated lands by the Permittee must be kept to a minimum and confined to as small an area as practicable.

9. Precautions to protect livestock and crops must be taken by the Permittee unless otherwise negotiated with the affected landowner.

10. All appropriate precautions to protect against pollution of the environment must be taken by the Permittee.

11. All waste and scrap that is the product of the pipeline construction process must be removed or properly disposed of before construction ends.

12. Cleanup of personal litter, bottles, and paper deposited by right-of-way preparation and construction crews must be done on a daily basis.

13. The Permittee shall 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.

14. 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.

15. 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.

16. Shelterbelts and trees must be protected by the Permittee to the extent possible in a manner compatible with the safe operation, maintenance, and inspection of the pipeline.

17. 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.

18. The proposed route is located primarily on cultivated agriculture land requiring private property utility easements. Soil resources, particularly those designated as Prime Farmland soils will be preserved by segregating the topsoil during excavation and backfilling and by employing erosion control best management practices. The erosion control measures will also serve to protect area streams, lakes and wetlands from detrimental deposition of eroded soils.

    The Permittee has in consultation with the Minnesota Department of Agriculture (MDA), representatives of the county and interested landowners developed an Agricultural Impact Mitigation Plan (AIMP). The plan sets forth mitigative measures that the Permittee will implement to address individual and cumulative impacts of the pipeline on agricultural lands crossed by the pipeline. The AIMP is incorporated (**Attachment 3**) as a condition of this permit and shall be complied with by the Permittee.

B. COMPLIANCE WITH STATE AGENCIES

The Permittee shall comply with all terms and conditions of permits or licenses issued by any State Agency as identified in the Route Permit Application.

C. COMPLIANCE WITH COUNTY, CITY OR MUNICIPAL PERMITS

The Permittee shall comply with all terms and conditions of permits or licenses issued by the counties of Dakota and Goodhue, and local units of government (i.e., townships, cities, municipalities).

D. COOPERATION WITH ENTITIES HAVING EXISTING EASEMENTS AND INFRASTRUCTURE IN THE PIPELINE ROUTE

The Permittee shall cooperate with all entities that have existing easements or infrastructure within the pipeline route to ensure minimal disturbance to existing or planned developments.

E. 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) and the PUC of such discovery. The Permittee shall not excavate at such locations until so authorized by the Minnesota Historical Society.

F. 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.

G. COMPLAINTS

1. The Permittee shall establish a complaint reporting procedure in accordance with the requirements of Minnesota Rule 4415.0200 and as described illustrated in **Attachment 4** of 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.

I. 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. Rules part 4415.0185.

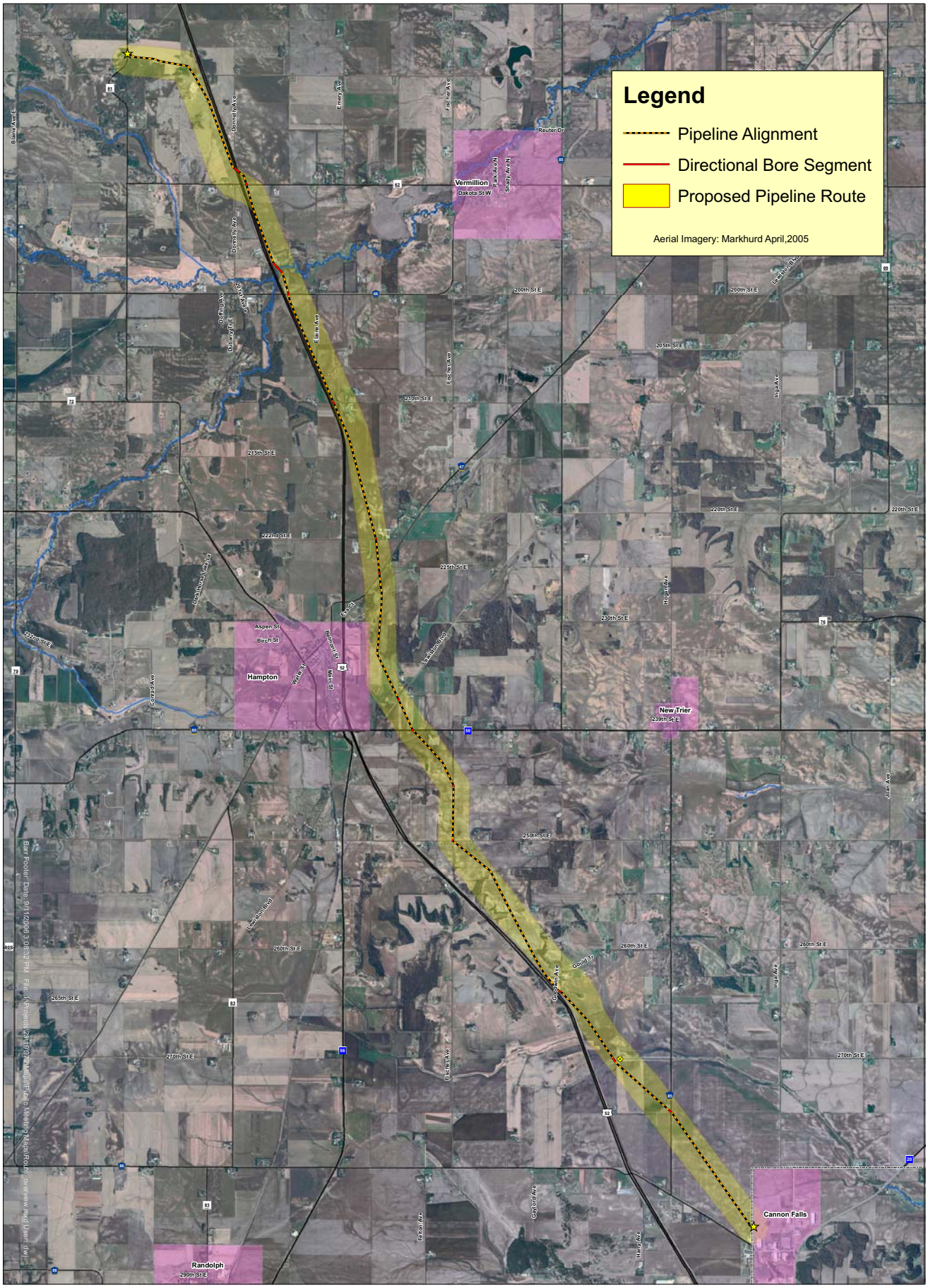
J. PERMIT MODIFICATION OR SUSPENSION

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 Permittees pipeline routing permit shall be terminated. (Minnesota Rules part 4415.0207).

ATTACHMENT 1
OVERVIEW OF PIPELINE ROUTE CORRIDOR

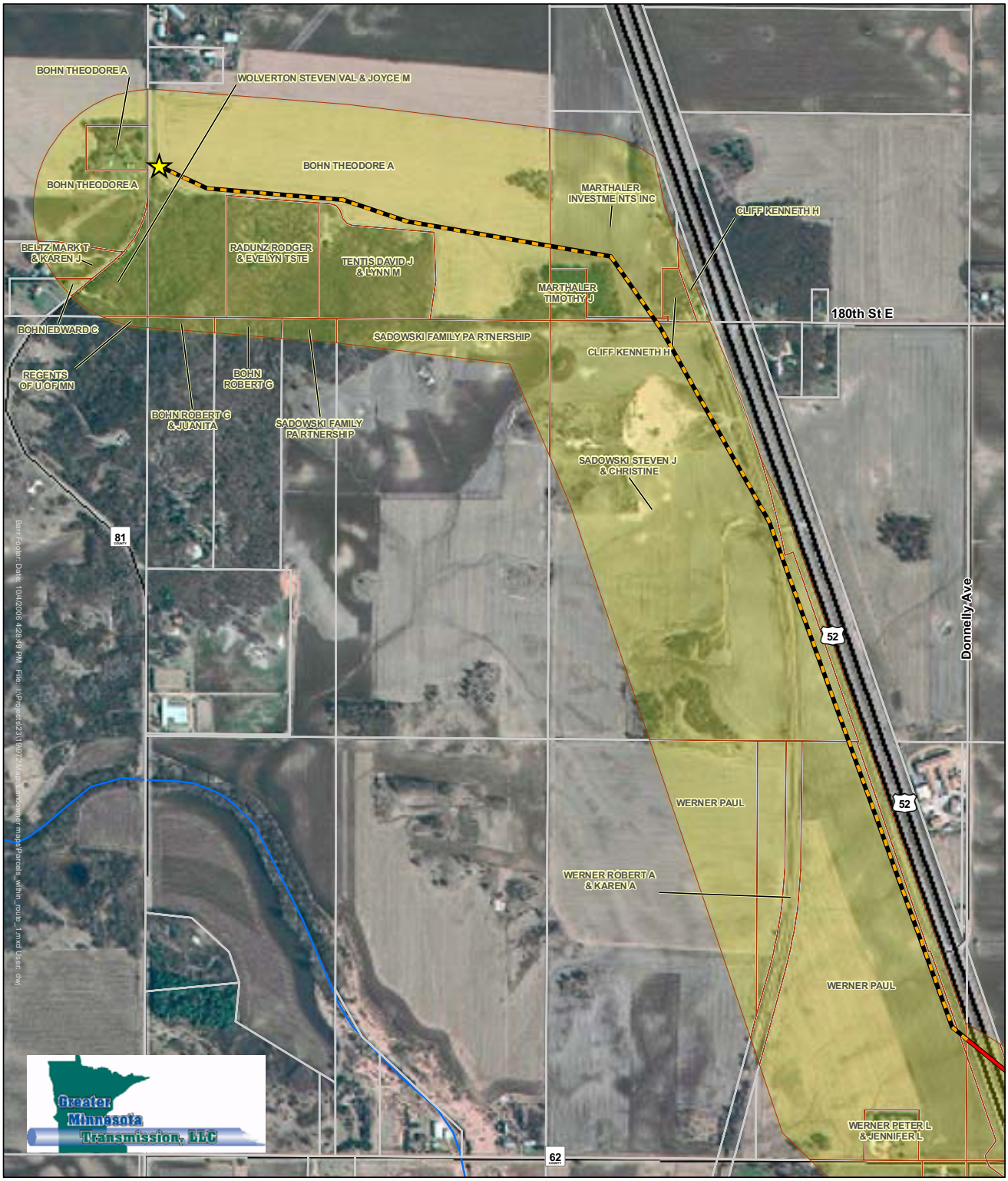


Miles
0 1 2

Feet
2,000 0 2,000 4,000 6,000

Pipeline Route Overview
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline
Routing Permit Application
August 2006

ATTACHMENT 2
PIPELINE ROUTE/CORRIDOR MAPS 1 - 9



Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

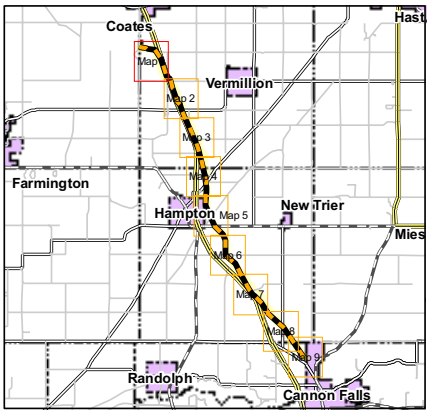
Feet

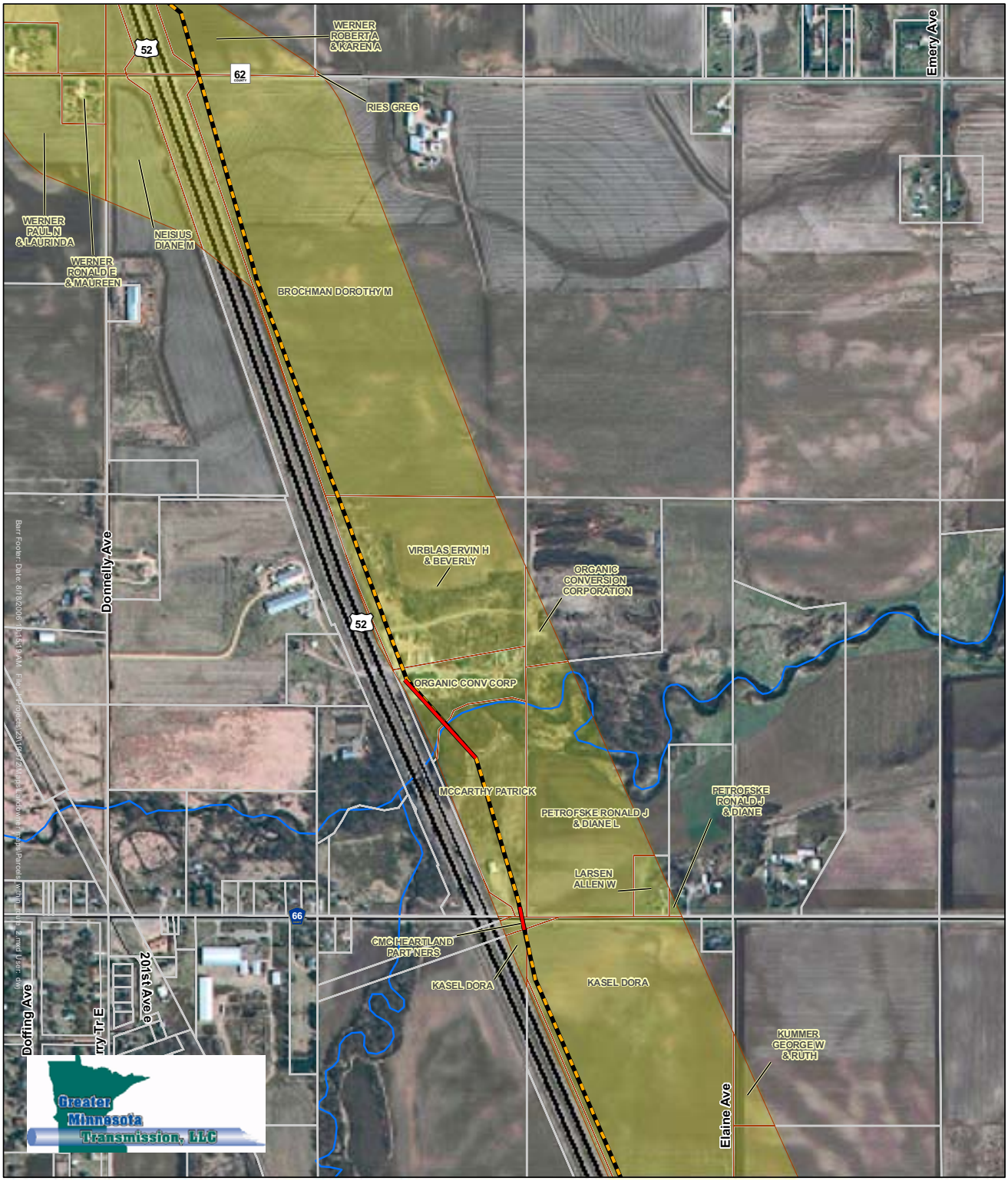
600 0 600

Miles

0 0.25

Landowners Map #1
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

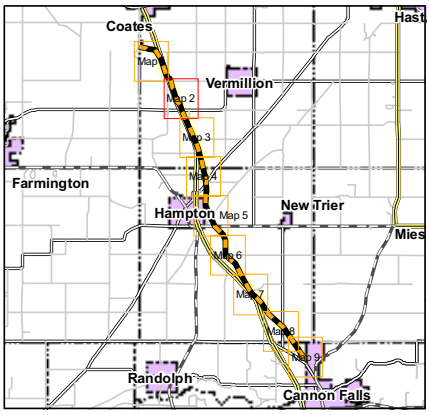
Feet

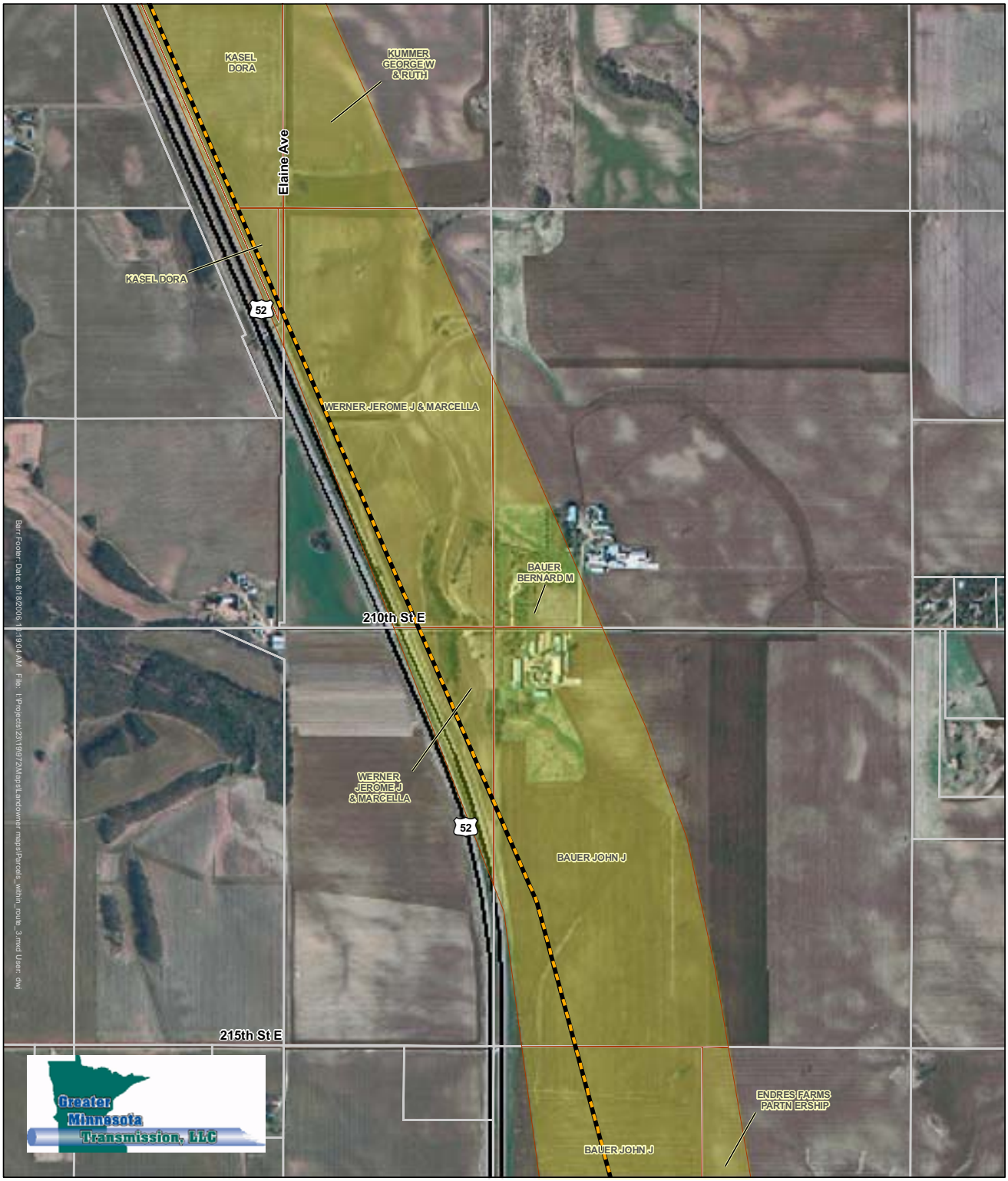
600 0 600

Miles

0 0.25

Landowners Map #2
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

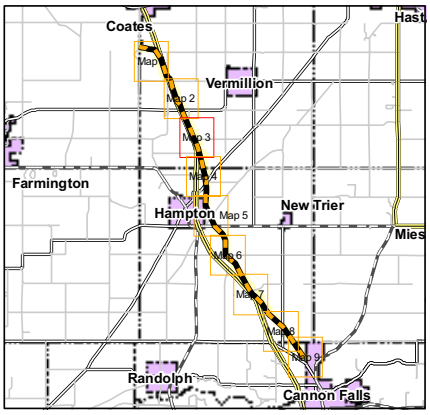
- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

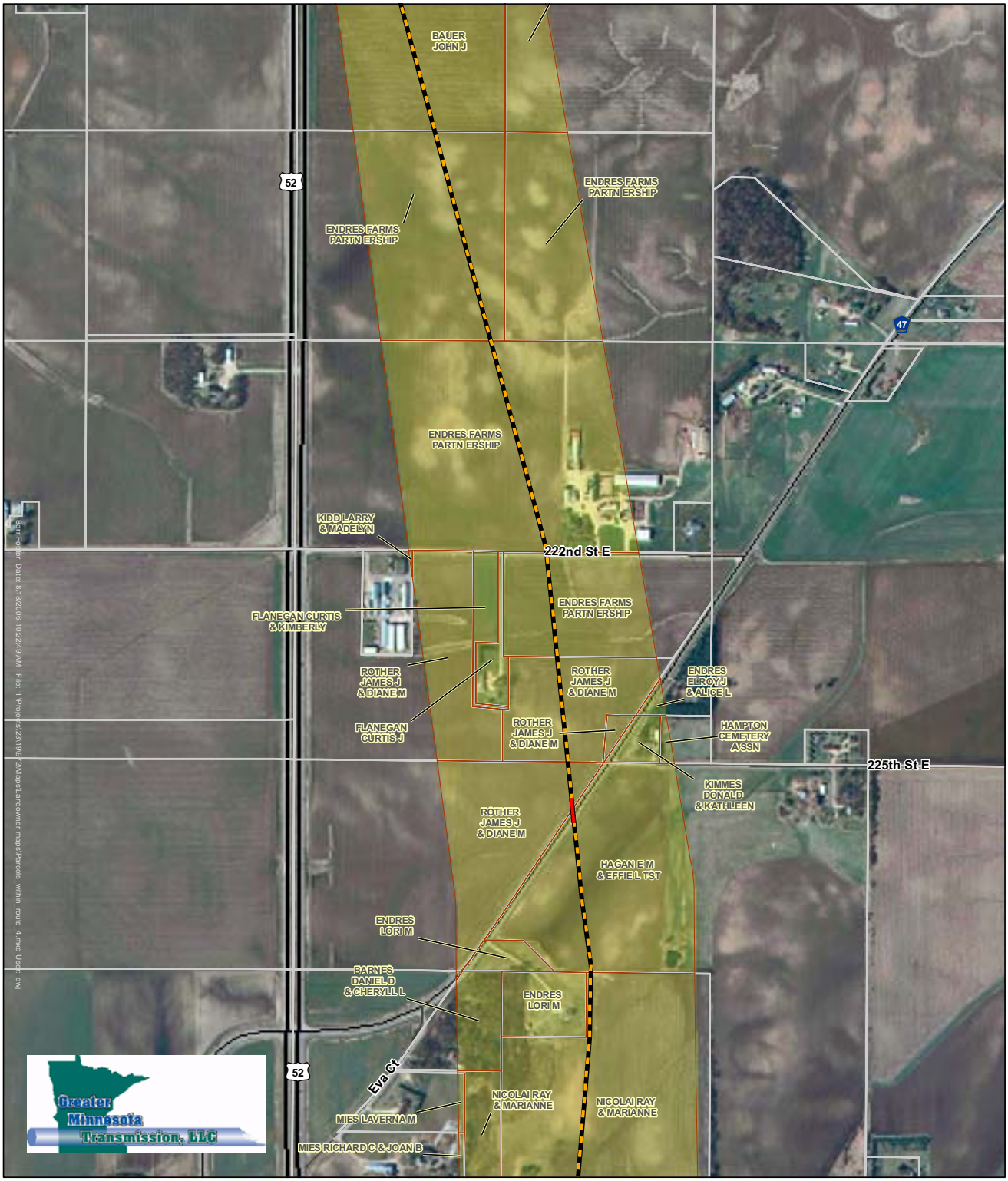
*Source: Dakota County Office of Geographic Information Systems Real Estate Database

Feet
600 0 600

Miles
0 0.25

Landowners Map #3
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

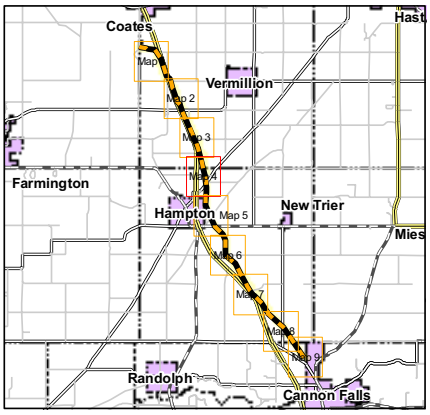
Feet

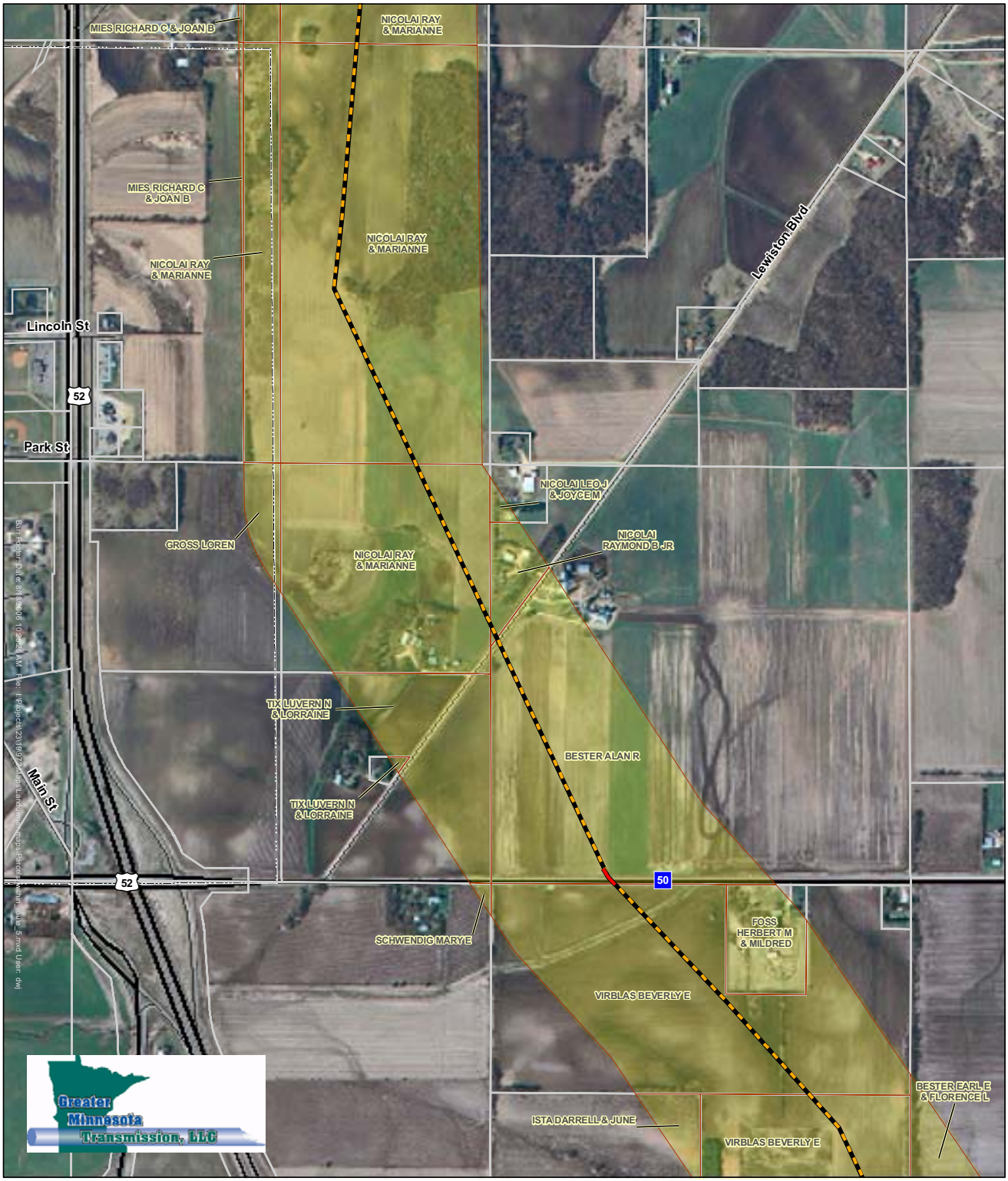
600 0 600

Miles

0 0.25

Landowners Map #4
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

N

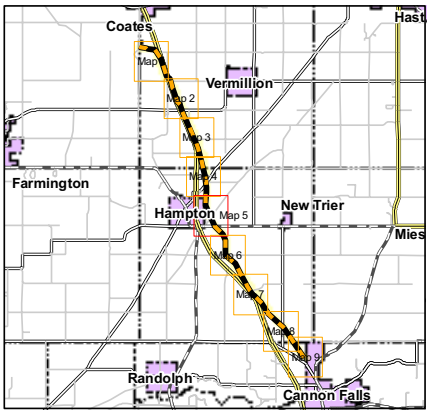
Feet

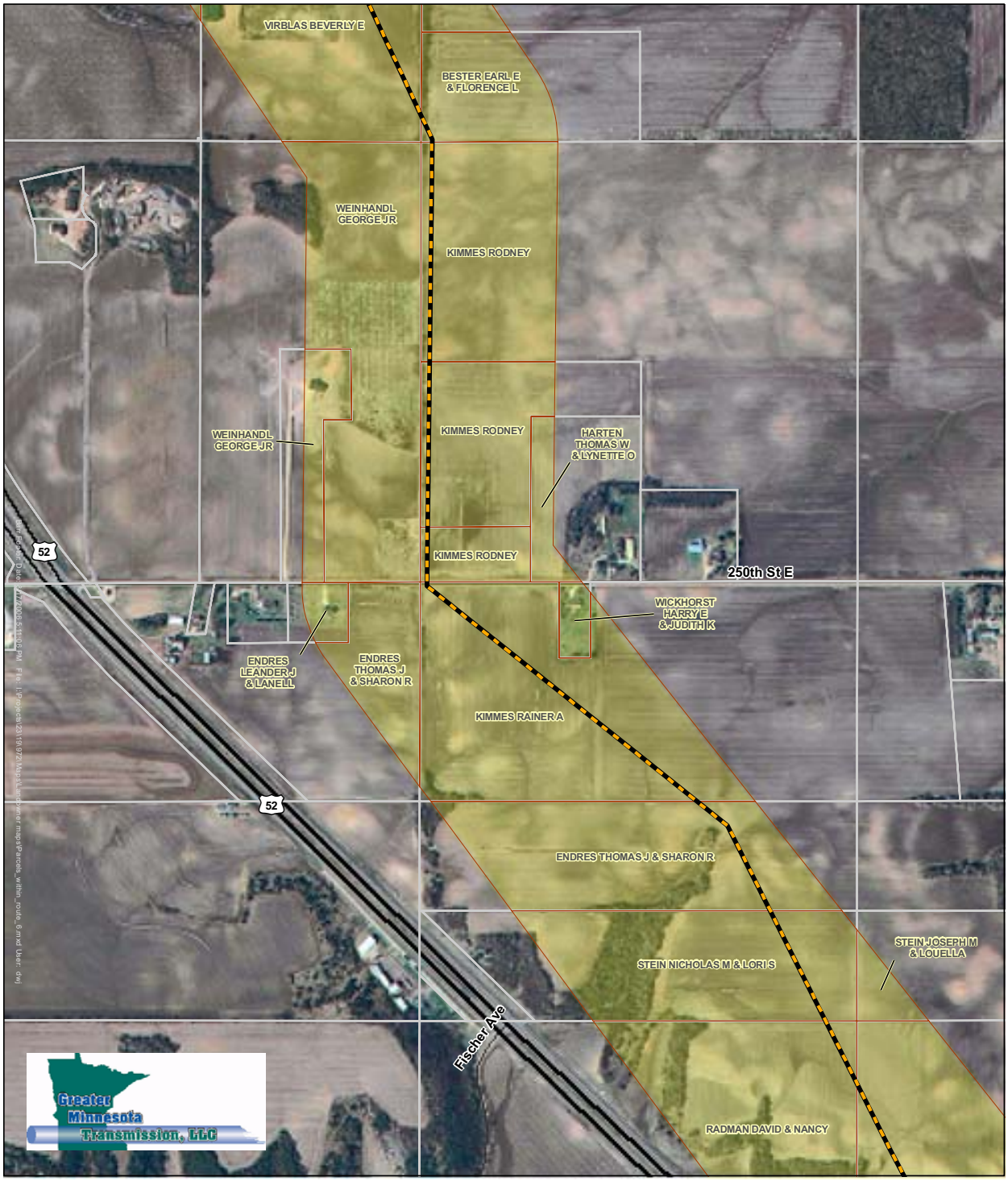
600 0 600

Miles

0 0.25

Landowners Map #5
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

N

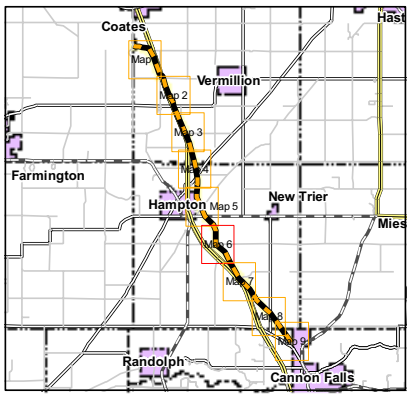
Feet

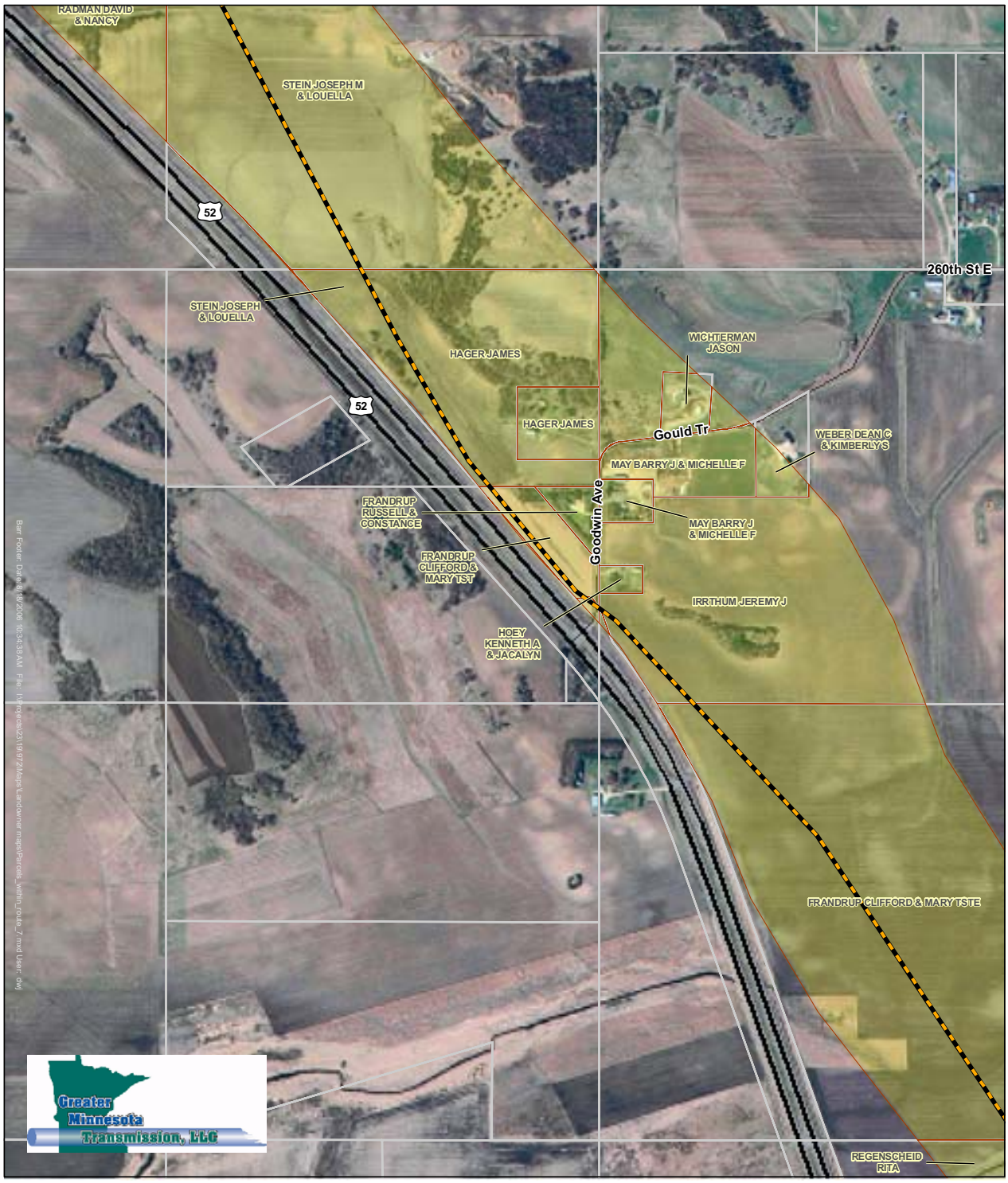
600 0 600

Miles

0 0.25

Landowners Map #6
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

N

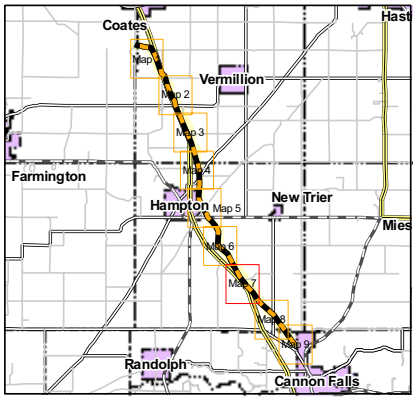
Feet

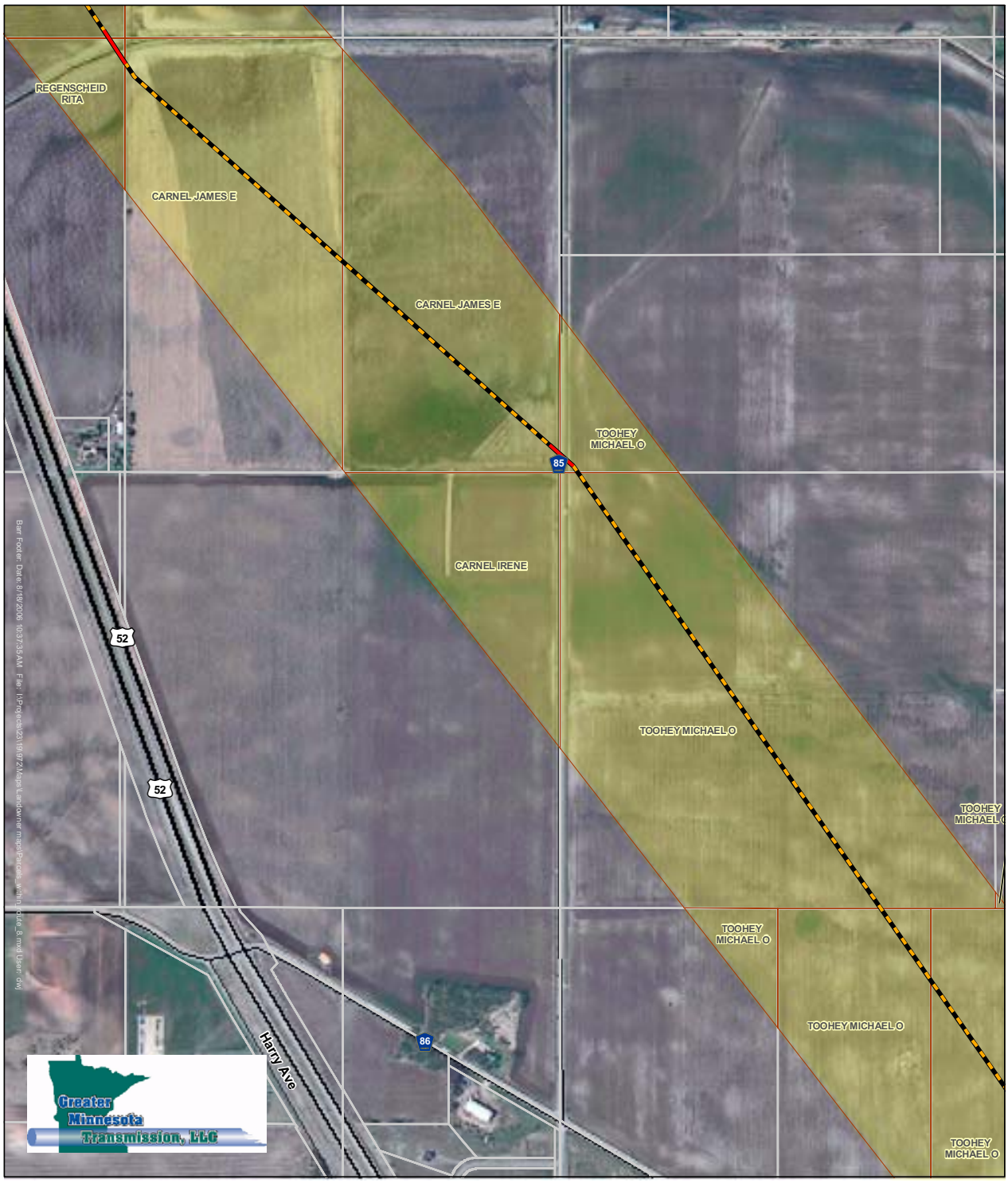
600 0 600

Miles

0 0.25

Landowners Map #7
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
- Proposed Pipeline Route

*Source: Dakota County Office of Geographic Information Systems Real Estate Database

N

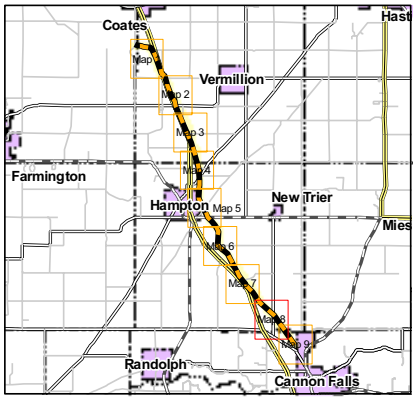
Feet

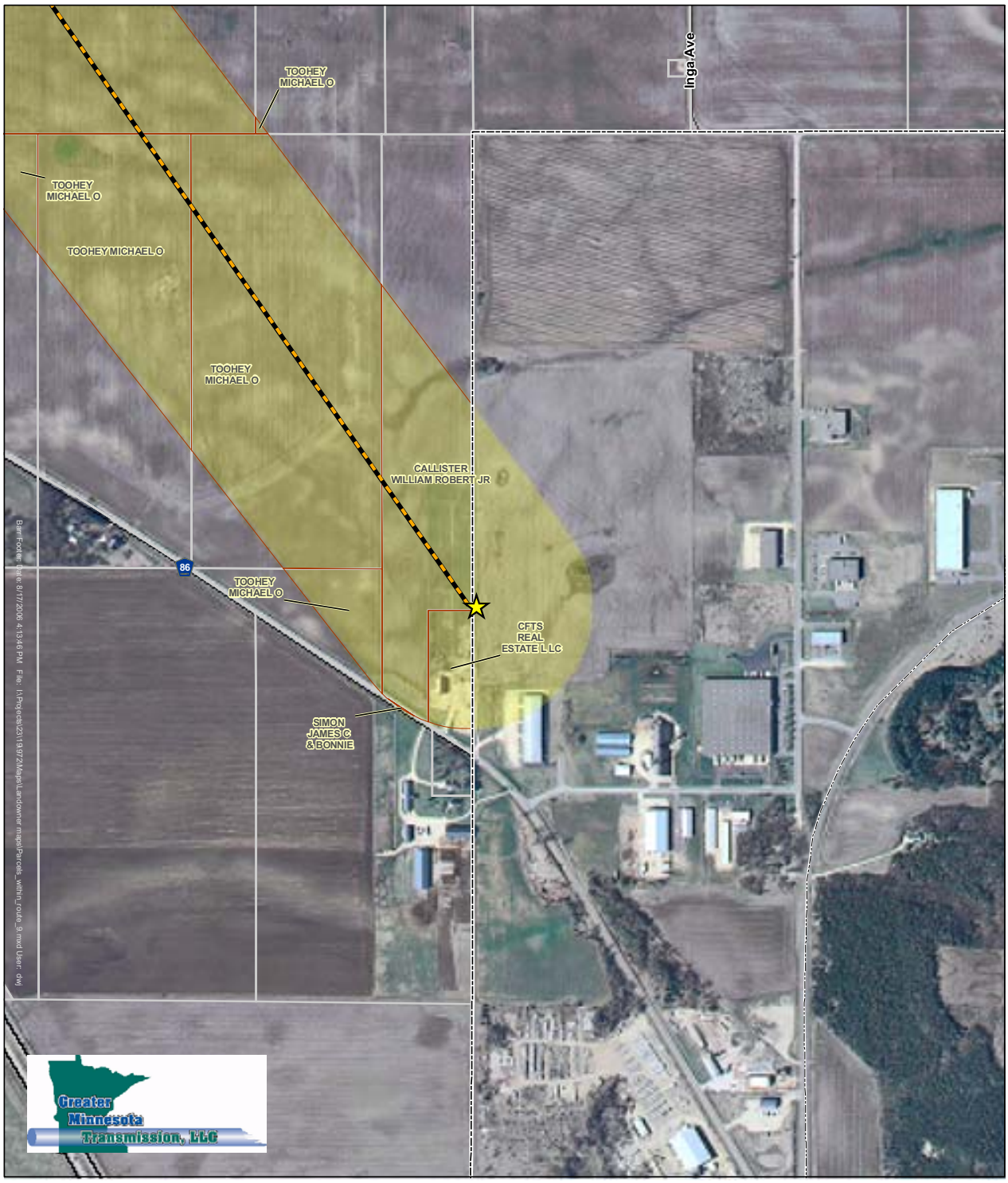
600 0 600

Miles

0 0.25

Landowners Map #8
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006





Aerial Imagery: Markhurd April,2005

Legend

- Pipeline Alignment
- Directional Bore Segment
- Parcel within route
- Property Boundaries
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*Source: Dakota County Office of Geographic Information Systems Real Estate Database

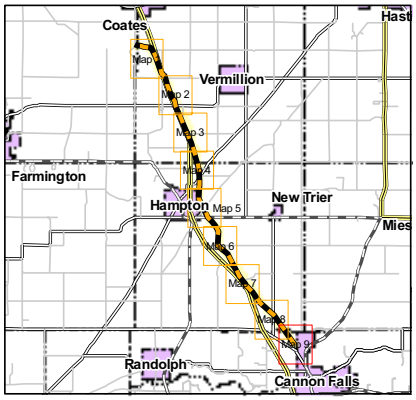
Feet

600 0 600

Miles

0 0.25

Landowners Map #9
Greater Minnesota Transmission, LLC
Cannon Falls Gas Pipeline Routing
Permit Application
August 2006



ATTACHMENT 3
AGRICULTURAL IMPACT MITIGATION PLAN

AGRICULTURAL IMPACT MITIGATION PLAN

Cannon Falls Natural Gas Pipeline Project

Greater Minnesota Transmission, LLC

October 2006

Greater Minnesota Transmission, LLC – Cannon Falls Natural Gas Pipeline Project

AGRICULTURAL IMPACT MITIGATION PLAN

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AGRICULTURAL IMPACT MITIGATION PLAN

Purpose and Applicability

This Agricultural Impact Mitigation Plan (AIMP) was developed in consultation with the Minnesota Department of Agriculture (MDA) as part of a Greater Minnesota Transmission, LLC (GMT) application for a Routing Permit submitted to the Minnesota Public Utilities Commission (PUC). The overall objective of the AIMP is to identify measures that GMT will implement to avoid, mitigate, or provide compensation for, negative agricultural impacts that may result from Pipeline construction. During the Routing Permit process, GMT has continued to consult with MDA regarding provisions of this AIMP. Once finalized, this AIMP will be incorporated into construction specifications and will provide a basis for construction of the Pipeline on Agricultural Land. In the event of a conflict between GMT's Routing Permit application and the AIMP, the provisions of the AIMP will prevail.

The below prescribed construction standards and policies only apply to construction activities occurring partially or wholly on privately owned Agricultural Land. The measures do not apply to construction activities occurring entirely on public rights-of-way, railroad rights-of-way, publicly owned land, or private land that is not Agricultural Land. GMT will, however, adhere to the same construction standards relating to the repair of agricultural Tile (Item No. 3 in the AIMP) when Tiles are encountered on public highway rights-of-way, railroad rights-of-way, or publicly or privately owned land.

Unless the Easement or other agreement, regardless of nature, between GMT and the Landowner or Tenant specifically provides to the contrary, the mitigation actions specified in the construction standards and policies set forth in this AIMP will be implemented in accordance with the conditions listed below:

General Provisions

All mitigation actions are subject to change by Landowners or Tenants, provided such changes are negotiated in advance of construction and acceptable to GMT.

Unless otherwise specified, GMT will retain qualified contractors to execute mitigation actions; however, GMT may negotiate with Landowners or Tenants to carry out the mitigation actions that Landowners or Tenants wish to perform themselves.

Mitigation actions employed by GMT pursuant to this AIMP, unless otherwise specified in this AIMP or in an Easement or other agreement negotiated with an individual Landowner or Tenant will be implemented within 45 days following completion of Final Clean-up on an affected property, weather permitting or unless otherwise delayed at the request of the Landowner or Tenant. Temporary repairs will be made by GMT during construction as needed to minimize the

risk of additional property damage or interference with the Landowner's or Tenant's access to or use of the property that may result from an extended time period to implement mitigation actions.

Except as otherwise provided in this AIMP, or unless otherwise agreed to by Landowners or Tenants, mitigation actions pursuant to this AIMP will extend to associated future maintenance and repair activities by GMT to the extent that these actions are not inconsistent with GMT's operating policies and procedures.

GMT will implement the mitigation actions contained in this AIMP to the extent that they do not conflict with the requirements of any applicable federal and state rules and regulations and other permits and approvals that are obtained by GMT for the project or they are not determined to be unenforceable by reason of other requirements of federal and state permits issued for the project. To the extent a mitigation action required by this agreement is determined to be unenforceable in the future due to requirements of other federal or state permits issued for the project, GMT will so inform the MDA and work with them to develop a reasonable alternative mitigation action.

By no later than 45 days prior to the construction of the Pipeline, GMT will provide each Landowner and Tenant with a telephone number and address which can be used to contact GMT, both during and following the completion of construction, regarding the agricultural impact mitigation work which is performed on their property or other construction-related matter. If the contact information changes after the completion of construction, GMT will provide the Landowner and Tenant with updated contact information. GMT will respond to Landowner and Tenant telephone calls and correspondence within a reasonable time.

Certain provisions of this AIMP require GMT to consult and/or agree with the Landowner and Tenant of a property. GMT will engage in a good faith effort to secure the agreement of both Landowner and Tenant in such cases. In the event of a disagreement between Landowner and Tenant, GMT's obligation will be satisfied by securing the Landowner's written agreement, unless the Tenant has demonstrated in a court of competent jurisdiction that he or she has the superior legal rights in the matter at issue.

This AIMP is incorporated by reference into the Routing Permit issued by the PUC.

GMT will use good faith efforts to obtain an acknowledgement of completion from each Landowner and Tenant upon the completion of Final Clean-up on their respective property.

If any provision of this AIMP is held to be unenforceable, no other provision will be affected by that holding, and the remainder of the AIMP will be interpreted as if it did not contain the unenforceable provision.

Definitions

Agricultural Land – Land that is actively managed for cropland, hayland, or pasture, and land in government set-aside programs.

Agricultural Inspector = Full time on-site inspector retained by GMT to verify compliance With requirements of this AIMP during construction of the Pipeline. The Agricultural Inspector will have demonstrated experience with pipeline construction on Agricultural Land.

Agricultural Monitor – Full-time, on-site monitor retained and funded by GMT, but reporting directly to MDA and responsible for auditing GMT's compliance with provisions of this AIMP.

GMT – Greater Minnesota Transmission, LLC, its successors and assignees.

Cropland – Land actively managed for growing row crops, small grains, or hay.

Easement – The agreement(s) and/or interest in privately owned Agricultural Land held by GMT by virtue of which it has the right to construct and operate the Pipeline together with such other rights and obligations as may be set forth in such agreement.

Final Clean-up - Pipeline construction activity that occurs after backfill and before restoration of fences and required reseeding. Final Clean-up activities include: replacing Topsoil, removal of construction debris, removal of excess rock, decompaction of soil as required, installation of permanent erosion control structures, and final grading.

Landowner – Person(s) holding legal title to Agricultural Land on the Pipeline route from whom GMT is seeking, or has obtained, a temporary or permanent Easement including any Person(s) authorized in writing by any such Person to make decisions regarding the mitigation or restoration of agricultural impacts to such Person's property.

Non-Agricultural Land – Any land that is not "Agricultural Land" as defined above.

Person – An individual or entity, including any partnership, corporation, association, joint stock company, trust, joint venture, limited liability company, unincorporated organization, or governmental entity (or any department, agency or political subdivision thereof.

Pipeline – The natural gas pipeline proposed by GMT (PUC Docket No. PL-6580/GP-06-931)

Planned Tile – Locations where the proposed installation of Tile is made known in writing to GMT by the Landowner or Tenant either: 1) within 60 days after the signing of an Easement; or 2) before the issuance of a

Routing Permit to GMT by the PUC; whichever is sooner.

Right-of-Way – The Agricultural Land included in permanent and temporary Easements which GMT acquires for the purpose of constructing and operating the Pipeline.

Tenant – Any Person lawfully residing on or in possession of the land which makes up the "Right-of-Way" as defined in the AMP.

Tile - Artificial subsurface drainage system.

Topsoil - The uppermost horizon (layer) of the soil, typically with the darkest and highest content of organic matter and nutrients.

Mitigation Actions

1. Pipeline Depth of Cover

A. Except for above-ground facilities, such as mainline block valves, and except as otherwise stated in this AIMP, the Pipeline will be buried with the following depths of cover on Agricultural Land:

1. The Pipeline will be constructed with the minimum depth of cover of four and one half (4 1/2) feet as required by Minn. Stat. §116I.06, Subd. 1.

2. Where existing or Planned Tile are present, the Pipeline will be installed at a depth that will achieve at least a 1-foot separation between the Pipeline and overlying Tiles as described in 1 .C.

3. Where the Pipeline is adjacent to (within 100 feet) an existing pipeline, the depth of cover will be the same as the adjacent pipeline, subject to approval by the Landowner.

B. Notwithstanding paragraph A of Section 1, unless the Landowner or Tenant determines otherwise in writing, GMT will construct the Pipeline under existing non-abandoned Tile and Planned Tile within eight (8) feet of the surface. GMT may install the Pipeline over Tile buried deeper than eight (8) feet. The Landowner must provide plans for the proposed installation of Planned Tile drawn by a qualified professional with experience in the design and installation of Tile. In determining the proper depth of the Pipeline, GMT will accommodate the depth and grade needed for both existing and planned Tile to function properly. GMT will not change the grade of existing Tile to accommodate the Pipeline without the Landowner's or Tenant's advance

written consent.

C. A minimum of 12 inches of separation will be maintained between the Pipeline and Tile unless the Landowner or Tenant agrees in writing to a lesser separation distance or other physical conditions exist which prevent the minimum distance of separation to be achieved and the Landowner is informed of the physical condition prior to the installation of the Pipeline over the Tile. If the Landowner or Tenant is unavailable, the Agricultural Monitor will be so informed.

D. On lands subject to erosion, GMT will patrol the pipeline Right-of-Way with reasonable frequency to detect erosion of the topcover. GMT will not knowingly allow the amount of topcover to erode more than 12 inches from its original level. GMT will be responsible for maintaining the proper topcover under this section where erosion has occurred despite the Landowner's or Tenant's best effort to employ accepted conservation farming practices. However, GMT will not be responsible for a Landowner or Tenant removing cover either through the use of specialty landscaping methods or any other farming method that would cause the depth of cover to be altered or causing erosion to occur over the Pipeline through means other than accepted conservation farming practices.

2. Topsoil Stripping, Storage, and Replacement

A. GMT will remove Topsoil from the Agricultural Land to be trenched for the Pipeline and for bore pits at road and ditch crossings. The depth of soil to be removed will be the actual depth of the Topsoil or to a specified maximum depth as defined in this AIMP. The maximum depth of Topsoil stripping will be 18 inches approximately. GMT will work with MDA to identify a suitable protocol for communicating the appropriate depth of Topsoil stripping to construction personnel. The Agricultural Inspector or the designated GMT inspector will observe Topsoil operations so that appropriate depths are removed. In areas of active Cropland, the Topsoil will be removed from the area to be excavated above the Pipeline. Subsoil material which is removed from the trench will be placed in a stockpile that is separate from stored topsoil.

B. In backfilling the trench, stockpiled subsoil material will be placed back into the trench before replacing the Topsoil.

C. The Topsoil will be replaced so that after settling occurs, the Topsoil's original depth and contour (with an allowance for settling) will be achieved. Topsoil materials will not be used for destructive purposes such as padding the pipe. GMT may employ temporary, non-destructive uses of Topsoil such as creating

access ramps at road crossings.

3. Repair of Damaged and Adversely Affected Tile

If Tile is damaged by the Pipeline installation or future construction, maintenance, or repair of the Pipeline, the Tile will be repaired in a manner that restores the Tile's operating condition at the point of repair. If Tiles on or adjacent to the Pipeline's construction area are adversely affected by the Pipeline, GMT will take such actions as are necessary to restore the functioning of the Tile, including the relocation, reconfiguration, and replacement of the existing Tile. The affected Landowner or Tenant may elect to negotiate a fair settlement with GMT for the Landowner or Tenant to undertake the responsibility for repair, relocation, reconfiguration, or replacement of the damaged Tile. In the event the Landowner or Tenant chooses to undertake the responsibility for repair, relocation, reconfiguration, or replacement of the damaged Tile, GMT will not be responsible for correcting Tile repairs after completion of the Pipeline (GMT is responsible for correcting Tile repairs after completion of the Pipeline, provided the repairs were made by GMT or its agents or designees.).

Where the damaged Tile is repaired by GMT, the following standards and policies will apply to the Tile repair:

A. GMT will contact affected Landowners or Tenants for their knowledge of Tile locations prior to the Pipeline's installation. Tile that is damaged, cut, removed or otherwise discovered will be distinctly marked by placing a highly visible flag at the edge of the construction Right-of-Way directly opposite such Tiles. This marker will not be removed until the Tile has been permanently repaired and such repairs have been approved and accepted by the Landowner or Tenant or the Agricultural Monitor.

B. Tiles will be repaired with materials of the same or better quality as that which was damaged.

C. If water is flowing through a damaged Tile, temporary repairs will be promptly installed and maintained until such time that permanent repairs can be made.

D. Where Tiles are damaged or severed by the Pipeline trench, repairs will be made according to the following standards:

1. Where Tiles are severed by the Pipeline trench, use of double-walled drain tile pipe, or its equivalent material, will be used to construct Tile repairs.

2. Within the trench, 1 1/2 inch river gravel, 4 inch crushed stone, sandbags, or bags of concrete will be backfilled under Tiles, as needed to provide support to the Tiles and to prevent settling. Concrete blocks are also acceptable forms of support as are protective pads on the Pipeline

3. The support member will be of sufficient strength to support loads expected from normal farming practices *(i.e.,* loads up to a 10-ton point load) on the surface directly above the repaired Tile.

4. The support member will extend a minimum of 2 feet into previously undisturbed soil on both sides of the trench and will be installed in a manner that will prevent it from overturning. If the Tile repairs involve clay Tile, the support member will extend to the first Tile joint beyond the minimum 2 foot distance.

5. There will be a minimum clearance as required by 1 .C.

6. The grade of the Tile will not be changed.

E. Before completing permanent Tile repairs, Tiles will be examined by suitable means on both sides of the trench for their entire length within the work area to check for Tile that might have been damaged by construction equipment. If Tiles are found to be damaged, they will be repaired so they operate as well after construction as before construction began.

F. GMT will make reasonable efforts to complete Permanent Tile repairs within 14 days after Final Clean-up, taking into account weather and soil conditions.

G. Following completion of the Final Clean-up, GMT will also be responsible for correcting Tile repairs that fail due to Pipeline construction, provided those repairs were made by GMT. GMT will be responsible for correcting and repairing Tile breaks, or other damages to Tile systems that occur on the Rights-of-Way to the extent that such breaks are the result of Pipeline construction. For the purpose of this paragraph, it is presumed that, during the first 5 years after construction, Tile breaks or other damages to Tile systems within the Rights-of-Way are the result of Pipeline construction unless GMT can demonstrate otherwise. GMT will not be responsible for Tile repairs which GMT has paid the Landowner or Tenant to perform.

4. Installation of Additional Tiles

GMT will be responsible for installing such additional Tile and other drainage measures as are necessary to properly drain wet areas on the Rights-of-Way caused by the construction and/or existence of the Pipeline. For the purpose of this paragraph, during the first 5 years after construction of the Pipeline, it is presumed that wet areas located in the Rights-of-Way are caused by the construction and/or existence of the Pipeline unless GMT can demonstrate that the construction and/or existence of the Pipeline is not the cause of the wet areas.

5. Rock Removal

The following conditions with respect to rock removal will apply on Agricultural Land:

A. The Pipeline trench, or bore pits, or other excavations will not be backfilled with soil containing rocks of greater concentration or size than existed prior to the Pipeline's construction.

B. If trenching, blasting, or boring operations are required through rocky terrain, suitable precautions will be taken to minimize the potential for oversize rocks to become interspersed with the soil material that is placed back in the trench.

C. Soil removed from the Pipeline trench, bore pits, or other excavations containing unacceptable rock concentrations or sizes (see 5.A. above) will be hauled off the Landowner's premises or disposed of on the Landowner's premises at a location that is mutually acceptable to the Landowner or Tenant and GMT, and at GMT's expense. GMT may elect to remove excess rock from the soil and use the soil as backfill material.

D. After completion of the compaction alleviation activities required in Section 7, below, GMT will remove rocks which are six (6) inches in diameter from the surface of disturbed soil on the entire construction area if the off-Right-of-Way areas do not contain rocks larger than 6 inches in diameter. Where rock removal is required, the amount of rock on the surface of the Right-of-Way after construction will be similar to that on adjacent off-Right-of-Way areas. Rocks will be hauled off the Landowner's premises or disposed of on the Landowner's premises at a location that is mutually acceptable to the Landowner or Tenant and GMT, and at GMT's expense.

6. Removal of Construction Debris

Construction-related debris and material which is not an integral part of the Pipeline will be removed from the Landowner's property at GMT's cost. (Note: Such material to be removed would include litter generated by the construction crews.)

7. Compaction, Rutting, Fertilization, Liming, and Soil Restoration

A. Compaction will be alleviated as needed on Cropland traversed by construction equipment. Cropland that has been compacted will be plowed using appropriate deep-tillage and draft equipment. Alleviation of compaction of the Topsoil will be performed during suitable weather conditions, and must not be performed when weather conditions have caused the soil to become so wet that activity to alleviate compaction would damage the future production capacity of the land as determined by the Agricultural Monitor. GMT will continue to work with MDA to evaluate the suitability of methods to alleviate soil compaction (e.g. incorporation of bedding manure).

B. In the case of a claim for damages related to soil compaction, upon written request, GMT will retain a Professional Soil Scientist, who is also licensed by the State of Minnesota, or an appropriately qualified Minnesota licensed professional engineer to perform a soil survey for soil compaction using appropriate field equipment such as a soil penetrometer to investigate such claim. In addition, where there are row crops, samples will be taken in the middle of the row, but not in rows where the drive wheels of farm equipment normally travel. Copies of the results of the above-described survey will be provided to the Landowners and/or Tenants making such claim at GMT's expense within 45 days of completion of the soil survey.

C. GMT will restore rutted land to as near as practical to its pre-construction condition.

D. GMT will reasonably compensate Landowners and/or Tenants, as appropriate, for damages caused by GMT during Pipeline construction, including the cost of soil restoration.

E. If there is a dispute between the Landowner and Tenant and GMT as to what areas need to be ripped or chiseled, the depth at which compacted areas should be ripped or chiseled, or the necessity or rates of lime, fertilizer, and organic material application, the Agricultural Monitor's opinion will be considered by GMT.

8. Land Leveling

Following the completion of the Pipeline construction, GMT will restore the area disturbed by construction to its original pre-construction elevation and contour. If uneven settling occurs or surface drainage problems develop, as a result of Pipeline construction, GMT will provide additional land leveling services, or compensation, within 45 days of receiving a Landowner's or Tenant's written notice, weather permitting.

9. Prevention of Soil Erosion

GMT will work with Landowners and Tenants to prevent excessive erosion on lands disturbed by construction.

10. Repair of Damaged Soil Conservation Practices

Soil conservation practices (such as terraces, grassed waterways, etc.) which are damaged by the Pipeline's construction will be restored to their pre-construction condition.

11. Interference with Irrigation Systems

A. If the Pipeline and/or temporary work areas intersect an operational (or soon to be operational) spray irrigation system, GMT will establish with the Landowner or the Tenant, an acceptable amount of time the irrigation system may be out of service.

B. If, as a result of Pipeline construction activities or future construction, maintenance, or repair of the Pipeline, an irrigation system interruption results in crop damages, either on the Right-of-Way or off the Right-of-Way, compensation of Landowners and/or Tenants, as appropriate, will be determined as described in section 18 of this AIMP.

C. If it is feasible and mutually acceptable to GMT and the Landowner or the Tenant, temporary measures will be implemented to allow an irrigation system to continue to operate across land on which the Pipeline is also being constructed.

12. Mitigation for Other Natural Resource Impacts

Unless otherwise required by a state or federal agency or other governmental body, GMT will not mitigate for impacts to other natural resources (wetlands, woodlands, etc.) utilizing Agricultural Land as mitigation lands. If Agricultural Land is used for woodland/wetland impact mitigation, GMT will attempt to negotiate a mitigation ratio not to exceed a 1:1 ratio.

13. Ingress and Egress

Prior to the Pipeline's installation, GMT and the Landowner and the Tenant will reach a mutually acceptable agreement on the means of entering and leaving the Right-of-Way should access to the Right-of-Way not be practical or feasible from adjacent segments of the Right-of-Way or from public highway or railroad right-of-way. Temporary access ramps may be constructed using locally obtained Topsoil as needed to facilitate the movement of equipment between public highways and the Right-of-Way.

14. Temporary Roads

A. The location of temporary roads to be used for construction purposes will be negotiated with the Landowner or the Tenant.

B. The temporary roads will be designed so as to not impede proper drainage and will be built to minimize soil erosion on or near the temporary roads.

C. Upon abandonment, temporary roads may be left intact through mutual agreement of the Landowner and the Tenant and GMT unless otherwise restricted by federal, state or local regulations.

D. If the temporary roads are to be removed, the Agricultural Land upon which the temporary roads are constructed will be returned to its previous use and restored to equivalent condition as existed prior to their construction. Restoration techniques for temporary roads will be similar to those employed in restoring the Pipeline Right-of-Way, e.g. decompaction.

15. Weed Control

On land over which GMT has above-ground facilities (i.e., valve sites, pump stations, etc.), GMT will provide for weed control in a manner that does not allow for the spread of weeds onto adjacent Agricultural Land during operation of the Pipeline. Weed control spraying will be in accordance with State of Minnesota regulations.

16. Pumping of Water from Open Trenches

A. In the event it becomes necessary to pump water from open trenches, GMT will pump the water in a manner that will avoid damaging adjacent Agricultural Land, crops, and/or pasture. Such damages include, but are not limited to: inundation of crops for more than 24 hours and deposition of sediment in ditches and other water courses.

B. If water-related damage during pumping of water from open trenches results in

a loss of yield, compensation of Landowners and/or Tenants, will be determined as described in section 18 of this AIMP.

C. Standards for pumping of water will apply to the extent that they do not conflict with federal, state, and local regulations.

17. Construction in Wet Conditions

A. Should the Agricultural Monitor determine that, due to wet conditions, continued construction activity would result in damage to the future production capacity of the land included in the construction area, the Agricultural Monitor may request GMT's Agricultural Inspector to temporarily halt the construction activity on that Landowner's property (not on the entire construction spread) until the Agricultural Monitor consults with supervisory personnel of GMT.

B. If construction is continued over the Agricultural Monitor's objection, and damage results, it is presumed the damage is caused by the Pipeline construction unless MPL can demonstrate otherwise. The Landowner or Tenant may seek a determination of damages. Compensation for Landowners and/or Tenants, as appropriate, will be determined as described in section 18 of this AIMP.

18. Procedures for Determining Construction-Related Damages and Providing Compensation

A. GMT will develop and put into place a procedure for the processing of anticipated Landowners' or Tenants' claims for construction-related damages. The procedure will be intended to standardize and minimize Landowner and Tenant concerns in the recovery of damages, to provide a degree of certainty and predictability for Landowners, Tenants and GMT, and to foster good relationships among GMT, Landowners and their Tenants over the long term.

B. Negotiations between GMT and any affected Landowner or Tenant will be voluntary in nature and no party is obligated to follow any particular procedure or method for computing the amount of loss for which compensation is sought or paid. In the event a Landowner or a Tenant decide not to accept compensation offered by GMT, the compensation offered is only an offer to settle, and the offer shall not be introduced in any proceeding brought by the Landowner or a Tenant to establish the amount of damages GMT must pay. In the event that GMT and a Landowner Tenant are unable to reach an agreement on the amount of compensation, any such Landowner or Tenant may seek recourse through the court system of the State of Minnesota.

19. Advance Notice of Access to Private Property

A. GMT will provide the Landowner and/or Tenant with a minimum of 24 hours prior notice before accessing his/her property for the purpose of constructing the Pipeline.

B. Prior notice will consist of a personal contact or a telephone contact, whereby the Landowner and the Tenant is informed of GMT's intent to access the land. If the Landowner and/or Tenant cannot be reached in person or by telephone, GMT will mail or hand-deliver to the Landowner and the Tenant's home a dated, written notice of GMT's intent. The Landowner and Tenant need not acknowledge receipt of the written notice before GMT can enter the Landowner's property.

20. Indemnification

For any Pipeline installation covered by this AIMP, GMT will indemnify the respective Landowners and Tenants, their heirs, successors, legal representatives, and assigns from and against all claims, injuries, suits, damages, (including, but not limited to, crop loss, repairs to irrigation systems and Tile, real and personal property damages) costs, losses, and reasonable expenses resulting from or arising out of the construction of such Pipeline, including damage to such Pipeline or any of its appurtenances and the leaking of its contents, to the extent arising from the violation by GMT or its contractors of the construction standards required by this AIMP except where such claims, injuries, suits, damages, costs, losses, and expenses are caused by the negligence or intentional acts, or willful omissions of such Landowners and Tenants, their contractors, heirs, successors, legal representatives, and assigns.

21. Excavation after Pipeline Installation

If, after Pipeline installation the Landowner or Tenant must make repairs to a Tile that lies within the Right-of-Way, or is to install new Planned Tile, GMT will, at its own expense:

A. If the Pipeline is below the Tile, GMT will provide a person to be present when the excavation work is being performed but will not perform the excavation work.

B. If the Pipeline is above the Tile, GMT will be responsible for reasonable extra costs incurred by the Landowner or Tenant to excavate and expose the Pipeline, as mutually agreeable to GMT and the Landowner or Tenant.

C. The Landowner or Tenant will be responsible for contacting Gopher State One

Call prior to any excavation near the Pipeline.

22. Role and Responsibilities of Agricultural Monitor

The Agricultural Monitor will be retained and funded by GMT, but will report directly to MDA. The primary function of the Agricultural Monitor will be to audit GMT's compliance with this AIMP. The Agricultural Monitor will not have the authority to direct construction activities and will work through GMT's Agricultural Inspector if compliance issues are identified. The Agricultural Monitor will have full access to Agricultural Land crossed by the GMT Project and will have the option of attending meetings where construction on Agricultural Land is discussed. Specific duties of the Agricultural Monitor will include but are not limited to the following:

1. Participate in preconstruction training activities sponsored by GMT.
2. Monitor construction and restoration activities on Agricultural Land for compliance with provisions of this AIMP.
3. Report instances of noncompliance to GMT's Agricultural Inspector.
4. Prepare regular compliance reports and submit to MDA.
5. Act as liaison between Landowners and Tenants and MDA.
6. Maintain a written log of communications from Landowners and/or Tenants regarding compliance with this AIMP and Easements. Report Landowner complaints to GMT's Agricultural Inspector or right-of-way representative.

23. Qualifications and Selection of Agricultural Monitor

The Agricultural Monitor will have a bachelor's degree in agronomy, soil science or equivalent work experience. In addition, the Agricultural Monitor will have demonstrated practical experience with pipeline construction and restoration on Agricultural Land. GMT will provide resumes of candidates that meet the qualifications listed above for review and final selection by MDA.

24. Role of the Agricultural Inspector

The Agricultural Inspector will:

1. Be full-time member of GMT's environmental inspection team.

2. Be responsible for verifying GMT's compliance with provisions of this AIMP during construction.

3. Work collaboratively with other GMT inspectors, right-of-way agents, and the Agricultural Monitor in achieving compliance with this AIMP.

4. Observe construction activities on Agricultural Land on a continual basis.

5. Have the authority to stop construction activities that are determined to be out of compliance with provisions of this AIMP.

6. Document instances of noncompliance and work with construction personnel to identify and implement appropriate corrective actions as needed.

7. Provide construction personnel with training on provisions of this AIMP before construction begins.
8. Provide construction personnel with field training on specific topics such as protocols for soil stripping.

ATTACHMENT 4
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.