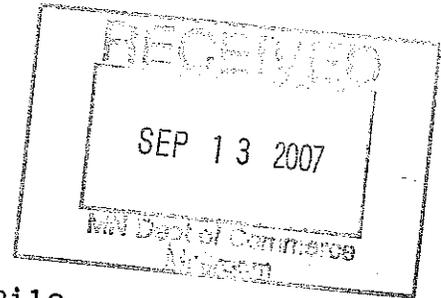


September 10, 2007

Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198



Attn: Sharon Ferguson/ Bill Storm/ Deborah Pile

Re; PUC Docket No.PL E280/GP-06-1481

ROUTE MODIFICATION PROPOSAL

I do not agree that the SEH preferred route is best corridor but in the event that is chosen by the PUC-I am asking for a slight modification. I own parcel 08-010-3200. where the tie-in for the Nashwauk to Great Lakes Gas will occur in Blackberry Township. Recently I have sold on Contract for Deed 16 acres of the original 35 acres and 6 acres of the original 20 acres in parcel 08-010-2304 to Kathy Shuster. Kathy, her daughter and two sons plan on building homes on the two parcels that would be cut diagonally by the SEH preferred route. I ask that the route be changed to run straight North 200 feet from the East property line of parcel 08-010-3200 from the tie-in to Hwy 2. This will put the pipeline crossing Hwy 2 at the same point as the preferred route but will greatly reduce the impact on the developmental plans of Kathy Shuster and her family. I have proposed this change to Clarence Kdrmas and he verbally approved. I also proposed a possible road to be built to access the tie-in from the Happy Hollow Road which Clarence also agreed to. I have not seen any modification to the preferred route on maps generated by SEH since that first meeting in Taconite.

I am asking for a documented route change and also locked gates across the Happy Hollow access and Hwy 2 access to the Nashwauk pipeline to which only Nashwauk Public Utilities, Great Lakes Gas, and I would have keys. This documentation is needed ASAP so that Kathy and her family can proceed with placement of their homes.

Your assistance in this matter will be greatly appreciated and I will pass the documentation on to Kathy Shuster as soon as I get it. I made a verbal condition of sale of this property that I either get the route changed entirely or at least get it modified so the Shusters can use the property they are buying not just watch the pipeline carve it up. I have sent a Route Change Proposal separately so that it could be evaluated independently from the modification proposal.

Sincerely,
Michael Karna
Michael Karna
21205 Bluebird Drive
Grand Rapids, MN 55744
Phone 326-6061

HAPPY HOLLOW ROAD

08-410-0120

08-010-2304

08-010-3200

08-010-3100

HWY 2

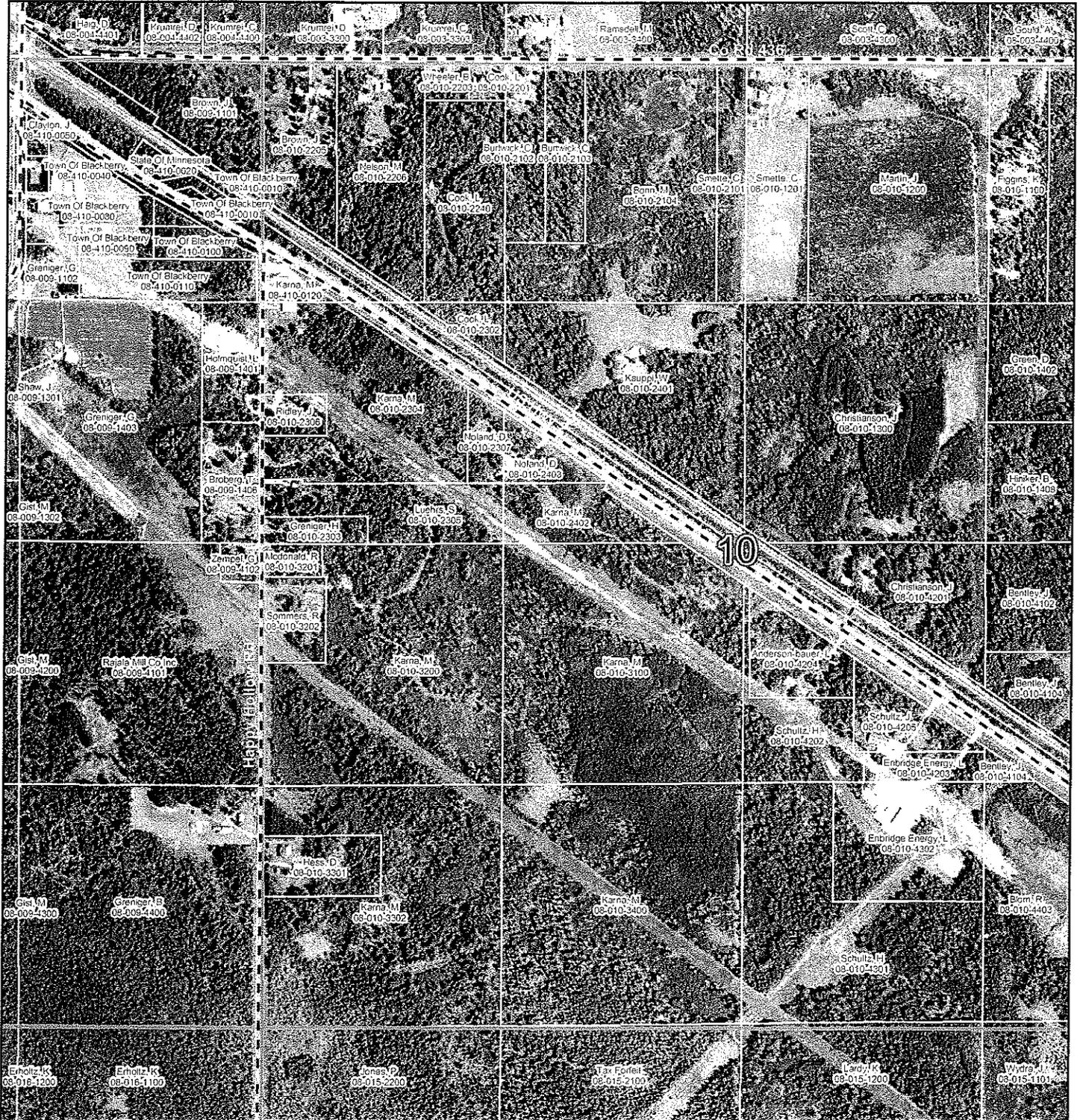
ENBRIDGE

GREAT LAKES GAS

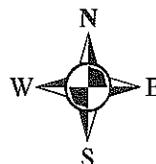
- — — — — PREFERRED ROUTE
- — — — — MODIFIED ROUTE
- — — — — KATHY SHUSTER PROPERTY

Blackberry

T54 - R24



Map Created by Larry Daigle



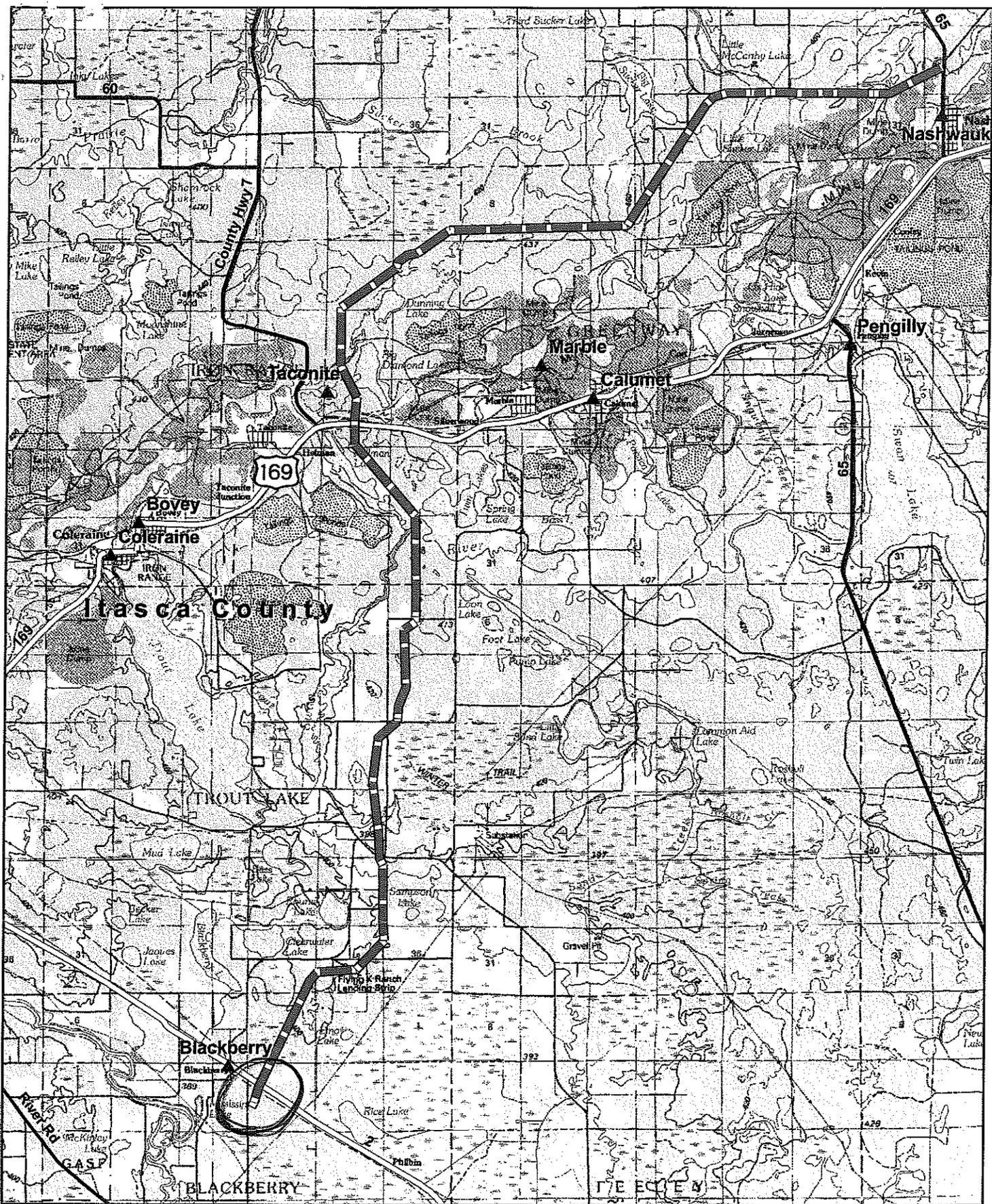
Itasca Geographic Information System
"decision support through automation"

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This information is a compilation of data from different sources with varying degrees of accuracy and requires a qualified field survey to verify.

Map Document: (S:\KOWIN\shu070100\GIS\PU\PERMIT Figure 02 Project Vicinity Map 8-5x11 P.mxd)
 2/22/2007 12:28:21 PM



 <p>3535 VADNAIS CENTER DR. ST. PAUL, MN 55110 PHONE: (651) 450-2000 FAX: (651) 490-2150 WATTS: 800-325-2055 www.sehinc.com</p>	<p>City of Nashwauk Public Utilities Commission</p> <p>February 2007</p>	<p>Legend</p> <ul style="list-style-type: none"> ▲ Cities ▬ Nashwak-Blackberry Pipeline ▭ Counties == U.S. Highways — Other Highways <p>Source: ESRI, USGS, Itasca County, and SEH. © 2007 SEH</p>	<p>Figure 2</p> <p>Project Vicinity Map</p>	 <p>Itasca County - South Coordinate System</p> <p>0 10,000 Feet</p>
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Energy Facility Permitting

85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198
1.800.657.3794 / 651.296.4026
FAX 651.297.7891 TTY 651.297.3067
<http://energyfacilities.puc.state.mn.us>

September 20, 2007

Ms. Kathleen M. Brennan, Attorney
McGrann Shea
800 Nicollet Mall
Suite 2600
Minneapolis, Minnesota 55402-7035

RE: Information Request #3
PUC Docket No. PL E280/GP-06-1481

Dear Ms. Brennan,

I have received a proposed route modification from Mr. Karna; he is asking if the preferred route, as it crosses parcel 08-010-3200 and 08-010-2304, could be modified to accommodate future development. I am requesting that the applicant respond to this proposed modification; please include in your discussion of this proposed modification the following:

- Discuss how the request for a 1500' corridor/route in the application allows for flexibility to accommodate specific landowner concerns;
- Verify whether this change lie within the proposed 1500' pipeline route corridor;
- Provide an aerial photograph illustration (small scale) of the area, showing both the original preferred route and the proposed modification;
- Discuss the implications of moving the tap on the Great Lakes Gas line to accommodate this proposed modification.

The 70 day comment period for the consideration of alternative routes ends on October 15, 2007; in an effort to maintain the proposed schedule, the Department is asking that you submit your response by that date. If you have any comments or concerns, please do not hesitate to contact me.

Sincerely,

William Cole Storm, DOC-EFP

Information Request No. 3

Date of Request: September 20, 2007
Response Due: October 15, 2007
Reference: Karna Modification to Preferred Route

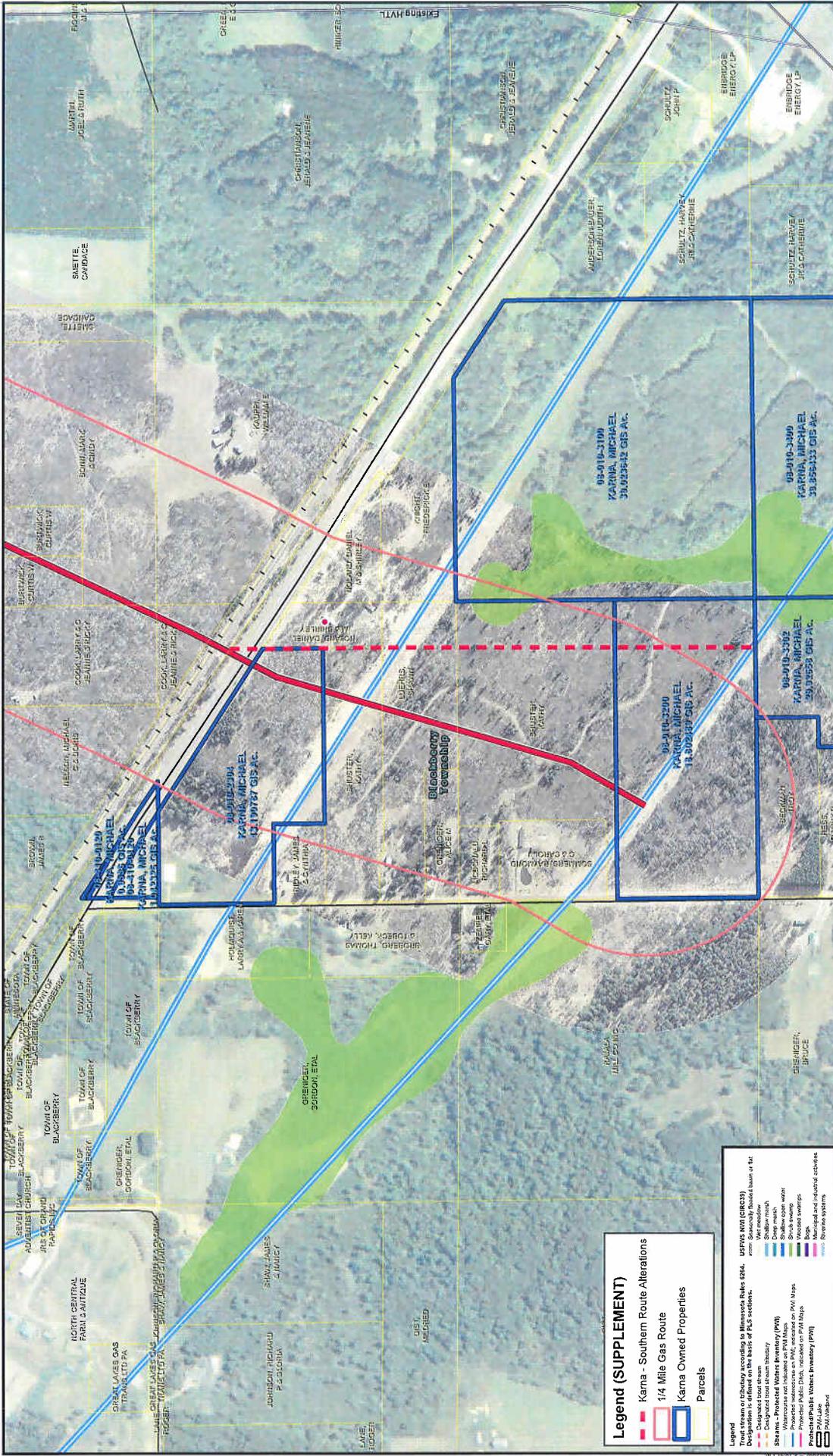
- How the request for a 1500 foot corridor route in the application allows for flexibility to accommodate specific landowner concerns
- Verify whether this proposed Karna request lies within the proposed 1500 foot pipeline route corridor
- Provide an aerial photograph illustration (small scale) of the area, showing both the original preferred route and proposed modifications
- Discuss the implications of moving the tap on the Great Lakes Gas line to accommodate the proposed modification

Response: One of the reasons for the 1,320 foot corridor that Nashwauk requested in its gas pipeline application is to allow Nashwauk to respond to and route the pipeline according to actual conditions, and, when possible, to accommodate landowner requests for modifications. This particular information request is an example of the flexibility that Nashwauk desires to keep in routing the gas pipeline.

The requested Karna modification lies within the limits of the 1,320 foot corridor width. The requested aerial photo illustration (labeled IR-3) is enclosed. The proposed modification is reasonable and within the boundaries of the corridor. However, one residence along US Highway #2 is impacted. The adjustment to the pipe placement will cause the location of the pipeline to move closer to that residence, as seen on IR-3. Discussions with that property owner will need to resolve this issue to accommodate the modification. The proposed Karna modification and adjustment to the tap on the Great Lakes Gas line are not expected to have significant impacts to pipeline construction.

Response By: Clarence Kadrmas*
Company: Utilities Management Company
Telephone: (952) 797-6455

* Aerial photo provided by SEH.



Legend (SUPPLEMENT)

- Designated flow stream
- Water meadow
- Shrubland
- Shrubland - Prohibited Wetlands Inventory (PWI)
- Wetlands not indicated on PWI Maps
- Prohibited Public Parks on State or FWS Maps
- Prohibited Public Parks on Private or FWS Maps
- Prohibited Public Wetlands Inventory (PWI)
- Prohibited
- USFS 100K DUG Pipelines (SEH Adjusted Centeline)
- USFS 100K DUG Pipelines (SEH Original Centeline)
- USFS 100K DUG Pipelines (SEH Original Centeline)
- Existing PVT Lines
- SEH Improved (2007)
- SEH Abandoned (2007)
- Abandoned Rail Lines
- Entering Rail Lines
- 2005 Itasca County/MSI - Alternative 3 (SE-CMSK3)
- Residential Intense (SE-CMSK3)
- Trunk Layout
- Existing Gas Lines
- Great Lakes
- Northern Natural Gas
- USGS 100K DUG Pipelines (SEH Adjusted Centeline)
- USGS 100K DUG Pipelines (SEH Original Centeline)
- USGS 100K DUG Pipelines (SEH Original Centeline)
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- Existing Gas Lines
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City of Nashauk Public Utilities Commission

3535 VADNAIS CENTER DR.
 WYOMING, MN 55092-1200
 PHONE: (651) 490-2300
 FAX: (651) 490-2150
 WATTS: 300-325-2055
 www.nashuk.com

October 2007

- Legend**
- 2005 Itasca County/MSI - Alternative 3 (SE-CMSK3)
 - Residential Intense (SE-CMSK3)
 - Trunk Layout
 - Existing Gas Lines
 - Great Lakes
 - Northern Natural Gas
 - USGS 100K DUG Pipelines (SEH Adjusted Centeline)
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 - Great Lakes
 - Northern Natural Gas

- Legend**
- 09. Unorganized Township Road
 - 10. Municipal Street
 - 12. National Forest Development Road
 - 03. Minnesota Trunk Highway
 - 04. County Statewide Highway
 - 05. County Road
 - 07. Township Road
 - 08. Township Road
 - 09. Unorganized Township Road
 - 10. Municipal Street
 - 12. National Forest Development Road
 - 03. Minnesota Trunk Highway
 - 04. County Statewide Highway
 - 05. County Road
 - 07. Township Road
 - 08. Township Road

Nashauk-Blackberry Pipeline Project

Itasca County/MSI Alternative 05-ICMSI-3 KARNA PARCELS

Itasca County - Soch Condensate System

Scale: 0 to 400 Feet

IR-3