



**STATE OF MINNESOTA
Minnesota Department of Commerce**



Issued: August 13, 2007

**NOTICE OF APPLICATION ACCEPTANCE
FOR A PIPELINE ROUTING PERMIT
AND
PUBLIC INFORMATION MEETING**

MPUC Docket Number: PL, E-280/GP-06-1481

PLEASE TAKE NOTICE a public information meeting will be held concerning the proposal by the Nashwauk Public Utilities Commission (NPUC) to construct the 23-mile Nashwauk-Blackberry natural gas pipeline in Itasca County.

PUBLIC INFORMATION MEETING

**Tuesday, August 28, 2007
7:00 pm
Taconite Community Center
26 Haynes Street
Taconite, MN**

Staff of the Minnesota Department of Commerce (DOC) will conduct the public meeting on behalf of the Minnesota Public Utilities Commission (Commission) and describe the state's pipeline permitting process and how the public may be involved.

BACKGROUND

NPUC filed an application for a pipeline routing permit and partial exemption from pipeline route selection procedures for the Nashwauk to Blackberry natural gas pipeline project on March 6, 2007; it was accepted by the Commission as complete on April 3, 2007.

Public information meetings were held concerning the proposed Nashwauk to Blackberry partial exemption pipeline route permit application on April 18 and May 24, 2007. The public had until June 8, 2007, to submit comments on the project and application. The major issues at these meetings seemed to be the lack of discussion on alternative routes contained within the application and a desire to have a citizen advisory committee established.

On July 27, 2007, the NPUC submitted a revised pipeline routing permit application to the Commission requesting that its original application for a partial exemption be converted into a full proceeding pursuant to Minn. Rule 4415.045 so that alternatives could be more fully considered.

Project Description

The proposed pipeline will have an outside diameter of 24-inches and an operating pressure of 599 pounds per square inch gauge (psig). The pipeline will be buried underground and run adjacent to existing utilities to the maximum extent possible within Itasca County in the townships of Blackberry, Trout Lake, Iron Range, Greenway and Nashwauk, and the cities of Taconite and Nashwauk.

The NPUC plans to have the pipeline in service by November 2008.

Project Location

The proposed 23-mile natural gas pipeline will begin about 0.6 miles southeast of the GLG block valve station located just south of U.S. Highway 2 near the unincorporated town of Blackberry, Minnesota. The first 2 miles of the route will extend north-northeast to avoid a large wetland bog north of U.S. Highway 2. From there the proposed route will turn due east approximately 2 miles to be aligned directly south of the city of Taconite. The proposed route will extend north from this point about 1.5 miles where it will cross the Swan River and then continue north where it will parallel an existing 8-inch Northern Natural Gas pipeline right-of-way for approximately 0.9 miles and then follow a proposed 230 kV high voltage transmission line (HVTL) route for 4.2 miles. Within this segment, the route will cross the Swan River a second time. The next 1.3 miles of the proposed route will run within an existing HVTL right-of-way north of the city of Taconite. At Taconite the pipeline will turn to the east, where it will proceed eastwards to the termination point within the city of Nashwauk along 9-miles of new route.

PIPELINE ROUTING PERMIT PROCEDURES

The Commission is reviewing this project pursuant to the requirements of the Pipeline Routing Rules (Minnesota Rules, Chapter 4415). There are two review procedures available to applicants for obtaining a pipeline routing permit:

A) **Partial Exemption.** An applicant may apply for a “Partial Exemption from Pipeline Route Selection Procedures” if the project is not expected to have significant environmental impacts. In such a case, the process normally takes from 60 to 120 days from acceptance of the application to completion.

B) **Pipeline Route Selection Procedures.** For larger or more controversial projects with expected significant environmental impacts, a more complex process is required and is referred to as “Pipeline Route Selection Procedures.” It can take up to nine months to complete from the time the application is accepted.

On August 9, 2007, the Commission granted NPUC’s request to convert to the full pipeline route selection procedures. The requirements of this process are in Minnesota Rules 4415.0045 through 4415.1000 and are different in several respects from the shorter partial exemption process.

- Under the full process, the applicant must include information in the application regarding consideration of alternative routes and the reasons for rejecting the alternative routes (Minn. Rules part 4415.0170). Procedurally, the process begins like the partial

exemption request with notice to the public of the application and the scheduling of a public meeting.

- In the full process the Commission must identify alternative routes to consider as part of the deliberations.
- The Commission must prepare a comparative environmental analysis of all the pipeline routes identified for consideration as part of the full process. Minn. Rules part 4415.0080.
- A second round of public meetings is required to explain the process to the public, present major issues, and respond to questions.
- Following the public meetings, a contested case hearing must be held, presided over by an administrative law judge. Minn. Rules part 4415.0090. Upon completion of the hearing, the matter comes to the Commission for a final decision.

OPPORTUNITIES FOR PUBLIC INVOLVEMENT

Opportunities for public involvement in this proceeding include participating in the information meeting, suggesting alternatives route or route segments and commenting at public hearings.

Opportunities to Propose Alternate Routes or Route Segments

Any person may propose an alternative route or route segment. Alternative routes or route segments must be submitted in accordance with Minn. Rule 4415.0075, Subpart 3, Items A to C:

- A. Any person may propose an alternate route or route segment. Alternative routes or route segments must be submitted in accordance with Minn. Rule 4415.0075, Subpart 3, Items A to C: The proposed pipeline route or route segment must be set out specifically on appropriate maps or aerial photos specified in part 4415.0140, subpart 1.
- B. The pipeline route or route segment proposal must contain the data and analysis required in parts 4415.0140, subpart 3, and 4415.0145, unless the information is substantially the same as provided by the applicant.
- C. The route proposal must be presented to the chair within 70 days of acceptance by the board of the applicant's permit application.

Persons may submit written or faxed (651-297-1959) new route or route segment proposals any time on or before 4:30 p.m. on October 15, 2007. Please include the PUC docket number (PL9/PPL-07-360 or PL9/PPL-07-361) on the submittal. Written submittals should be directed to: Sharon Ferguson, Department of Commerce, 85 7th Place East, Suite 500, St. Paul, MN 55101-2198.

If you are interested in only a minor location change or alignment modification within the route as proposed by Enbridge you are also encouraged to submit them by the deadline noted below.

All new route proposals must be approved of by the PUC for consideration at the public hearings on the Projects. New route or route segment proposals offered at the public hearing will not be accepted because they will not have been authorized by the PUC.

Opportunities to Comment and Participate at the Public Hearings

The public is also encouraged to participate in the hearing to be held on the project. There will be a formal public hearing presided over by an Administrative Law Judge (ALJ). The ALJ will listen to all of the testimony and review all of the evidence that comes into the record. The ALJ will then prepare a report and make recommendations to the Commission about the Pipeline Routing Permit Application.

You are encouraged to attend the public hearings and present testimony about the NPUC Naskwauk to Blackberry project or ask questions of the witnesses. Persons on the project mailing lists will receive notice of the public hearings and notice will also be published in local newspapers. Other information will be available over the course of the next several months at the places and websites identified in this notice.

PROJECT INFORMATION

A more detailed explanation of the proposed project is contained in the application for a pipeline route permit filed with the Commission. Copies of the NPUC application, pipeline routing rules and the pipeline routing act will be available at the information meeting. For electronic access to all public documents in this proceeding see the Commission project website at:

<http://energyfacilities.puc.state.mn.us/Docket.html?Id=19035>

Public documents can also be viewed by entering docket number 06-1481 at the eDockets search page:

<https://www.edockets.state.mn.us/EFiling/search.jsp>

In addition, hard copies of the application documents may be viewed at the following locations: Arrowhead Regional Development Corporation, Itasca County Auditor's Office, Nashwauk City Hall, Cohasset City Hall, Arbo Township, Iron Range Township, and Nashwauk Township.

DOC Project Contacts

To ask questions or seek further information about this proposed project from the DOC, please contact Project Manager, William Storm (Tel: 651-296-9535 or bill.storm@state.mn.us) or Public Advisor, Suzanne Steinhauer (Tel: 651-296-2888 or suzanne.steinhauer@state.mn.us).

If you would like to have your name added to the mailing list for this project you may register online at the project website listed above or contact DOC staff.

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Nashwak to Blackberry Natural Gas Pipeline Project

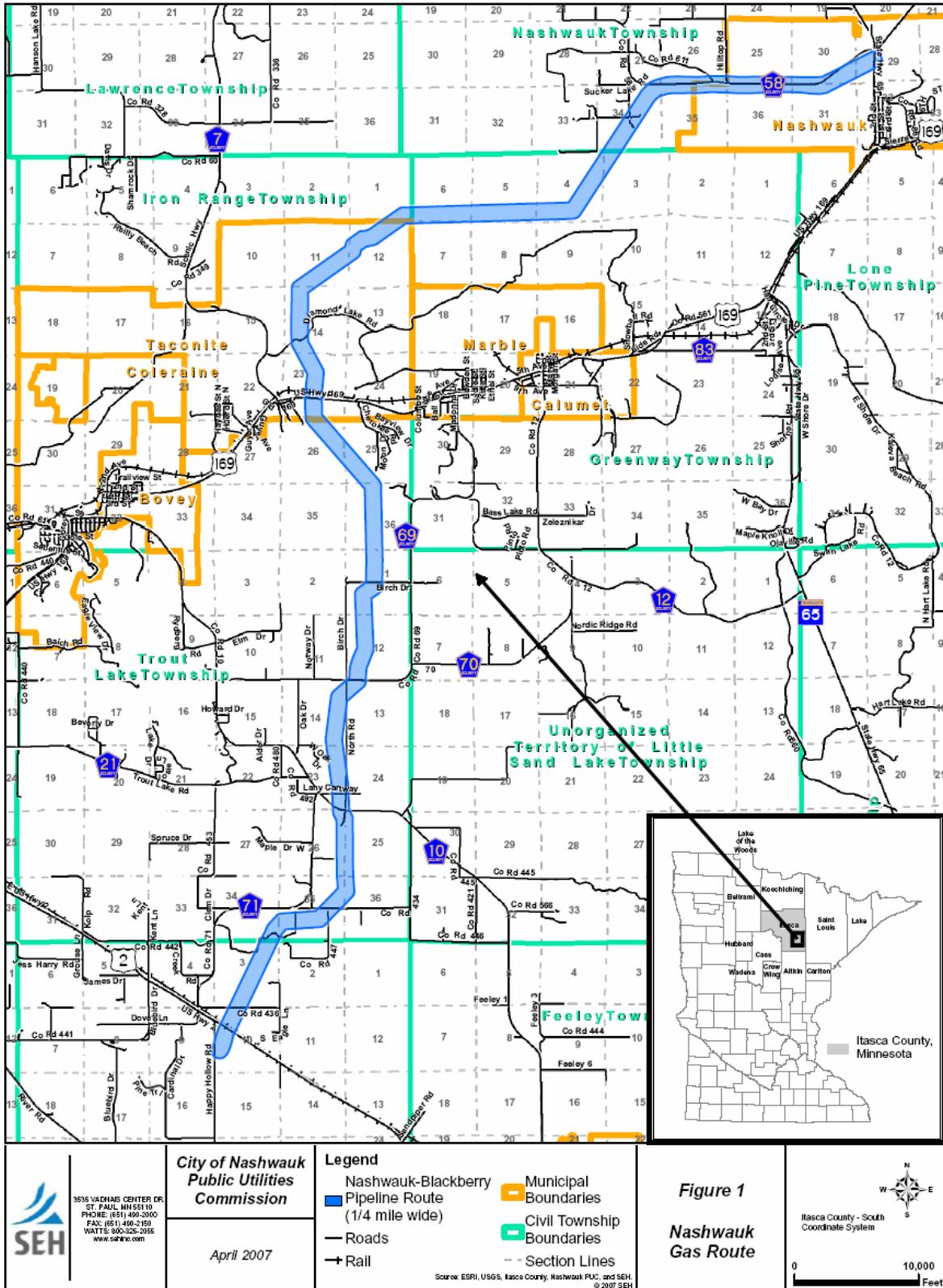


Figure 1

Nashwak Gas Route