

PIPELINE ROUTING PERMIT

For A

NATURAL GAS PIPELINE

IN

JACKSON AND NOBLES COUNTIES

ISSUED TO

MINNESOTA SOYBEAN PROCESSORS

And

GREAT PLAINS NATURAL GAS

MEQB DOCKET No. 03-62-PRP-MnSP

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

MINNESOTA SOYBEAN PROCESSORS

And

GREAT PLAINS NATURAL GAS

Minnesota Soybean Processors (MnSP) and Great Plains Natural Gas are authorized by this permit to construct and operate approximately 6.4 miles of new 4.5-inch (outside diameter) natural gas pipeline and associated facilities in Jackson and Nobles Counties along the route identified in this Routing Permit and in compliance with the conditions contained in this Permit.

**STATE OF MINNESOTA
ENVIRONMENTAL QUALITY BOARD**

Robert A. Schroeder, Chair

Dated: July 17, 2003

I. PIPELINE ROUTING PERMIT

The Minnesota Environmental Quality Board (EQB) hereby issues this Pipeline Routing Permit to the Minnesota Soybean Processors (MnSP) and Great Plains Natural Gas (hereinafter "the Permittees") pursuant to Minnesota Statutes section 116I.015 and Minnesota Rules, Chapter 4415 to construct and operate a natural gas pipeline and associated facilities approximately 6.4 miles long from an interconnection with Northern Natural Pipeline Company (NNPL) south of Brewster, MN to a MnSP processing plant under construction near Brewster, along a route designated in this Permit.

II. PROJECT DESCRIPTION

The natural gas pipeline authorized to be constructed in this Permit consists of approximately 6.4 miles of new 4.5-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 5,000 Mcf per day (Mcf means 1,000 cubic feet, a common unit of measurement for natural gas). The minimum throughput design is 2,400 Mcf per day. The normal operating pressure of the pipeline and associated facilities will be between 400 and 720 pounds per square inch gauge. The pipeline is more specifically described in the Minnesota Soybean Processors Application for Pipeline Routing Permit dated May 2002.

III. DESIGNATED ROUTE

The pipeline route designated by the Environmental Quality Board by this Permit is described as follows:

1. The proposed 6.4-mile natural gas pipeline will begin at a tap on the Northern Natural Pipeline in the northwest $\frac{1}{4}$ of Section 30 in Ewington Township in Jackson County approximately 133 feet east of the section line (the centerline of TH-264) and 503 feet south of the north section line (Jackson County Road Number 34). The pipeline then runs north approximately 573 feet to a point approximately 70 feet north of the centerline of Jackson County Road Number 34. Then, it turns west to a point about 600 feet west of Trunk Highway 264 (the road dividing Nobles and Jackson County south of I-90). From this point, the line will continue northward, approximately 600 feet west of TH 264 (south of I 90) and Nobles County Road 1 (north of I 90) to a point where Sections 36 and 25 and Nobles County Road 1 intersect in Hersey Township. At this point the pipeline will shift to the east approximately 100 feet, and then continue north through the east side of Section 25 approximately 500 feet west of the County line. The proposed pipeline will terminate at the Minnesota Soybean Processors plant under construction in the southeast $\frac{1}{4}$ of Section 24 in Hersey Township just north of Brewster.

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

3. The Permittees authorized route is shown on the map attached hereto as Exhibit 1.

IV. RIGHT-OF-WAY SELECTION

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

V. EQB 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 Permittees shall provide the EQB 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 Permittees may not commence construction until the 14 days has expired or until the EQB has advised the Permittees that it has completed its review of the plan and profile and specifications and drawings. If the Permittees intend 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 EQB, the Permittees shall notify the EQB Chair 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 EQB. The Permittees plan and profile and specifications and drawings, shall become a condition of the Permit and shall be complied with by the Permittees.

VI. PERMIT DISTRIBUTION

The Permittees shall, within 10 days of receipt of this pipeline routing permit from the EQB, 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 Permittees 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. AGRICULTURAL IMPACT MITIGATION PLAN.

The Permittees shall comply with the requirements of the attached "Agricultural Impact Mitigation Plan" developed for this project, unless otherwise negotiated with the affected landowner.

B. CONSTRUCTION PRACTICES

1. The Permittees 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 Permittees 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 Permittees shall restore the work area as quickly as possible after installation of the pipe.
4. The Permittees shall comply with applicable state rules and statutes.
5. The Permittees shall clear the right-of-way only to the extent necessary to ensure suitable access for construction, safe operation and maintenance. Windbreaks or tree rows will be crossed by using boring or directional drilling techniques that preserve the trees and surround area, unless otherwise negotiated with the affected landowner.
6. The Permittees shall stabilize stream banks disturbed by pipeline construction with vegetation using native plant species indigenous to the area or by other methods required by applicable state or federal permits or laws.
7. The Permittees shall protect and segregate topsoil in cultivated lands, unless otherwise negotiated with the affected landowner.
8. The Permittees shall minimize the compaction of soil on cultivated lands and confine compacted lands to as small an area as practicable.
9. The Permittees shall protect livestock and crops, unless otherwise negotiated with the affected landowner.
10. The Permittees shall take all appropriate precautions to protect against pollution of the environment.
11. The Permittees shall promptly remove and properly dispose of all waste and scrap that are the products of the pipeline construction process.
12. The Permittees shall provide for daily cleanup of all bottles, cans, paper, and other personal litter.
13. The Permittees shall promptly repair or replace all drainage tiles broken or damaged during right-of-way preparation, construction and maintenance activities, unless otherwise negotiated with the affected landowner.
14. The Permittees 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 Permittees 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. The Permittees shall, to the extent possible, take measures to protect shelter belts and trees in a manner compatible with the safe operation, maintenance and inspection of the pipeline.
17. The Permittees 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.

C. COMPLIANCE WITH DEPARTMENT OF NATURAL RESOURCES PERMITS

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

D. ARCHAEOLOGICAL SURVEY

The Permittees 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 EQB of such discovery. The Permittee shall not excavate at such locations until so authorized by the Minnesota Historical Society.

E. ACCESS TO PROPERTY FOR CONSTRUCTION

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

F. COMPLAINTS

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

G. PERMIT AMENDMENT

The Permittees may apply to the EQB 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.

I. 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 BOARD JURISDICTION OVER THE PIPELINE

Upon determination by the Permittees 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 EQB a written certification that the permitted pipeline construction has been completed in compliance with all permit conditions. The certification shall be considered by the EQB within 60 days of its filing. The EQB shall accept or reject the certification of completion and make a final determination regarding costs or reimbursements due. If the EQB 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 EQB, and the EQB 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 EQB, the EQB's jurisdiction over the Permittees pipeline routing permit shall be terminated. (Minnesota Rules part 4415.0207).

ATTACHMENT 1

ENVIRONMENTAL QUALITY BOARD 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:

ATTACHMENT 1

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- 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 EQB and phone number.
 8. Final disposition and date.

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

6. Requirements

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

Immediate Reports - All substantial complaints shall be reported to the EQB 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 Environmental Quality Board, 300 Centennial Building, 658 Cedar St., St. Paul, MN 55155.

7. Complaints Received by the EQB

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