

Staff Briefing Papers

Meeting Date August 13, 2026

Agenda Item 3**

Company Heartland Corn Products

Docket No. **PL-7108/GP-23-43**

**In the Matter of the Application of Heartland Corn Products for a Route Permit
for the Heartland Corn Natural Gas Pipeline Project in Sibley County, Minnesota**

Issues What action should the Commission take concerning the Heartland Corn Products
Natural Gas Pipeline Construction Completion Certification filed pursuant to Minn.
R. 7852.3900?

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 Relevant Documents

Date

Heartland Corn Products Permit Section 16 Letter	08/19/2025
Notice of Comment Period on Request for Pipeline Construction Completion Certification	12/12/2025
Public Comment – Dale Malheim	12/16/2025
Heartland Corn Products Reply Comments	02/12/2026

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

I. STATEMENT OF THE ISSUES

What action should the Commission take concerning the Heartland Corn Products Natural Gas Pipeline certification of construction completion filed pursuant to Minn. R. 7852.3900?

II. PROJECT DESCRIPTION

The Heartland Corn Products (HCP) Natural Gas Pipeline Project entailed the construction of an approximately 7.78-mile long, 6.625 inch outside diameter, API 5L PS2 X52 welded steel, fusion bond epoxy-coated natural gas pipeline near the town of Winthrop in Sibley County. The pipeline was constructed and tested for a maximum allowable operating pressure of 1440 psig and will be operated at a pressure of 900-990 psig. The purpose of the proposed pipeline is to provide a source of increased natural gas capacity to the HCP ethanol plant located in Winthrop, MN. The pipeline will allow HCP to maintain current operations and allow for future expansion of the ethanol facility. The pipeline was placed into service on January 16, 2024.

III. PROCEDURAL HISTORY

On October 27, 2023, the Commission issued an order that granted a partial exemption from the pipeline route selection procedures and issued a pipeline routing permit to Heartland Corn Products for the natural gas pipeline project.

On August 19, 2025, pursuant to Minn. R. 7852.3900 and Section 16 of the pipeline routing permit, Heartland Corn Products filed a written certification that construction of the pipeline has been completed in compliance with the permit conditions.

On December 12, 2025, the Commission issued a notice requesting comments on whether: 1) areas affected by pipeline construction have been restored to the natural conditions that existed immediately before construction of the pipeline in accordance with the pipeline routing permit; 2) the Commission should accept or reject the certification of completion; and 3) any costs or reimbursements are due. Initial comments were accepted until January 5, 2026 and reply comments until January 15, 2026. The notice was sent to affected landowners and relevant state, county, and local government units.

On December 16, 2025, a comment letter was received from Dale Malheim, an adjacent landowner to the Project, from Winthrop, MN.

On February 12, 2026, Heartland Corn Products filed reply comments.

IV. STATUTES AND RULES

Minn. R. 7852.3900 states:

Permittees shall file with the commission a written certification that the permitted

pipeline construction has been completed in compliance with all permit conditions. The certification shall be considered by the commission within 60 days of its filing. The commission shall accept or reject the certification of completion and make a final determination regarding cost or reimbursements due. If the commission rejects the certification, it shall inform the permittee in writing which deficiencies, if corrected, will allow the certification to be accepted. When corrections to the deficiencies are completed, the permittee shall notify the commission, and the commission 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 commission, the commission's jurisdiction over the permittee's pipeline routing permit shall be terminated.

V. CERTIFICATE OF COMPLETION

Heartland Corn Products filed a letter pursuant to Minn. R. 7852.3900, certifying that it has completed construction of the HCP Natural Gas Pipeline Project in compliance with the conditions of the Pipeline Routing Permit issued by the Commission on October 27, 2023. Heartland Corn Products requested that the Commission accept the HCP's certification that the Project has been completed in compliance with landowner agreements and all permit conditions. HCP also certified that there are no unresolved complaints related to HCP's construction or restoration activities associated with the HCP Natural Gas Pipeline Project.

A. Public Comment - Dale Malheim

Mr. Malheim, an adjacent resident to the Project from Winthrop, MN commented that the Commission should reject the certification of completion because Heartland Corn Products failed to secure easements or access to adjacent properties that are in their claimed safety zone. Mr. Malheim also asserted that the pipeline operator (Hutchinson Utilities Commission (HUC)) continues to access adjacent properties and tell adjacent property owners what they can and cannot do on their property. Lastly, Mr. Malheim indicated that the adjacent landowners were not told about the safety corridor until after the project was built. Mr. Malheim suggested that the completion certificate should be rejected until the adjacent property owners are compensated for loss of their property rights.

B. Heartland Corn Products Reply Comments

In its reply comments, Heartland Corn Products explained that it received late notification of a single comment being filed in the docket by Mr. Malheim, and thus it was not able to provide a timely response within the notice period established by the Commission. HCP stated that Mr. Malheim's comments do not accurately reflect the Project or justify rejecting the Project's certification. HCP stated in its August 19, 2025 Section 16 Compliance Filing¹ that there are no unresolved complaints related to HCP's Pipeline Project construction or restoration activities,

¹ Heartland Corn Products [Compliance Filing](#), August 19, 2025

that HCP has met the conditions in the pipeline easements, and that HCP is current on the easement compensation payments. HCP indicated that it had secured all property rights necessary to install and operate the Project through voluntary negotiation with landowners for easement option agreements and it exercised those options prior to Project construction, and that the relevant easements have been recorded in the Sibley County Recorder's Office. All property owners whose rights have been affected by the Project have entered into an agreement with HCP and received compensation. HCP has received no complaints—whether related to restoration, compensation, or otherwise—from landowners that granted such easements.

HCP stated that although the Project pipeline and the associated right-of-way are located adjacent to Mr. Malheim's property, they do not traverse any portion of his property and do not impact his property rights. HCP indicated they do not require or intend to request access to or use of Mr. Malheim's property. HCP indicated that HUC has responded to utility locate requests near the Malheim property, but HUC personnel has utilized Project easements to access areas for marking, marked only within the Project easements, and has not accessed Mr. Malheim's property while marking the Project. HCP requested that the Commission accept HCP's completion certification.

VI. STAFF DISCUSSION

Staff have reviewed the filings in conjunction with the Pipeline Routing Permit, including the as-built drawings², which include drawing no. P1.16, the as-built plan and profile of the pipeline in the vicinity of the Malheim property. The drawing shows the easement being 30' wide in this location (P1.16) and the pipeline being installed approximately 25.9' from the Malheim property line.

Staff is not aware of, nor has any party or commentor identified, any costs or reimbursements due. Staff is also not aware of any outstanding complaints or concerns associated with pipeline construction or site restoration from affected landowners or applicable government agencies.

In accordance with Minn. R. 7852.3900, the Commission must accept or reject a petition for certification. Should the Commission reject the certification, the Commission must identify which deficiencies, if corrected, would allow the certification to be accepted. The permittee then would have an opportunity to correct the identified deficiencies, and the Commission would again consider the certification. Once the certification is accepted, the Commission's jurisdiction over the pipeline routing permit is terminated.

² HCP [As-built Alignment Sheets](#), April 15, 2024

DECISION OPTIONS

1. Accept the Heartland Corn Products Pipeline Construction Completion Certification as filed and find that no costs or reimbursements are due.
2. Reject the Heartland Corn Products Pipeline Construction Completion Certification and identify the deficiencies that need correction.

Staff Recommendation: 1