

**Information Book for Owners and Tenants of Property along
the Wescott Liquefied Petroleum Gas Pipeline Route
in Dakota County, Minnesota**

Public Utilities Commission Docket No.: IP-2/LR-19-228

**Wescott Liquefied Petroleum Gas Pipeline for
Flint Hills Resources Pine Bend, LLC
Information Book for Owners and Tenants of Property**

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Wescott Liquefied Petroleum Gas Pipeline for Flint Hills Resources Pine Bend, LLC

INTRODUCTION

This Information Book was prepared by Flint Hills Resources Pine Bend, LLC ("Flint Hills") and approved by the Public Utilities Commission for landowners who may be affected by the proposed liquefied petroleum gas¹ pipeline project to be constructed in Dakota County, Minnesota. This Information Book was developed pursuant to the requirements of Minnesota Statutes (Minn. Stat.), Chapter 216G et seq., to provide property owners and tenants with a clear understanding of the proposed Wescott Liquefied Petroleum Gas Pipeline Project (Project). Information presented in this book includes a description of the Project facilities and Project location, an explanation of right-of-way easement requirements and the easement acquisition process, a description of construction activities and legal and procedural requirements associated with construction of a pipeline, and contact information for Flint Hills.

A public meeting will be scheduled to provide interested persons with Project Information and to provide the public with an opportunity to comment on the proposed Project. Notice, including the date, time and location of the meeting, will be published in a legal newspaper of Dakota County and a newspaper of general circulation in the Inver Grove Heights, Minnesota area. Landowners who will be affected by the Project will also receive notice of the public meeting by certified U.S. Mail. A Flint Hills Land Agent will contact individual landowners to discuss the Project and its right-of-way easement requirements. Flint Hills will not execute easement agreements with landowners until 30 days after the public meeting is held, pursuant to regulatory requirements.

PROJECT DESCRIPTION

Project Need

The Project will help Flint Hills Resources' Pine Bend Refinery manage its liquefied petroleum gas supply and storage capability, to better meet seasonal demand for liquefied petroleum gas. The pipeline will connect the Flint Hills Resources' Pine Bend Refinery, where liquefied petroleum gas is produced, to Flint Hills Resources' Wescott Terminal, where liquefied petroleum gas will be stored. The customer demand for liquefied petroleum gas varies seasonally, with higher demand in the winter months. The pipeline will support efficient distribution of liquefied petroleum gas when needed in the marketplace.

Project Location

Flint Hills proposes to install a liquefied petroleum gas pipeline approximately 5-miles in length in Inver Grove Heights and Rosemount townships. The pipeline originates at Flint Hills Resources' Pine Bend Refinery. The pipeline navigates through Sections 11, 12, 13 and 14 in Township (T) 115 North (N), Range (R) 19 West (W) in the city of Rosemount, Dakota County, Minnesota and Sections 29, 30, 32, and 33 Township (T) 27 North (N), Range (R) 22 West (W) in the city of Inver Grove Heights, Dakota County, Minnesota. The pipeline terminates at Flint Hills' Wescott Terminal. A project map is provided in Appendix A.

¹ Liquefied Petroleum Gas (LPG) – a liquid mixture of light gaseous hydrocarbons (ethane, propane, butane, etc) used as fuel in heating appliances, cooking equipment, and vehicles.

Project Facilities

The Project includes installation of a four and a half-inch outside diameter, welded steel, fusion bond epoxy coated pipe with a wall thickness of 0.237 inches. The pipeline will have a maximum operating pressure² of 740 psig, with typical operating pressures ranging between 50 to 740 psig. The pipeline will be bi-directional, with an anticipated flowrate range of 120 to 580 bph when transferring liquefied petroleum gas between the Flint Hills Resources' Pine Bend Refinery and Wescott Terminal.

The pipeline will be installed with a typical depth of cover of 4-1/2 feet (or 54 inches) including where the pipeline will cross a county, town or municipal street or highway; where the pipeline will cross cultivated agricultural land; or where the pipeline will cross a drainage ditch.

In addition to the pipeline, the Project will include installation of a cathodic protection system to provide anti-corrosion protection to the pipeline. Design of the cathodic protection system is still being evaluated and will be installed as necessary.

High Consequence Areas

The pipeline route traverses through three types of high consequence areas as defined by the regulations contained in 49 CFR 195.450, High Population Area³, Other Populated Area⁴, and Unusually Sensitive Area-Drinking Water Resource⁵. Flint Hills' Integrity Management Program defines the processes and methods used to comply with the pipeline integrity management requirements of 49 CFR 195 for these resource features. A project map depicting the pipeline route and showing the HCAs is provided in Appendix B.

Route Features and Impacts

The Project will cross parcels of property consisting of lands used for agricultural (farmland), recreational (bike path), industrial (Flint Hills Resources' Pine Bend Refinery and Wescott Terminal) and transportation (i.e., county road right-of-way) purposes. The agricultural land the pipeline will traverse is owned by Flint Hills and is leased to farmers. The pipeline will run parallel to a bike path within the City of Inver Grove Heights existing right-of-way and will cross a storm water pond in the City of Inver Grove Heights existing right-of-way. The pipeline will cross six roads: County Road 71/Rich Valley Boulevard, 120th St E, County Road 32/Cliff Road, County Road 73/Akron Ave, Alameda Ave, and Alameda Path. Based on Flint Hills' review of site files maintained by the Minnesota Office of the State Archaeologist and Minnesota state Historic Preservation Office, no previously recorded archaeological features or historic properties are located within the proposed right of way and temporary workspace.

² Maximum Operating Pressure (MOP) – as referred to in 49 CFR 195.2, the maximum pressure at which a pipeline or segment of a pipeline may be normally operated.

³ High Population Area – as referred to in 49 CFR 195.450; an urbanized area, as defined and delineated by the Census Bureau, that contains 50,000 or more people and has a population density of at least 1,000 people per square mile.

⁴ Other Populated Area – as referred to in 49 CFR 195.450; a place, as defined and delineated by the Census Bureau, that contains a concentrated population, such as an incorporated or unincorporated city, town, village, or other designated residential or commercial area.

⁵ Unusually Sensitive Area-Drinking Water Resource – as referred to in 49 CFR 195.6; means a drinking water or ecological resource area that is unusually sensitive to environmental damage from a hazardous liquid pipeline release.

Route Description	Right of Way	Land Type	Length (miles)
Flint Hills Refinery	Flint Hills	Industrial	1.33
Flint Hills Owned Land	Flint Hills	Transportation	0.88
Bituminous Owned Land	Bituminous	Agricultural	0.45
Flint Hills Owned Land	Flint Hills	Agricultural	0.60
Dakota County Permit	Dakota County	Transportation	0.71
Bike Path/Stormwater Pond	Inver Grove Heights	Recreational	0.46
Xcel/Wescott Terminal	Xcel	Industrial	0.52
			4.95

Right of Way (miles)			Land Type (miles)		
Flint Hills	2.81	57%	Industrial	1.85	37%
Bituminous	0.45	9%	Transportation	1.59	32%
Dakota County	0.71	14%	Agricultural	1.05	21%
Inver Grove Heights	0.46	9%	Recreational	0.46	9%
Xcel	0.52	11%			

Road Crossing	Description	GPS Location
#1	CR 71/Rich Valley Boulevard	44.775208°, -93.060526°
#2	120th Street East	44.776708°, -93.072026°
#3	CR 32/Cliff Road	44.790058°, -93.081105°
#4	CR 73/Akron Avenue	44.790175°, -93.085307°
#5	Alameda Avenue	44.790177°, -93.090403°
#6	Alameda Path	44.790188°, -93.093514°

Pipeline Construction Schedule and Sequence

Construction Schedule

Flint Hills anticipates pipeline construction will commence during Fall of 2019, likely, during the month of September. Remaining construction will be completed during Spring of 2020, as necessary. Liquefied petroleum gas, produced at the Pine Bend Refinery during the summer months, will be stored at the Wescott Terminal for transportation and distribution during winter months. Construction activities across any individual landowner’s property, under normal weather conditions, will be expected to last up to several days. Flint Hills will contact landowners prior to the start of construction activities. Once construction begins, the contractor will proceed in a timely, professional manner to complete construction across each landowner’s property and reduce inconvenience to the landowner. Cleanup activities will occur on a continuing basis for the duration of the Project.

Construction Sequence

Standard pipeline construction includes surveying and staking of the right-of-way; clearing and grading; installation of erosion and sediment control measures; trenching; pipe stringing, bending, and welding; lowering the pipeline into the trench; backfilling the trench and final grade of the construction area; hydrostatic testing; final tie-ins; commissioning; and removal of temporary erosion and sediment controls and right-of-way cleanup. A typical pipeline construction sequence drawing is provided in Appendix C.

Installation of the pipeline at road and drainage ditch crossings will be conducted utilizing either a bore or horizontal directional drill (HDD) method. An HDD process illustration is provided in Appendix D. Damage, if any, to drainage tiles will be repaired. During construction, temporary gates and fences may be installed at specific locations. After the pipeline is installed, temporary gates and fences will be removed and the affected area restored to its prior condition. Any existing fences or gates that are removed or damaged during Project activities will be repaired or replaced, if necessary, after completion of construction.

All reasonable efforts will be made to reduce soil compaction and mixing of topsoil and subsoil. Flint Hills will utilize standardized erosion control and restoration measures to minimize and mitigate potentially adverse environmental effects resulting from right-of-way preparation, construction, operation, and maintenance of the proposed pipeline. Typical erosion control measures will be properly maintained throughout construction and reinstalled as necessary until construction is complete.

Some noise pollution will occur during construction. The noise will be the typical sounds resulting from the use of heavy construction equipment that approximates the decibel level of heavy farm machinery. The construction contractor is anticipated to work a maximum 12 hours per day, 7 a.m. to 7 p.m., 5 to 7 days a week.

Operation of Pipeline Facilities

Operational activity associated with the pipeline and aboveground facilities is typically limited to maintenance of the right-of-way. Periodic aerial and ground inspections by company personnel or 3rd party contract labor will identify soil erosions that may expose the pipe; changes in vegetation that may indicate line compromises; conditions of the vegetative cover and erosion control measures; unauthorized encroachment on the right-of-way, such as buildings or other substantial structures; and other conditions that could present a safety hazard or require preventative maintenance or repairs. Appropriate responses to conditions observed during inspection will be taken.

EXPLANATION OF RIGHT-OF-WAY REQUIREMENTS, ACQUISITION PROCESS, AND RIGHT AND ALTERNATIVES OF LANDOWNERS

Right-of-Way Requirements

Flint Hills needs to acquire up to a 50-foot wide perpetual easement and right of way for the purposes of constructing, operating, inspecting, relaying, reconstructing, renewing, repairing, maintaining, clearing, protecting, relocating, changing the size of, abandoning and/or removing a pipeline, along a route selected by Grantee with such valves, fittings, meters, corrosion control devices, cathodic protection, wires, cables and other equipment and appurtenances as may be necessary or convenient for the transportation of liquefied petroleum gas with the right of ingress and egress to and from the same. Flint Hills will need temporary workspace for construction of the pipeline for boring and conventional trenching methods used outside of the perpetual easement and right of way.

Flint Hills personnel will maintain the permanent right-of-way for operation of the pipeline. Marker posts will be placed along the right-of-way for identification of the buried pipeline. Property owners and tenants shall not build, create or construct, nor permit to be built, created or constructed, any obstruction, building, improvement or other structure (including, but not limited to, concrete, wood, brick or stone fencing) within the right of way without first obtaining prior written approval from Flint Hills.

Acquisition Process

A Flint Hills Right-of-Way agent will contact individual landowners to negotiate a right-of-way easement not sooner than 30 days after the public meeting regarding the Project pursuant to Minn. Stat. 216.G05. A Right-of-Way agent may contact landowners prior to that time to discuss the Project and obtain permission for a survey crew to enter the property to conduct civil and environmental surveys.

Damages

Flint Hills will compensate landowners and tenants for property damages (e.g. crops, timber, fences, and drainage tiles) directly caused by construction of the pipeline. Compensation for these property damages will be included in the total compensation paid for the right-of-way easement when the easement is acquired.

Eminent Domain

This is a private pipeline project and therefore Flint Hills will not be using eminent domain.

PIPELINE CONSTRUCTION LEGAL REQUIREMENTS

The United States Department of Transportation and the Minnesota Department of Public Safety acting through the Minnesota Office of Pipeline Safety have jurisdiction over transportation of liquefied petroleum gas by pipeline. Federal safety regulations (Title 49 of the Code of Federal Regulations Part 195) have been adopted by the State of Minnesota as minimum safety standards for design requirements, construction, hydrostatic testing, and operation and maintenance. Flint Hills' construction specifications will meet or exceed all of those standards. The Minnesota Office of Pipeline Safety will monitor construction of the pipeline and has an ongoing responsibility for monitoring the pipeline for compliance with applicable safety regulations.

Depth of Burial Requirements

The pipeline will be installed according to Minn. Stat. 216.G07 with a typical depth of cover of 4-1/2 feet (or 54 inches) including where pipeline will cross a county, town or municipal street or highway; where the pipeline will cross cultivated agricultural land; or where the pipeline will cross a drainage ditch right-of-way.

Limited Liability of Landowners or Lessees

Any owner or lessee of any real property or any person acting with the authority of that owner or lessee who, in the ordinary conduct of agricultural operations upon that property, causes any injury to any underground pipeline, will not be liable for any of the direct or incidental costs of repairing, restoring or replacing the pipeline in the absence of a showing of gross negligence or willful or wanton misconduct. The term "ordinary conduct of agricultural operations" does not include well drilling or other types of exaction. "Ordinary conduct of agricultural operations" does include installation or repair of agricultural drainage tile only if that person gives verbal or written notice to the One-Call excavation notice system.

Permit Requirements

Flint Hills will obtain all required permits or consultations from the appropriate state, county or local authorities. The proposed pipeline is less than 6" in diameter and will carry liquefied petroleum gas as a liquid product, therefore a pipeline routing permit from the Minnesota Public Utilities

Commission is not required. Pursuant to Minn. Stat. 216.G03, notice of the proposed pipeline construction has been provided to the Public Utilities Commission and the Dakota County of Commissioners. The following table identifies the permits and approvals Flint Hills has obtained or may obtain to complete the pipeline Project, as appropriate.

Agency	Permit or Approval
U.S. Army Corps of Engineers – St Paul District	Utility Regional General Permit
U.S. Fish and Wildlife Services	Endangered Species Act Compliance
State Historic Preservation Office	National Historic Preservation Act Compliance
Department of Natural Resources – National Heritage Information System	MN Endangered Species Law
Department of Natural Resources – Real Estate	License to Cross Public Waters
Department of Natural Resources - Water	Water Appropriation Permit
Minnesota Pollution Control Agency	National Pollutant Discharge Elimination System/State Disposal System - CSW
Minnesota Pollution Control Agency	National Pollutant Discharge Elimination System/State Disposal System - Hydrotest Discharge
Department of Natural Resources – Board of Water and Soil Resources and Local Government Unit	Wetland Conservation Act
Union Pacific Railroad	Crossing Permit
Dakota County	Utility ROW Permits
City of Rosemount	Transmission Facility Permit, Construction Stormwater, and Right of Way
City of Inver Grove Heights	Transmission Facility Permit, Construction Stormwater, and Right of Way

COUNTY PROCEDURES

Inspection Fee

Minn. Stat 216.G07, subdivision 6, provides that before beginning construction Flint Hills must pay county inspector fee to the County Treasurer of Dakota County of \$500 for each mile or fraction of a mile that will be constructed in Dakota County. The sum to be paid to Dakota County under this formula will be \$2,500.00.

County Inspector and Contacting the Inspector in the Event of Noncompliance with Legal Requirements

The Dakota County Board will designate an inspector to conduct on-site inspections as needed during Project construction. The county inspector will determine whether the pipeline is constructed in compliance with the provisions of Minnesota Statutes section 216.G07 and ordinances or resolutions adopted by the County. If Flint Hills or its contractors fail or refuse to comply with the Minn. Stat. 216.G07 or ordinances or resolutions, the inspector will report to the County Board that specific failure or refusal and the inspector will issue a written notice to Flint Hills and/or its contractors specifying the violation and the action to be taken. The inspector shall maintain a written log including all comments and complaints concerning the pipeline construction. The log will also note any complaints concerning failure to settle claims filed by the landowners.

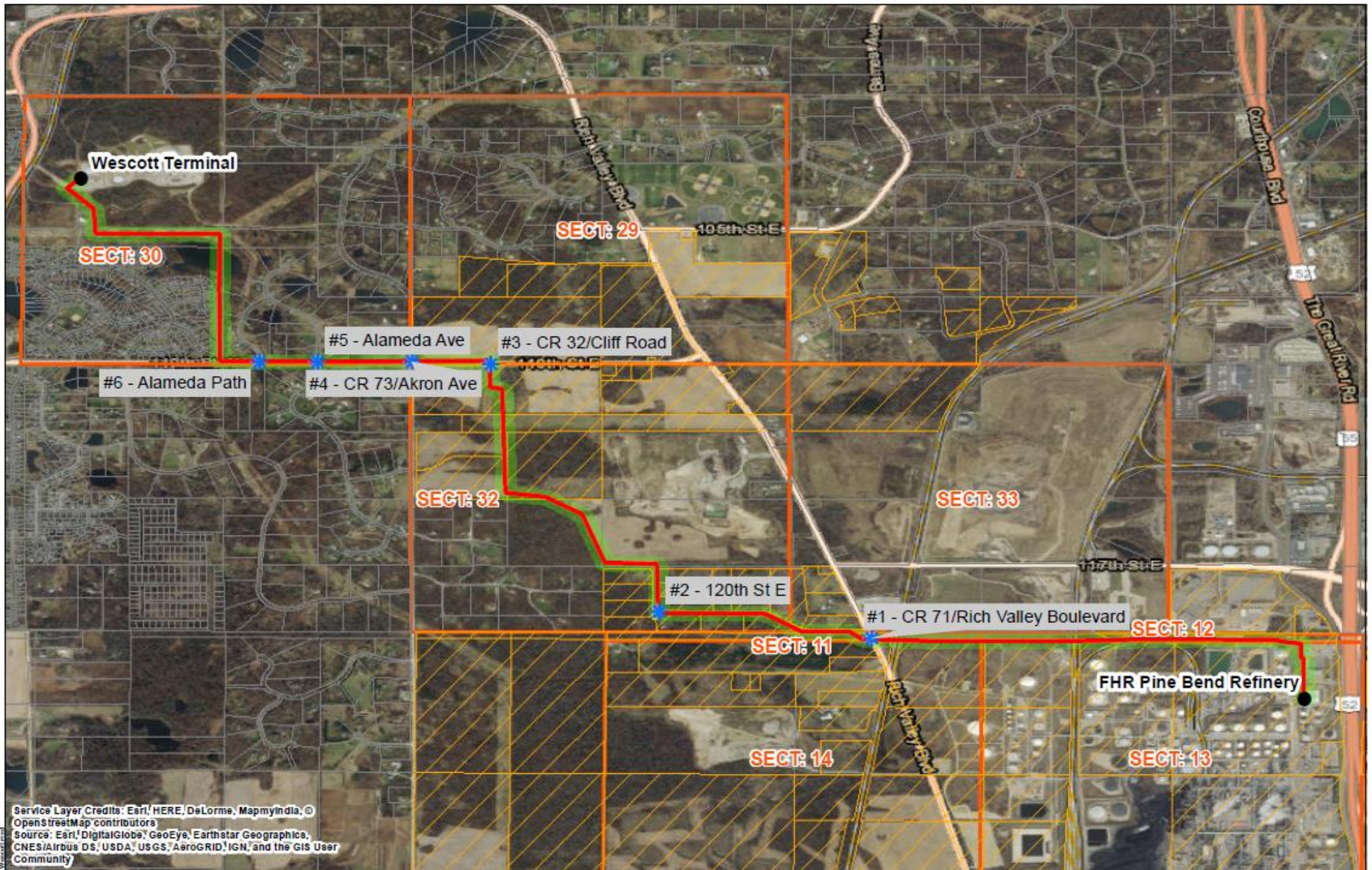
FLINT HILLS CONTACT INFORMATION

A Flint Hills Land Agent will be available throughout the duration of the pipeline Project to answer questions or discuss any concerns landowners and tenants may have. The agent's contact information will be provided to each landowner and tenant affected by the Project. Additionally, to obtain information or discuss concerns regarding property and right-of-way easement acquisition, landowners and tenants are encouraged to contact Holli VanOverbeke of Flint Hills at:

Flint Hills Resources
P.O. Box 64596
Saint Paul, Minnesota 55164
Direct Line: 651-438-5669
Email: Holli.VanOverbeke@fhr.com

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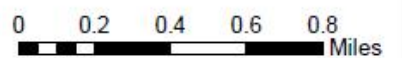
APPENDIX A: Project Location Map



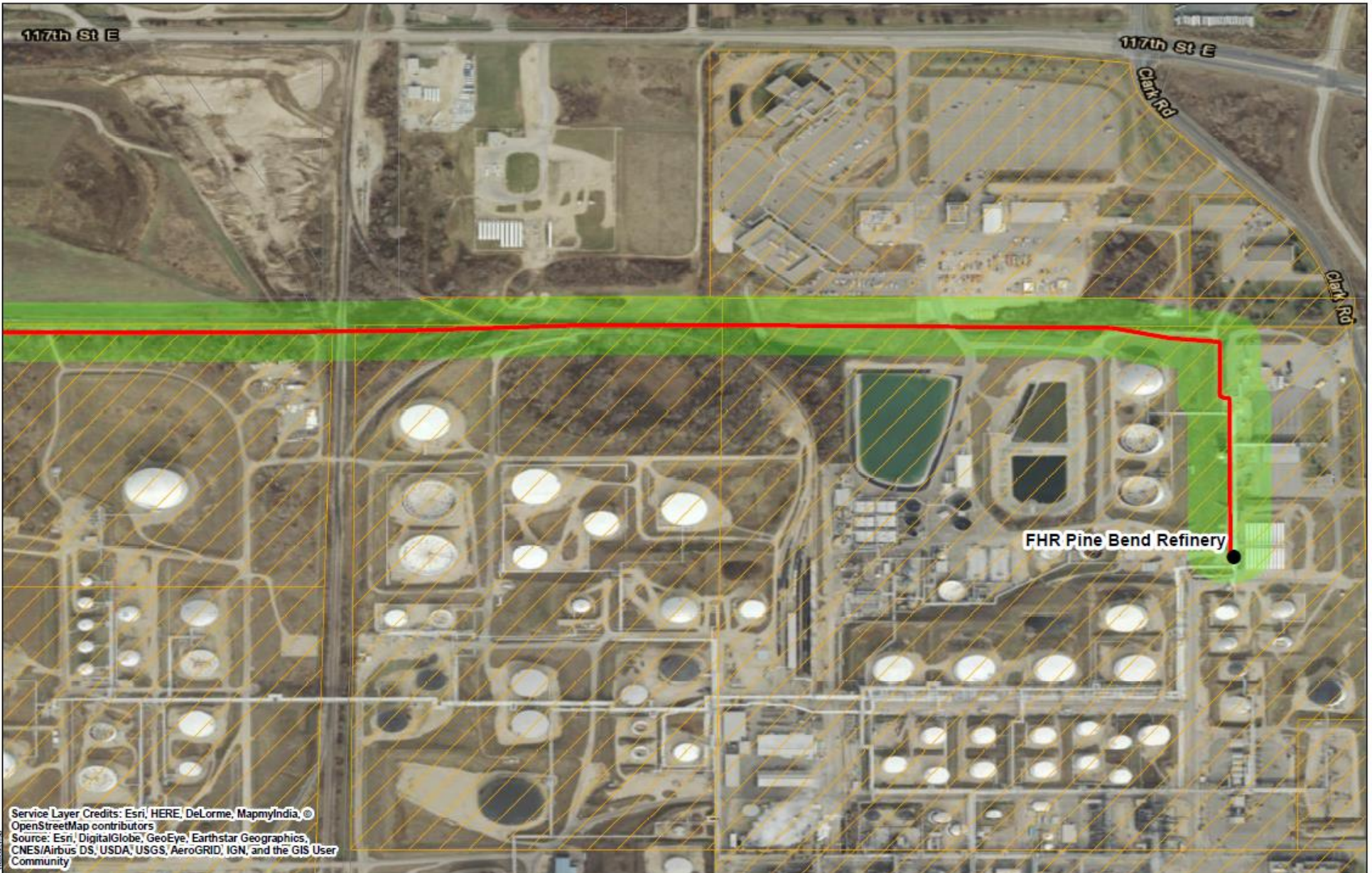
Service Layer Credits: Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors
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- Crossings
- Wescott Pipeline (Proposed Route)
- Wescott Pipeline Route 150ft Buffer
- Property Owner**
- Other
- Flint Hills Resources

Wescott Pipeline Route



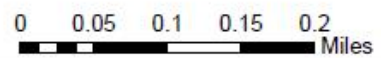
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Wescott Pipeline Route



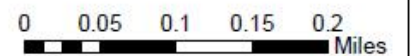
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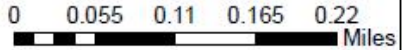
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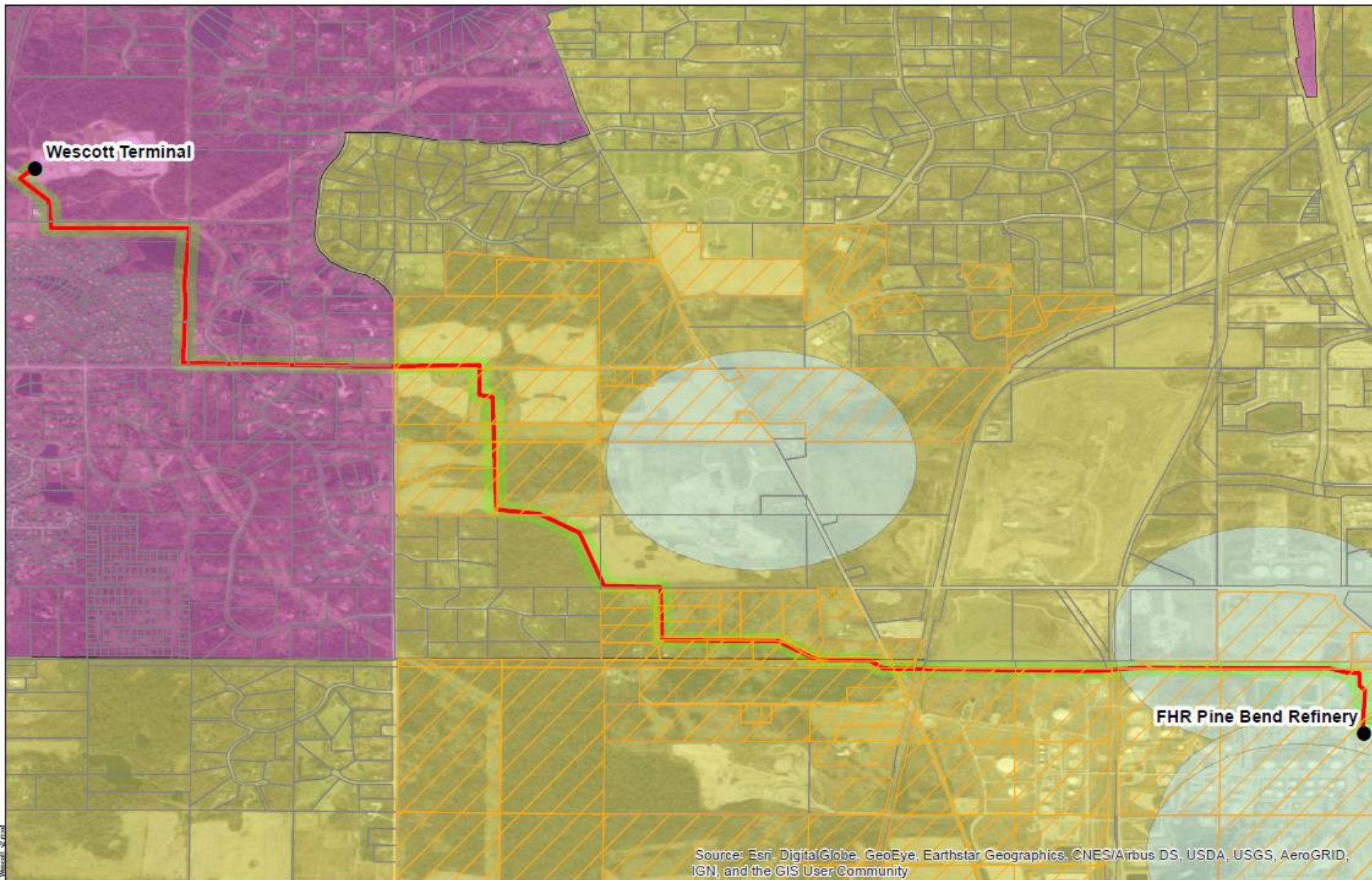
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- ▨ Flint Hills Resources

Wescott Pipeline Route



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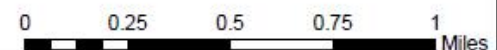
APPENDIX B: High Consequence Area Map



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Wescott Pipeline Route

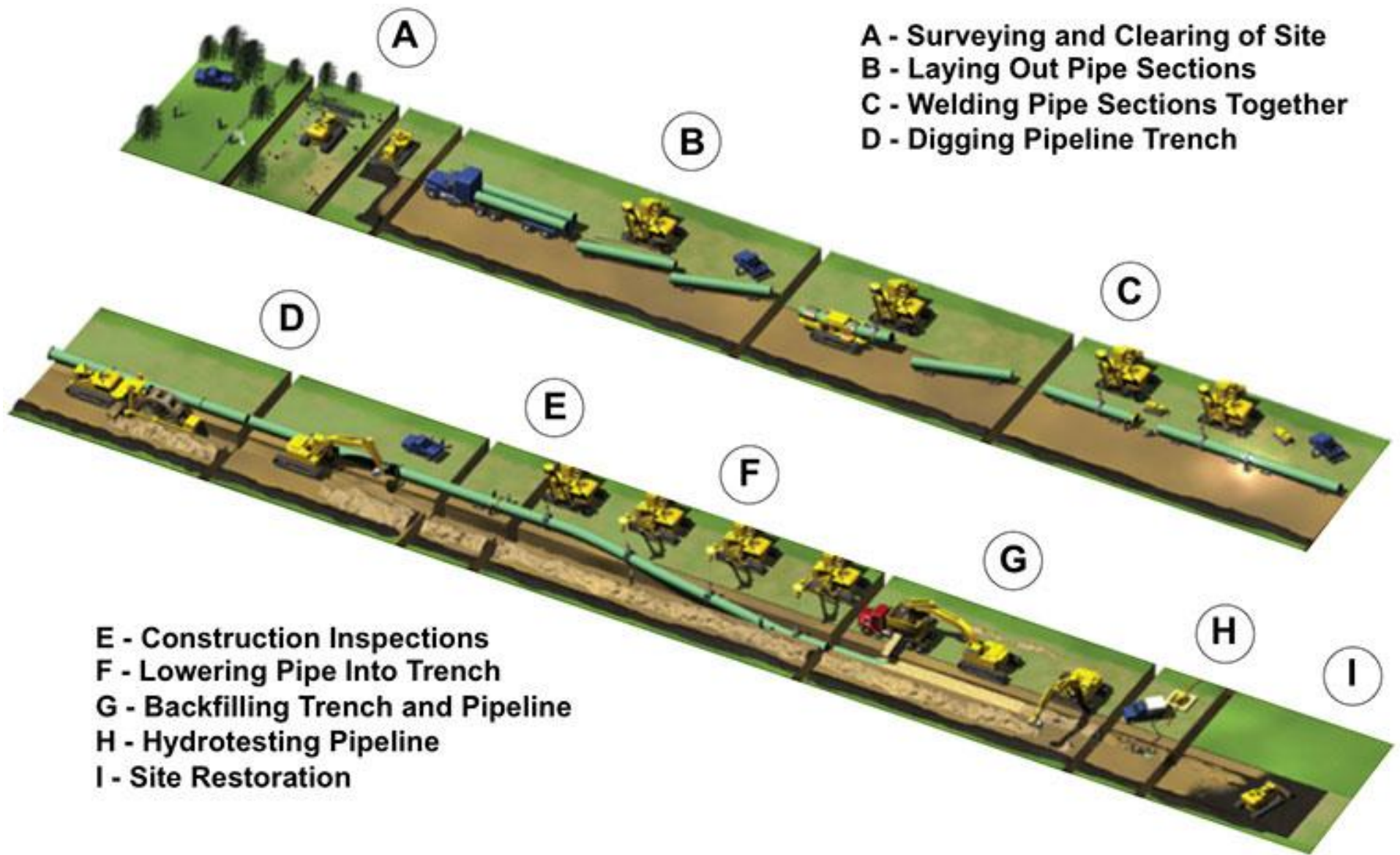
- High Population Area³
- Other Populated Area⁴
- Unusually Sensitive Area-Drinking Water Resource⁵



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APPENDIX C: Typical Pipeline Construction Sequence



A - Surveying and Clearing of Site
B - Laying Out Pipe Sections
C - Welding Pipe Sections Together
D - Digging Pipeline Trench

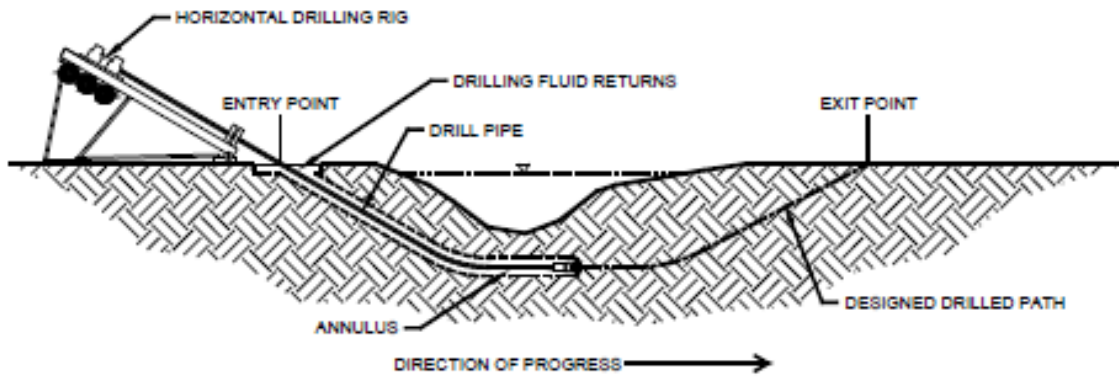
E - Construction Inspections
F - Lowering Pipe Into Trench
G - Backfilling Trench and Pipeline
H - Hydrotesting Pipeline
I - Site Restoration

- "Pipeline Construction Steps." AOPL, www.aopl.org/pipelines-in-your-community/pipeline-construction-steps/.

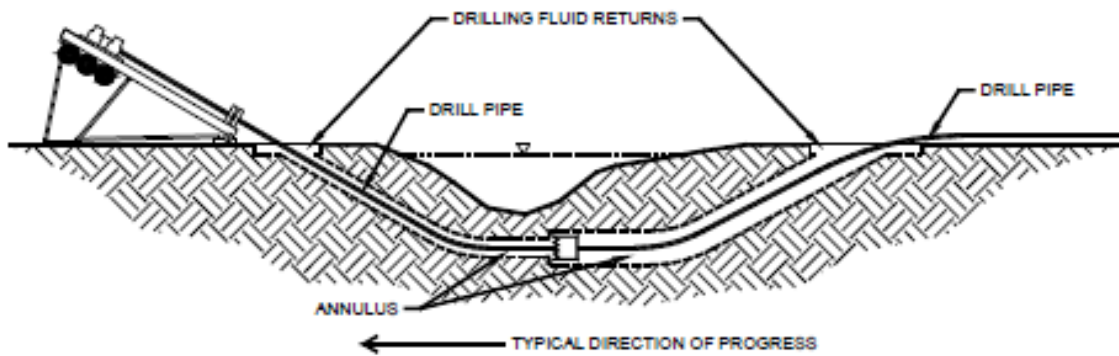
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APPENDIX D: The Horizontal Directional Drilling (HDD) Process

PILOT HOLE



PREREAMING



PULLBACK

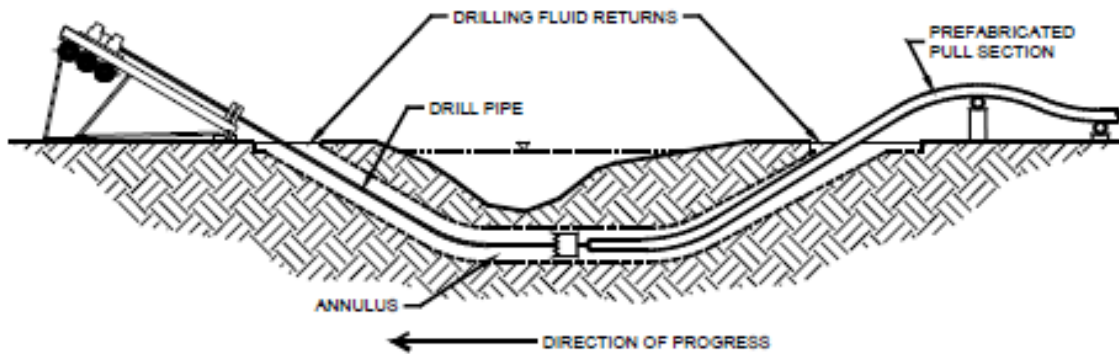


Figure 1
The HDD Process

- "The Horizontal Directional Drilling Process." *The Horizontal Directional Drilling Process*, 1 Jan. 1970, penlitpipe.blogspot.com/2014/01/the-horizontal-directional-drilling.html.

