

January 15, 2021

Mr. Will Seuffert, Executive Secretary  
Minnesota Public Utilities Commission  
127 Seventh Place East, Suite 350  
Saint Paul, MN 55101-2147

RE: EERA Comments and Recommendations on Application Completeness  
Pine Bend Pipeline Project  
Docket No. IP-7042/PPL-20-872

Dear Mr. Seuffert:

Attached are comments and recommendations of Minnesota Department of Commerce, Energy Environmental Review and Analysis (EERA) staff in the following matter:

In the Matter of the Application of Petroleum Fuels Company (PFC) for a Route Permit for the Pine Bend Pipeline Project in Dakota County

The route permit application was filed on December 30, 2020 by:

Reid Bumgarner  
President  
Petroleum Fuels Company  
6750 West Loop South  
Suite 748  
Bellaire, TX 77401

Timothy Johnston, P.E.  
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701 Xenia Avenue South  
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Email: [tjohnston@wsbeng.com](mailto:tjohnston@wsbeng.com)

EERA recommends the Minnesota Public Utilities Commission (Commission) accept the application for the Pine Bend Pipeline Project as complete. Staff is available to answer any questions the Commission may have ([larry.hartman@state.mn.us](mailto:larry.hartman@state.mn.us) or 612-210-4810).

Sincerely,  
*/s/ Larry B. Hartman*  
Energy Environmental Review and Analysis

c: Raymond Kirsch, EERA  
Louise Miltich, EERA  
Cezar Panait, Commission staff

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**COMMENTS AND RECOMMENDATIONS OF  
MINNESOTA DEPARTMENT OF COMMERCE  
ENERGY ENVIRONMENTAL REVIEW AND ANALYSIS**

**Docket No. IP-7042/PPL-20-872**

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**Date:** January 15, 2021

**Staff:** Larry Hartman ..... 651-539-1839  
Raymond Kirsch ..... 651-539-1841

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**In the Matter of the Application of Petroleum Fuels Company for a Pipeline Routing Permit for the Pine Bend Pipeline Project in the City of Inver Grove Heights in Dakota County**

**Issues addressed:** These comments and recommendations address the completeness of the route permit application submitted for the project, and the presence of disputed issues.

**Attachments**

Map 1 - Route Location

Attachment 1 - Partial Exemption Pipeline Flowchart

Attachment 2 - Application Completeness Checklists (3 pages)

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Additional documents and information can be found on eDockets by searching “20” for year and “872” for number at: <https://www.edockets.state.mn.us/EFiling/search.jsp>, and on the EERA webpage at: <https://mn.gov/eera/web/project/14174/>.

This document can be made available in alternative formats (that is, large print or audio) by calling (651) 539-1530 (voice).

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## Introduction and Background

On December 30, 2020, Petroleum Fuels Company (“PFC” or “Applicant”), filed a Route Permit Application under the partial exemption procedures (Minnesota Rule 7852.0600) to construct and operate an approximately 5,600-foot-long, 4.5 inch-outside diameter, high pressure gas pipeline. The Project will transport gas from a Renewable Natural Gas Processing Facility to be constructed to process the landfill gas extracted from the Republic Services Pine Bend Landfill to a delivery point into the Northern States Power Company Minnesota (NSPM) high-pressure gas system. The gas will meet the specification required for renewable natural gas as established by NSPM. The project is in the city of Inver Grove Heights in Dakota County.<sup>1</sup>

On January 6, 2021, the Minnesota Public Utilities Commission (Commission) issued a notice soliciting comments on the following topics:

- Does the application contain the information required under Minnesota Rules parts 7852.2100 to 7852.3100?
- Should the Commission accept the application to begin the review process?
- Are there other issues or concerns related to this matter?<sup>2</sup>

## Project Purpose

This proposed pipeline and associated facilities will process and carry pipeline-quality natural gas meeting specifications established by NSPM. This gas will be produced from landfill gas from the Republic Services Pine Bend Landfill located near the south-east terminus of the pipeline. This gas will be injected into the NSPM system that feeds the Twin Cities and will serve the needs of the NSPM natural gas customers.<sup>3</sup>

## Project Location and Description

### Location of Proposed Route

The applicant proposes to construct the proposed Pine Bend Pipeline Project in Inver Grove Heights in Dakota County as illustrated in **Map 1 -- Route Location (attached)**.

The pipeline will begin at a new Renewable Natural Gas facility to be built in the Northwest ¼ of Section 33, Township 27N, Range 22W, in the city of Inver Grove Heights. The pipeline will proceed north for approximately 400 feet, then west approximately west approximately 900 feet, then north for 130 feet, the west again for 540 feet, then northwest for 450 feet to a point on the east side of Rich Valley Blvd. The pipeline will then cross Rich Valley Blvd and then proceed north-northwest along the west side of Rich Valley Blvd and Blaine Ave for

<sup>1</sup> Petroleum Fuels Company (PFC), Application to the Minnesota Public Utilities Commission for a Route Permit for the Pine Bend Pipeline Project, December 30, 2020. See eDockets, Document ID No’s. ([Cover Letter](#)) [202012-169435-01](#), ([Application Text & Maps](#)), [202012-169435-02](#).

<sup>2</sup> Notice of Comment Period, January 6, 2021, See eDockets No. [20211-169585-01](#).

<sup>3</sup> See eDockets document Id. No. [202012-169435-02](#), p. 2.

approximately 2200 feet, then crossing under 110<sup>th</sup> St E. The pipeline then crosses Blaine Avenue to the northeast and proceeds north-northeast parallel to an existing pipeline owned by NSPM for a distance of 1170 feet to a pipeline facility owned by NSPM which is located on the south side of 105<sup>th</sup> St E approximately 550 feet west of Blaine Ave E. The pipeline will extend through portions of the Northwest ¼ of Section 33, the Northeast ¼ of Section 32 and the Southeast ¼ of Section 29, all in Township 27N, Range 22W.<sup>4</sup>

### **Project Description**

The proposed pipeline will include installation of approximately 5,600-feet of 4.5-inch outside diameter steel pipeline (Grade X-52) with a .237-inch wall thickness for line pipe and 0.337-inches for pipe used for directional drilling.<sup>5</sup>

The Project is designed to meet a Class 2 location designation. Natural gas pipelines are designed to comply with a “class location designation” as required by 49 CFR § 192.5. Class location refers to a regulatory designation for natural gas transmission lines that indicates the level of human population within a certain distance on either side of the pipeline. The class location of a pipeline is a factor in determining the maximum allowable pressure of the pipeline, and is based on the number and type of buildings intended for human occupancy that are situated in an area that extends 220 yards on either side of the centerline of any continuous 1.0-mile length of a gas pipeline.<sup>6</sup>

The pipeline will have a maximum capacity, with a 10-psi pressure drop, of 4,000 MCFD and no minimum capacity. The design maximum throughput is expected to be 2,850 MCFD.<sup>7</sup>

The pipeline will operate at a pressure of 670 pounds per square inch gauge (psig). The maximum operating pressure will be 1,440 psig, established by a hydrostatic pressure test to 2,160 psig. The gas to be transported will primarily consist of methane (approximately 98 percent) with a small amount of carbon dioxide and trace amounts of other components. The gas will conform to NSPM’s specifications for injection into its system.<sup>8</sup>

### **Associated Facilities**

No above-ground facilities will be constructed along the pipeline right-of-way. PFC will install associated facilities as part of the proposed Project; these facilities support the Project. PFC will install a meter station and odorizing facility at the south end of the pipeline, within the boundaries of the gas processing facility. Alternating current mitigation and other cathodic protection facilities may be installed at a future date as warranted by a cathodic protection

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<sup>4</sup> Application, page 2.

<sup>5</sup> Application, pages 5-9.

<sup>6</sup> Application, page 4.

<sup>7</sup> Application, page 5.

<sup>8</sup> Application, page 5.

study to be conducted after construction. Pipeline markers will be installed at various locations (e.g., road crossings) in accordance with applicable federal and state regulations.

The Project as proposed will also require construction of a Renewable Natural Gas Processing Facility and a low-pressure pipeline to the facility from the landfill. The Natural Gas Processing Facility and low-pressure pipeline will be built, owned, and operated by FORTISTAR Methane Group. Gas from the landfill is already collected and burned to drive generators that provide electricity into the NSPM grid. Under this current use, the landfill gas is not refined. When the gas processing facility is completed and in operation, the landfill gas will be refined to pipeline quality for injection into NSPM's natural gas system. Under this current use, the landfill gas is not refined. When this gas processing facility is completed and in operation, the landfill gas will be refined to pipeline quality for injection into NSPM's natural gas system.

Construction of both the processing facility and the low-pressure pipeline are scheduled to start in April 2021. The physical size of the Renewable Natural Gas Processing Facility is about 12,000 square feet. The low-pressure pipeline will be constructed of 24-inch-high density polyethylene and will operate at a pressure between 0 and negative 3 psig. The meter station in the northwest portion of the site will be the start of the pipeline that is the subject of PFC's route permit application.

#### **Land and Right-Of-Way Requirements**

The applicant is requesting a route permit with a route width of 200 feet. The permanent right-of-way necessary for the for the project is 5,600 feet in length and 30 feet in width for a total estimated acreage of 4.07 acres. During construction, an additional 20 feet of width will be utilized along the length of the route as temporary right-of-way, for an additional 2.71 acres. This combined width of 50 feet is the construction right-of-way.

The typical dimensions of the pipeline ditch will be approximately 18 inches wide by 54 inches deep, with the intent to provide 48 inches or more of cover over the top of the pipeline. Depending on soil conditions, the width of the bottom of the trench may be smaller and the top wider. The total excavated soil will be approximately 1,200 cubic yards.

Depth of cover over the pipeline will be 4.5 feet on agricultural lands and between 3.0 and 4.0 feet in non-agricultural lands. Soil cover must meet the requirements set forth in state standards (Minn. Stat. 216G.07, Subd. 1) and federal standards (Department of Transportation 49 CFR Part 192.327). Minnesota standards require the proposed pipeline be buried with a minimum cover of not less than 4.5 feet (54-inches) in all areas where the pipeline crosses public drainage facilities, county or state highway rights-of-way, and actively cultivated agricultural lands.

The Project is expected to cost approximately \$1,580,000.

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## Regulatory Process and Procedures

In Minnesota, no person may construct a pipeline designed to transport natural gas at a pressure of more than 275 pounds per square inch (psi) without first obtaining a route permit from the Commission,<sup>9</sup> unless the pipeline is excluded or exempted from the Commission's routing authority.<sup>10</sup> The proposed project is designed to operate at a nominal pressure of 670 psig. As a result, the proposed project requires a route permit from the Commission.

The pipeline routing permit requirements are outlined in Minnesota Rules, chapter 7852. If the applicant does not expect the proposed pipeline and associated facilities to have significant impacts on humans or the environment, they can submit an application for a partial exemption from pipeline route selection procedures, as provided for in Minnesota Rules, part 7852.0600, described below and illustrated in **Attachment 1 - Partial Exemption Process (attached)**.

Minnesota Statute 216G.02 Subdivision 3(b) (8) requires the Commission to decide whether to grant or deny the partial exemption within 90 days after Commission acceptance of the partial exemption application.

The Commission shall conduct a public information meeting in each county in which the pipeline and associated facilities are proposed to be located. The purpose of the public information meeting(s) is to assist the Commission in determining whether to grant or deny the partial exemption. A person may file comments with the Commission stating reasons why the Commission should grant or deny the partial exemption.

In deciding whether to grant or deny the partial exemption, the Commission shall consider any comments that are filed, the record of the public information meeting(s), and the information contained in the application relevant to the criteria for partial exemption in Minnesota Rules, part 7852.0700.

If the Commission does not grant the partial exemption, the applicant may (re)apply for review pursuant to the pipeline route selection procedures of Minnesota Rules, parts 7852.0600, and 7852.2100 to 7852.3100.

Pursuant to Minnesota Statute 216E.10, subdivision 3(b), an applicant for a permit under chapter 216G must notify the Commissioner of Agriculture if the proposed project will impact cultivated agricultural land. The Department of Agriculture shall be the lead agency on the development of any agricultural mitigation plan required for the project.

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<sup>9</sup> Minnesota Statute [216G.02](#), subdivision 1.

<sup>10</sup> Minn. Stat. [216G.02](#), subd. 3(b)(7), Minnesota Rule [7852.0300](#).

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## Route Permit Application and Acceptance

The applicant is seeking review under the partial exemption procedures. These procedures are outlined in Minnesota Rules 7852.0600 [Exemption from Route Selection Procedures], and 7852.2100 to 7852.300 [Application Contents].

Applicants must submit a route permit application consistent with the filing requirements of Minnesota Rule 7852.2000. The application must contain the information required in Minnesota Rules 7852.2100 to 7852.3000. This includes, but is not limited to, applicant information, route description, proposed pipeline and associated facilities description, and potential environmental impacts and mitigation measures. The applicant must identify a preferred route.<sup>11</sup>

Upon receiving a route permit application for a pipeline, the Commission may accept it as complete, accept it as complete upon filing of supplemental information, or reject it and require that additional information be submitted.<sup>12</sup> After acceptance of the application, the applicant must provide any additional relevant information the Commission considers necessary to process the application.<sup>13</sup> If the Commission determines that a route permit application is complete, the review process begins.

## EERA Staff Analysis and Comments

EERA staff participated in pre-filing discussions with the applicant, as well as provided numerous comments on drafts of the route permit application. Subsequently, EERA staff conducted a completeness review of the Pine Bend Pipeline Project route permit application, which was filed on December 30, 2020, relative to the application content requirements specified in Minnesota Rules 7852.2100 to 7852.3000. **Attachment 2 – Completeness Checklist (attached)**.

EERA staff believes that its comments on the draft application have been largely addressed and that the filed application meets the content requirements of Minnesota Rules 7852.2100 to 7852.3000 and, therefore, is substantially complete. EERA staff notes that the application introduction, which includes a description of the Renewable Natural Gas Processing Facility, refers to Figure 10. However, a Figure 10 was not included in the application filed on December 30, 2020. EERA recommends that the application be amended to include Figure 10.

## Disputed Issues of Fact

EERA is not aware of any disputed issues of fact. Staff believes that any issues that surface may be addressed through the partial exemption review process.

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<sup>11</sup> Minn. Stat. [216G.02](#), subd. 3(b)(1), Minn. R. [7852.2200](#).

<sup>12</sup> Minn. R. [7852.2000](#), subp. 4.

<sup>13</sup> Minn. R. [7852.2000](#), subp. 4.



## **Project Budget**

Minnesota Rule 7852.4000 requires an application fee to cover actual costs necessarily and reasonably incurred in processing an application for a pipeline route permit, permit compliance activities, administrative overhead, legal and other expenses.

EERA staff has included staff time, travel, Commission and attorney general fees in developing an initial budget estimate. EERA requests the Commission approve a budget of up to \$30,000. EERA staff believes this estimate will cover all actual costs associated with Commission review of this project; however, this initial estimate may change during the permitting process.

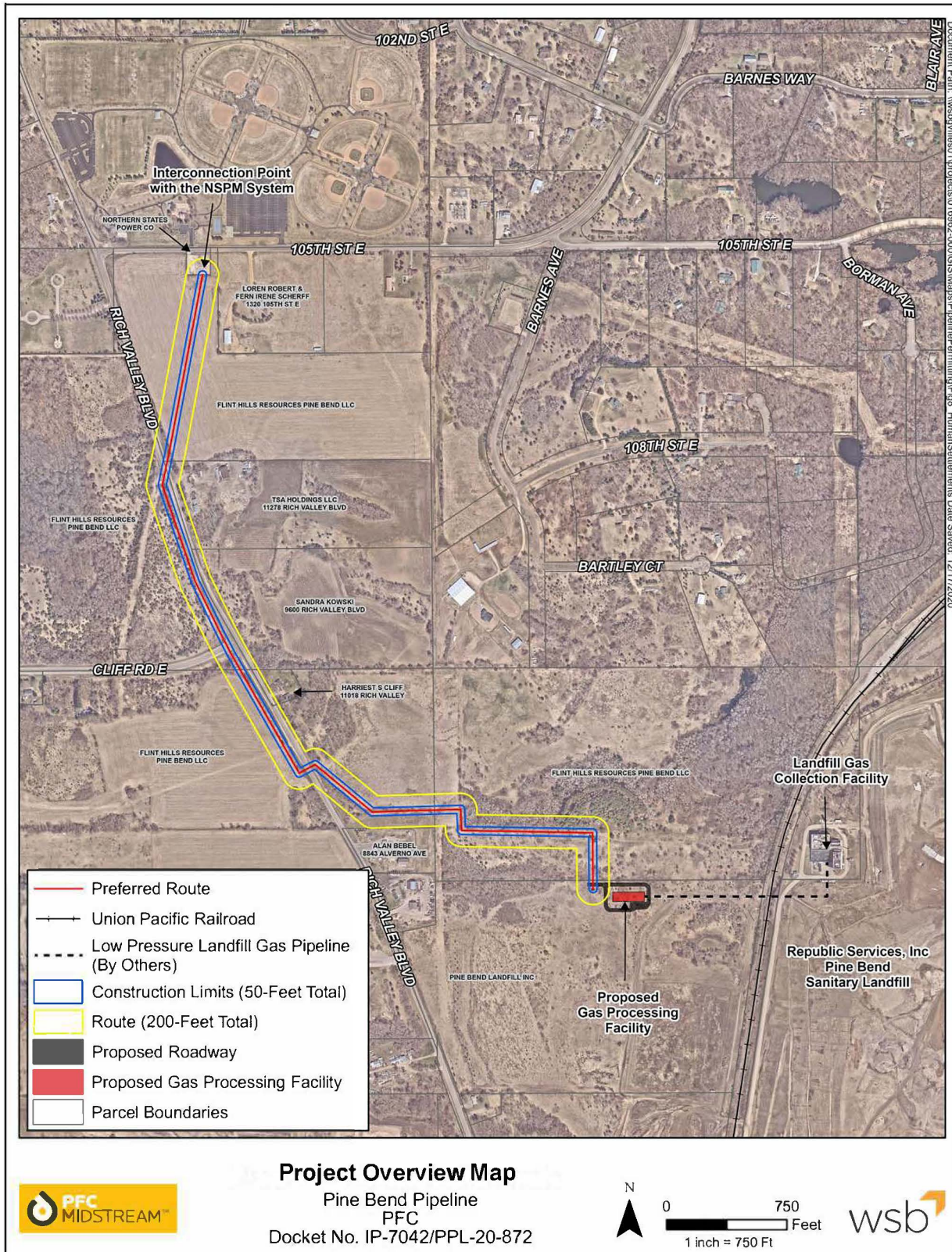
Minnesota Rule 7854.4000 requires that the project budget be reviewed with the applicant and approved by the Commission. The proposed project budget was discussed with the applicant prior to application filing on December 30, 2020. An accounting of all expenditures will be provided to the applicant and the applicant may present objections to the Commission. Any unspent funds will be returned to the applicant.

## **EERA Staff Recommendation**

Upon the applicant filing Figure 10 associated with the application, EERA staff recommends that the Commission accept the route permit application for the Pine Bend Pipeline Project as complete.

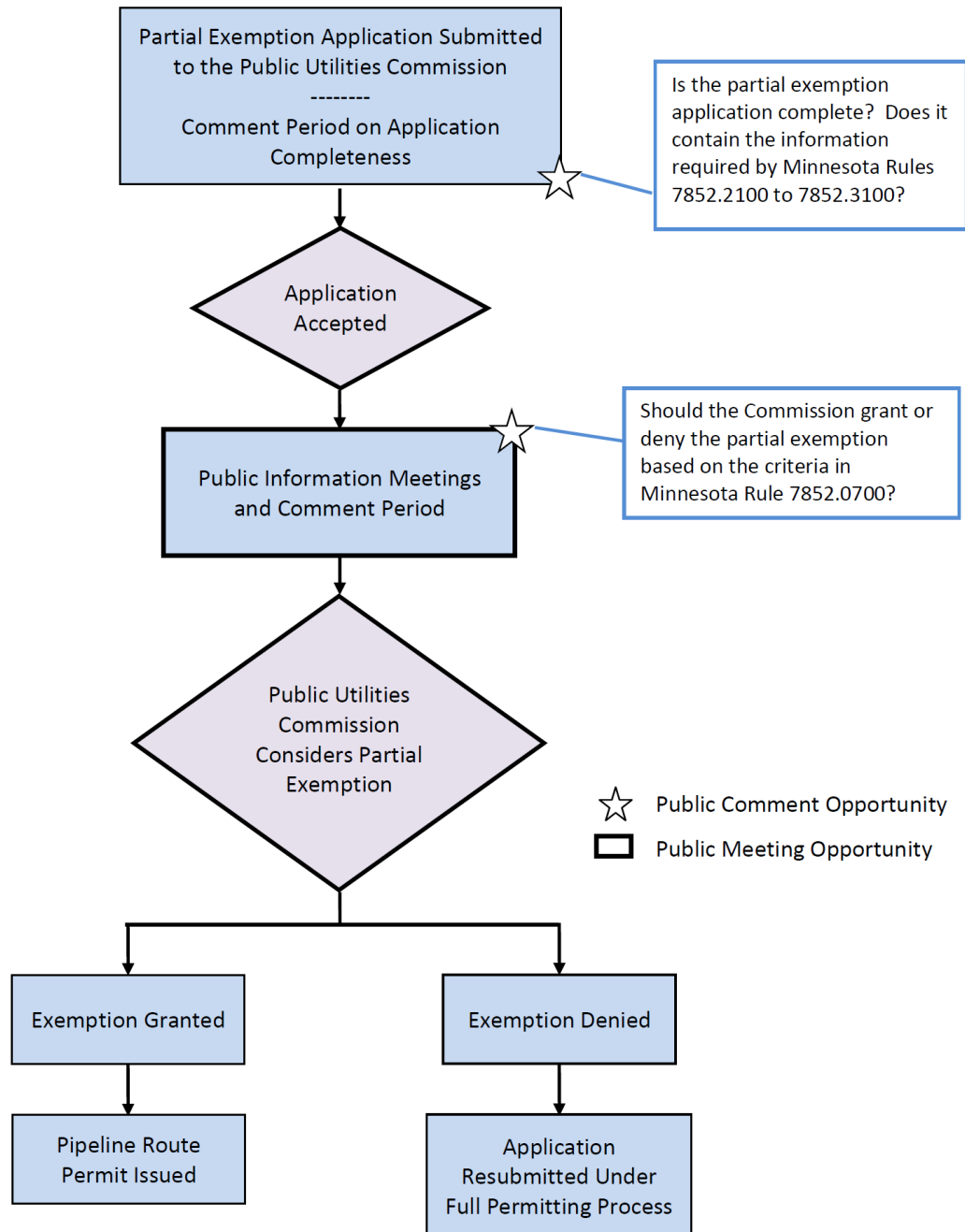
Additionally, EERA staff recommends that the Commission approve of the proposed project budget of \$30,000.

Map 1 -- Route Location



## Attachment 1 – Partial Exemption Process

**Pipeline Routing Flowchart  
Partial Exemption Process  
Minnesota Rules 7852**





## Attachment 2 - Application Completeness Checklist

### **Minnesota Rule 7852.0600 Application Procedures and Requirements**

A person submitting an application for a pipeline routing permit must comply with the application procedures of part 7852.0600 and submit an application that contains the information required in parts 7852.2100 to 7852.3000.

Minnesota Rules	Description of Requirement	Page
<b>7852.2100. GENERAL INFORMATION.</b>		
Subpart 1.	<b>Cover letter:</b> Each application must be accompanied by a cover letter signed by an authorized representative or agent of the applicant. The cover letter must specify the type, size, and general characteristics of the pipeline for which an application is submitted.	Yes
Subpart 2.	<b>Title page and table of contents:</b> Each application must contain a title page and a complete table of contents.	Yes
Subpart 3.	<b>Statement of ownership:</b> Each application must include a statement of proposed ownership of the pipeline as of the day of filing and an affidavit authorizing the applicant to act on behalf of those planning to participate in the pipeline project.	1
Subpart 4.	<b>Background information:</b> Each application must contain the following information: <ul style="list-style-type: none"> <li>A. The applicant’s complete name, address, and telephone number;</li> <li>B. The complete, name, title, address, and telephone number of the authorized representative or agent to be contacted concerning the applicant’s filing;</li> <li>C. The signatures and titles of persons authorized to sign the application, and the signature of the preparer of the application if prepared by an outside representative or agent; and</li> <li>D. A brief description of the proposed project which includes:               <ul style="list-style-type: none"> <li>1. General location;</li> <li>2. Planned use and purpose;</li> <li>3. Estimated cost;</li> <li>4. Planned in-service date; and</li> <li>5. General design and operational specifications for the type of pipeline for which an application is submitted.</li> </ul> </li> </ul>	3 - 6
<b>7852.2200. PROPOSED PIPELINE AND ASSOCIATED FACILITIES DESCRIPTION.</b>		
Subpart 1.	<b>Pipeline design specifications:</b> The specifications for pipeline design and construction are assumed to be in compliance with all applicable state and federal rules or regulations unless determined otherwise by the state or federal agency having jurisdiction over the enforcement of such rules or regulations. For public information purposes, the anticipated pipeline design specifications must include but are not limited to: <ul style="list-style-type: none"> <li>A. Pipe size (outside diameter) in inches;</li> <li>B. Pipe type;</li> <li>C. Nominal wall thickness in inches;</li> <li>D. Pipe design factor;</li> </ul>	4

Minnesota Rules	Description of Requirement	Page
	E. longitudinal or seam joint factor; F. class location and requirements, where applicable; G. Specified minimum yield strength in pounds per square inch; and H. Tensile strength in pounds per square inch.	
Subpart 2.	<u><b>Operating pressure:</b></u> Operating pressure must include: A. Operating pressure (pounds per square inch gauge [psig]); and B. Maximum allowable operating pressure (psig).	5
Subpart 3.	<u><b>Description of associated facilities:</b></u> For public information purposes, the applicant shall provide a general description of all pertinent associated facilities on the right-of-way.	5
Subpart 4.	<u><b>Product capacity information:</b></u> The applicant shall provide information on planned minimum and maximum design capacity or throughput in the appropriate unit of measure for the types of product shipped as defined in part 7852.0100.	5
Subpart 5.	<u><b>Product description:</b></u> The applicant shall provide a complete listing of products the pipeline is intended to ship and a list of products the pipeline is designed to transport, if different from those intended for shipping.	5
Subpart 6.	<u><b>Material safety data sheet:</b></u> For each type of product that will be shipped through the pipeline, the applicant shall provide for public information purposes the material identification, ingredients, physical data, fire and explosive data, reactivity data, occupational exposure limits, health information, emergency and first aid procedures, transportation requirements, and other known regulatory controls.	5, Exhibit C
<b>7852.2300. LAND REQUIREMENTS.</b>		
	For the proposed pipeline, the applicant shall provide the following information: A. Permanent right-of-way length, average width, and estimated acreage; B. Temporary right-of-way (workspace) length, estimated width, and estimated acreage; C. Estimated range of minimum trench or ditch dimensions including bottom width, top width, depth, and cubic yards of dirt excavated; D. Minimum depth of cover for state and federal requirements; and E. Right-of-way sharing or paralleling: type of facility in the right-of-way, and the estimated length, width, and acreage of the right-of-way.	6
<b>7852.2400. PROJECT EXPANSION.</b>		
	If the pipeline and associated facilities are designed for expansion in the future, the applicant shall provide a description of how the proposed pipeline and associated facilities may be expanded by looping, by additional compressor and pump stations, or by other available methods.	7
<b>7852.2500. RIGHT-OF-WAY PREPARATION PROCEDURES AND CONSTRUCTION ACTIVITY SEQUENCE.</b>		
	Each applicant shall provide a description of the general right-of-way preparation procedures and construction activity sequence anticipated for the proposed pipeline and associated facilities.	8-10

Minnesota Rules	Description of Requirement	Page
<b>7852.2600. PREFERRED ROUTE LOCATION; ENVIRONMENTAL DESCRIPTION.</b>		
Subpart 1.	<p><b>Preferred route location:</b> The applicant must identify the Preferred Route for the proposed pipeline and associated facilities on any of the following documents, which must be submitted with the application:</p> <ul style="list-style-type: none"> <li>A. United States Geological Survey topographical maps to the scale of 1:24,000, if available;</li> <li>B. Minnesota Department of Transportation county highway maps; or</li> <li>C. Aerial photos or other appropriate maps of equal or greater detail in items A and B. The maps or photos may be reduced for inclusion in the application. One full-sized set shall be provided to the Commission.</li> </ul>	11,  Figures 1-9
Subpart 2.	<p><b>Other route locations:</b> All other route alternatives considered by the applicant must be identified on a separate map or aerial photos or set of maps and photos or identified in correspondence or other documents evidencing consideration of the route by the applicant.</p>	11 Figure 4
Subpart 3.	<p><b>Description of environment:</b> The applicant must provide a description of the existing environment along the Preferred Route.</p>	11-19
<b>7852.2700. ENVIRONMENTAL IMPACT OF PREFERRED ROUTE.</b>		
The applicant must also submit to the Commission along with the application and analysis of the potential human and environmental impacts that may be expected from pipeline right-of-way preparation and construction practices and operation and maintenance procedures. These impacts include but are not limited to the impacts for which criteria are specified in part 7852.0700 or 7852.1900.		20 - 25
<b>7852.2800. RIGHT-OF-WAY PROTECTION AND RESTORATION MEASURES.</b>		
Subpart 1.	<p><b>Protection:</b> The applicant must describe what measures will be taken to protect the right-of-way or mitigate the adverse impacts of right-of-way preparation, pipeline construction, and operation and maintenance on the human and natural environment.</p>	26
Subpart 2.	<p><b>Restoration:</b> The applicant must describe what measures will be taken to restore the right-of-way and other areas adversely affected by construction of the pipeline.</p>	26
<b>7852.2900. OPERATION AND MAINTENANCE.</b>		
Pipeline operations and maintenance are assumed to be in compliance with all applicable state and federal rules or regulations, unless determined otherwise by the state or federal agency having jurisdiction over the enforcement of such rules or regulations. For public information purposes, the applicant must provide a general description of the anticipated operation and maintenance practices planned for the proposed pipeline.		27
<b>7852.3000. LIST OF GOVERNMENT AGENCIES AND PERMITS.</b>		
Each application must contain a list of all the known federal, state, and local agencies or authorities and titles of the permits they issue that are required for the proposed pipeline and associated facilities.		28