



414 Nicollet Mall  
Minneapolis, MN 55401

November 23, 2016

—Via Electronic Filing—

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101

RE: **Draft Proposed Findings of Fact and Responses to Public Comments for the Black Dog Natural Gas Pipeline Project; Docket No. G002/GP-16-656**

Dear Mr. Wolf:

On August 18, 2016 Northern States Power Company, a Minnesota corporation, doing business as Xcel Energy, submitted an Application for a Route Permit for the Black Dog Natural Gas Pipeline Project (Project) pursuant to the partial exemption procedures of Minnesota Rules Chapter 7852.0600.

### **Draft Proposed Findings of Fact**

At the request of PUC staff Xcel Energy submits the enclosed DRAFT proposed findings of fact (FOF) for the Black Dog Natural Gas Pipeline Project route permit. As we continue to address public comments Xcel Energy may also add additional proposed findings.

### **Public Comments**

#### Comments regarding impacts to water resources and associated protected species from LMRWD, MN DNR, City of Burnsville, and Gilman Dadrack, Burnsville Resident:

Xcel Energy is currently drafting a report to address a number of questions that were raised during the public comment period regarding any potential for the Project to impact water resources and associated protected species (fen plants, Blanding's turtles) in the area. The report will provide additional detail regarding the Project's impacts to ground and surface waters and will be filed to the docket shortly.

As noted in the route permit application, and at the November 2, 2016 Public Information Meeting, Xcel Energy will develop a Stormwater Pollution Prevention Plan (SWPPP) and will get a NPDES General Stormwater Permit from the Minnesota Pollution Control Agency prior to the start of any ground disturbing activities. Xcel Energy will submit a draft of the SWPPP to the Lower Minnesota River Watershed District for review prior to submitting it to the MPCA.

Comments regarding the use of native plants in restoration – MN DNR, City of Burnsville:

Xcel Energy will work with the City of Burnsville Parks and Recreation Department staff, with input from DNR staff, on development of a restoration plan which incorporates native plants to the extent practicable.

MN Department of Transportation comments regarding alignment:

Xcel Energy has had ongoing communication with MN DOT staff beginning prior to filing of the route permit application. As noted in the DOT's November 15 letter Xcel Energy has met with DOT staff to discuss their concerns and we will work with them on development of the accommodation permit and exception request. As noted in Xcel Energy's October 26 update on the anticipated alignment, the change in the Highway 13 crossing is due horizontal and vertical angles needed to drill and install pipe.

City of Burnsville comments on the updated alignment:

Xcel Energy staff has had multiple communications with Burnsville staff to answer questions and address concerns regarding the proposed alignment update. As stated in our November 16 filing regarding additional information on the updated alignment, based on comments from the public and City staff engineers have been directed to shift the pipeline closer to the electric transmission lines to increase the distance from homes.

On Friday November 18 we held a call with City staff to review pipeline safety related to construction and operations and maintenance, which was presented at the Public Information Meeting, and to answer any additional questions. In this call we also addressed the discussions between Xcel Energy and US Fish and Wildlife staff regarding the evaluated northern route which would have crossed FWS owned land. As noted in the route permit application, the FWS assured Xcel Energy that a finding of Appropriate Use would not be reasonable and a crossing would not be granted. We have provided Burnsville staff with FWS contacts so they can independently confirm this information.

As noted above a report on water resource impacts will be filed shortly. Xcel Energy will review all comments filed and post any additional reply comments, as needed, prior to the comment period closing on November 30, 2016 at 4:30.

Please contact Ellen Heine at [ellen.l.heine@xcelenergy.com](mailto:ellen.l.heine@xcelenergy.com) or 612-330-6073 if you have questions or would like further information regarding this matter.

Sincerely,



Ellen Heine  
Xcel Energy  
Sr. Land Agent

**IN THE MATTER OF THE APPLICATION  
FOR A GAS PIPELINE ROUTING PERMIT**

**FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATION ,**

PREPARED FOR THE MINNESOTA PUBLIC UTILITIES COMMISSION

Docket No. G002/GP-16-656

**Statement of Issue**

Has Northern States Power Company (the Applicant) satisfied the factors set forth in Minn. Stat. § 216G.02 and Minn. Rules Chapter 7852 for a route permit for an 11,300 foot (2.2 mile) long, 16-inch outside-diameter, high pressure (650psig) natural gas pipeline from Northern Natural Gas Company's Cedar Station (NNG Cedar Station) to Northern States Power Company's Black Dog Generating Plant in the city of Burnsville, Dakota County, Minnesota?

**Summary of Conclusions and Recommendation**

Specific details regarding the proposed construction of the Black Dog Natural Gas Pipeline (Pipeline Project or Project) were presented in the Route Permit Application filed on August 18, 2016<sup>1</sup> and in a letter filed by the Applicant on October 26, 2016<sup>2</sup>.

**Findings of Fact**

**I. Applicant**

1. Xcel Energy, doing business as Northern States Power Company (NSPM), is the Applicant requesting the route permit for the Black Dog Natural Gas Pipeline Project. The Pipeline Project will be owned and operated by NSPM under the jurisdiction of the U.S. DOT Pipeline and Hazardous Materials Safety Administration (PHMSA), the MN Public Utilities Commission (MPUC), and MN Office of Pipeline Safety (MNOPS).<sup>3</sup>
2. Xcel Energy is a public utility that provides electricity service to about 1.4

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<sup>1</sup> *In the Matter of an Application for a Route Permit for the Black Dog Natural Gas Pipeline Project*. Docket No. G002/GP-16-656. Hereafter, documents in this Docket will be referred by name and date only.

<sup>2</sup> Letter, October 26, 2016.

<sup>3</sup> Application for a Route Permit, August 18, 2016, at 2-1, 8-4.

million customers and natural gas service to 500,000 residential, commercial and industrial customers in Minnesota.<sup>4</sup>

## II. Description of the Proposed Project

3. The Project is an approximately 11,300 foot (2.2 mile) long natural gas (methane) pipeline with a maximum outside diameter of 16 inches that will supply natural gas to meet the need of the Black Dog Generating Plant.<sup>5</sup>
4. The Project is located within the cities of Burnsville and Eagan in T27N, R23W, Section 19 and T27N, R24W, Sections 23, 24, 25 in Dakota County, Minnesota. The proposed pipeline will extend north from NNG Cedar Station in Eagan then crossing under Old Sibley Memorial Highway. The route parallels Old Sibley Memorial Highway within road right-of-way towards the south and west for approximately 1500 feet before turning west where it then extends approximately 450 feet crossing under to the west side of Minnesota State Highway 13 (Sibley Memorial Highway). The route then turns southwest and parallels the western edge of the southbound lane of Minnesota State Highway 13, again within road right-of-way, and traverses approximately 3,350 feet (0.64 miles), crossing under Cedar Bridge Avenue and River Hills Drive, before reaching an existing utility corridor. The route then turns to the northwest for approximately 1.0 mile to its terminus at the Black Dog Generating Plant. The route in this section is located on parcels owned by the City of Burnsville or NSP<sup>6</sup>.
5. The Maximum Allowable Operating Pressure (MAOP) for the proposed pipeline will be 740 pounds per square inch gauge (psig) and an operating pressure of 650 psig will be established by NNG. The wall thickness and pipe grade will be established in part by pipe availability with a minimum nominal wall thickness of 0.375 inch. The pipeline will be buried to a depth of at least four feet to the top of the pipe. The planned minimum design capacity of the Project is 55,584 decatherms (Dth) per day. The maximum design requirement of this system is approximately 168,864 Dth per day.<sup>7</sup>
6. The primary purpose of the project to meet the need of supplying natural gas to the Black Dog Generating Plant in order to convert the facility from coal-fired electrical generators to a gas-fired facility which is being permitted

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<sup>4</sup> Application for a Route Permit, August 18, 2016, at 2-1.

<sup>5</sup> Application for a Route Permit, August 18, 2016, at 3-1, 4-1.

<sup>6</sup> Application for a Route Permit, August 18, 2016, at 3-1, 4-2.

<sup>7</sup> Application for a Route Permit, August 18, 2016, at 4-1.

separately under the Black Dog Unit 6 Project, docket # E002/GS-15-834. The existing CenterPoint Energy pipeline, which currently supplies natural gas to the Black Dog Generating Plant, is only capable of providing up to 400 psig to the plant, which was adequate for the existing Unit 5 gas-fired turbine, but does not meet the minimum 550 psig needed to meet the needs of the new Unit 6 gas-fired turbine.<sup>8</sup>

7. Xcel Energy also intends on installing associated facilities as part of the Pipeline Project, including valves and flanges, an in-line inspection tool launcher and receiver, cathodic protection, alternating current mitigation, and gas delivery station. Xcel Energy will install a gas delivery station within the existing fence at the NNG Cedar Station. The gas delivery station will contain all required valves, odorization equipment, an in-line inspection tool launcher/receiver, and necessary equipment required for custody transfer of gas. Pipeline markers will be installed at various locations (e.g., road crossings) in accordance with applicable federal and state regulations.<sup>9</sup>
8. The total estimated cost of the Pipeline Project is approximately \$5.0-5.4 million. This range of costs accounts for considerations related to labor, materials, and varying construction conditions. Construction has been targeted to begin in the spring of 2017 and be completed in the fall of 2017.<sup>10</sup>

### **III. Procedural History**

9. A Certificate of Need is not required for the Project because it is not classified as a large energy facility under Minnesota Statutes § 216B.2421, subd. 2 or a large pipeline under Minnesota Rules 7851.0010 Subp. 13. Therefore the Pipeline Project is exempted from the Certificate of Need requirements.<sup>11</sup>
10. On August 11, 2016, the Applicant filed a notice of intent to file a Route Permit Application under the Partial Exemption Procedures for the Black Dog Natural Gas Pipeline Project.<sup>12</sup>

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<sup>8</sup> Application for a Route Permit, August 18, 2016, at 3-1.

<sup>9</sup> Application for a Route Permit, August 18, 2016, at 4-2.

<sup>10</sup> Application for a Route Permit, August 18, 2016, at 3-1, 3-2.

<sup>11</sup> Application for a Route Permit, August 18, 2016, at 2-1.

<sup>12</sup> Xcel Energy's Notification of Intent to File Route Permit Application, August 11, 2016.

11. On August 18, 2016, the Applicant filed its route permit application pursuant to the partial exemption process in accordance with Minnesota Rule 7852.0600, subpart 1 and 7852.2000.<sup>13</sup>
12. On September 6, 2016, the Minnesota Department of Commerce Energy Environmental Review and Analysis (DOC EERA) staff submitted Comments and Recommendations addressing the completeness of Xcel Energy's Application. DOC EERA recommended that the Commission accept Xcel Energy's application for a natural gas pipeline routing permit and partial exemption of pipeline route selection procedures for the proposed 11,300 foot, 16-inch outside diameter natural gas pipeline for the Black Dog (Unit 6) Generating Plant in Burnsville, Minnesota. Authorize DOC-EERA and PUC staff to process the application pursuant to Minnesota Rules 7852.0600.
13. On September 30, 2016, the MPUC issued its Order accepting Xcel Energy's application for a natural gas pipeline routing permit and partial exemption of pipeline route selection procedures for the proposed 11,300 foot, 16-inch outside diameter natural gas pipeline for the Black Dog (Unit 6) Generating Plant in Burnsville, and took the following actions:
  - A. Authorized EERA and PUC staff to initiate the review of the application pursuant to Minn. R. 7852.0600;
  - B. Required the notices issued pursuant to Minn. R. 7852.0600 be expanded to include properties adjacent to the proposed route; and
  - C. Required the notices issued pursuant to Minn. R. 7852.0600 to include information on how to access generic route permit conditions and solicit comments on whether those conditions are sufficient mitigation for any project impacts.
14. On October 13, 2016 Xcel Energy mailed Notice of Partial Exemption Application acceptance and copies of the application to properties as required by the September 30 Order and Minn. R. 7852.0600.
15. The MPUC issued a notice of the public information meeting on October 18, 2016 that included a description of the Project, a map of the route, the date of the public information meeting, and comment period.

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<sup>13</sup> Application for Route Permit, August 18, 2016.

16. Xcel Energy ran a Notice of Public Information Meeting in the Minneapolis Star Tribune newspaper on October 15, 2016 and in the Burnsville ThisWeek newspaper On October 21, 2016
17. On October 26, 2016, Xcel Energy filed Update on Anticipated Pipeline Alignment within Proposed Route for the Black Dog Natural Gas Pipeline Project including updated figures which were included in the route permit application to show the two proposed alignment adjustments.<sup>14</sup>
18. Pursuant to Minnesota Rule 7852.0600, Subpart 4, the Commission and DOC EERA staff held a public information meeting on November 2, 2016, in Burnsville, Minnesota, to discuss the Project and procedures for commenting on the partial exemption. 12 members of the public attended the meeting. The comment period to submit written and/or email comments was open until November 16, 2016 with the reply comment period open until November 30, 2016.

#### **IV. Land Requirements**

19. Private and city owned lands permanent rights-of-way will be acquired in the form of permanent easements. On these lands Xcel Energy will seek to acquire easements approximately 40 feet in width for ongoing operation and maintenance of the pipeline. In the electric transmission line corridor on Burnsville land there are currently transmission line easements which will overlap with the new pipeline easement. Existing easements do not currently allow for adding a natural gas pipeline, therefore Xcel Energy will work with the city to acquire a new easement for the pipeline or modify the existing easements to add the pipeline. Permanent associated aboveground facilities will be installed at the beginning and end of the proposed pipeline within existing facilities at the Black Dog Generating Plant and the NNG Cedar Station. Assuming a 40 foot wide right-of-way for the entire length of the pipeline results in a maximum of 10.37 acres of new permanent right-of-way for the proposed Project.<sup>15</sup>
20. The Project will also require a wider temporary right-of-way, or construction corridor, during construction of the pipeline in some locations to allow for equipment access and laying out the pipe. This temporary right-of-way may

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<sup>14</sup> Xcel Energy Update on Anticipated Pipeline Alignment within Proposed Route for the Black Dog Natural Gas Pipeline Project, October 26, 2016.

<sup>15</sup> Application for a Route Permit, August 18, 2016, at 6-1.

extend up to 100 feet wide along the existing electric transmission line corridor on the land owned by the City Burnsville to facilitate safe construction. Where space allows an approximately 40 foot-wide temporary right-of-way will be sought along roadways, however, along Old Sibley Memorial Highway the distance between the road and the edge of road right-of-way is not adequate to accommodate the full 40 feet and a narrower temporary right-of-way will be necessary. As described above for permanent rights-of-way all temporary space for construction within road right of way will be approved under the accommodation permits rather than through temporary easements. Over the length of the project, the temporary construction right-of-way will impact approximately 14.92 acres.<sup>16</sup>

21. The depth of the trench will generally be five to six feet deep. Allowing for a nominal 16-inch-outside diameter pipe, the top of the pipe will typically be approximately four feet below the ground surface. The bottom of the pipe trench will be approximately three feet wide and the top of the trench approximately five feet wide. In addition to trenching in some locations the pipe will be installed by using directional drilling, thereby reducing the estimated total trench length by approximately 3,450 feet. There will be approximately 7,850 feet of trench excavation, amounting to approximately 3,000 cubic yards of soil excavated from the proposed pipe trench.<sup>17</sup>
22. Xcel Energy proposes to bury the pipe to four feet below the surface in accordance with U.S. DOT pipeline standards (49 CFR, Part 192.327).<sup>18</sup>
23. Of the approximately 11,300 feet crossed by the proposed pipeline, 3,960 feet are collocated with existing high voltage electric power line rights-of-way amounting to approximately 36 percent of the lands crossed. Approximately 5,200 feet are co-located with existing road right-of-way. The purpose of co-locating the pipeline with existing rights-of-way is to reduce the impact to current and future land uses and to minimize human and environmental impacts.<sup>19</sup>

## **V. Construction Activities, Testing, and Restoration**

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<sup>16</sup> Application for a Route Permit, August 18, 2016, at 6-1, 6-2.

<sup>17</sup> Application for a Route Permit, August 18, 2016, at 6-2.

<sup>18</sup> Application for a Route Permit, August 18, 2016, at 6-2.

<sup>19</sup> Application for a Route Permit, August 18, 2016, at 6-3.



24. Xcel Energy will conduct a centerline survey to accurately depict the location and layout of the pipeline, followed by staking of the pipeline centerline. This survey will also identify the extent of temporary right-of way or construction corridor. Prior to the commencement of any survey activities, all affected landowners will be contacted to obtain any necessary survey permission. In addition, Xcel Energy will comply with Minnesota Rules 7852.0600 regarding public notice and distribution of application materials.<sup>20</sup>
25. Prior to any ground-disturbing activities, notification will be provided to the Minnesota Gopher State One- Call as required to ensure all utilities are properly identified. All other safety procedures will be adhered to as required by the Minnesota Office of Pipeline Safety, Xcel Energy safety procedures, and worker safety regulations.<sup>21</sup>
26. Clearing and grading will commence along the right-of-way after the centerline survey and staking has been completed. Clearing of the right-of-way will take place in accordance with all permit conditions, as well as agreed upon landowner considerations.<sup>22</sup>
27. The trench will be excavated by track-mounted backhoes, or other similar equipment to a depth that provides sufficient cover over the pipeline after backfilling as required by U.S. DOT specifications. Due to the size of the pipe (16.00-inch-outside-diameter), the trench will be approximately five to six feet deep (to allow for about four feet of cover) and about five feet wide at the top of the trench.<sup>23</sup>
28. The pipeline will cross Minnesota Highway 13 and the Union Pacific Railroad. These features will be crossed by directionally drilling beneath them which requires the excavation of a pit on each side of the feature, the placement of drilling equipment adjacent to the pit, then directionally drilling a hole under the feature at least as large as the diameter of the pipe. The size of the pits will vary depending on the topography at the location of each. Pit sizes can range from an area of 10 x 20 feet up to an area 25 x 50 feet in some locations. All pits will be located in-line with the pipeline within the right-of-way. Once the hole is drilled, a prefabricated pipe section will be pulled through the borehole. For long crossings, sections may be welded onto the pipe string just before

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<sup>20</sup> Application for a Route Permit, August 18, 2016, at 7-1.

<sup>21</sup> Application for a Route Permit, August 18, 2016, at 7-1.

<sup>22</sup> Application for a Route Permit, August 18, 2016, at 7-1.

<sup>23</sup> Application for a Route Permit, August 18, 2016, at 7-1.

being pulled through the borehole. There will be little or no disruption to traffic at road or railroad crossings that are directionally drilled.<sup>24</sup>

29. Directional boring methods involve using a steerable drill pilot head and guiding the boring to pre-determined depths to achieve required clearances and minimize contact with water-bearing soil layers. A pressurized bentonite slurry will be used which will help seal the boring walls and prevent caving in or water infiltration from any wet layers that the boring travels.
30. During periods of excessive precipitation the excavated trench may collect rain water and may need to be dewatered. Heavily silt-laden water will not be discharged from the trench into wetlands or waterbodies. To the extent practicable, discharges will be directed to well-vegetated upland areas. If discharge activities need to be located off the right-of-way, landowner consent will be obtained and locations will be chosen that will minimize off-right-of-way impacts and impacts to sensitive resources. In accordance with agency permits and approvals obtained for the Project, water will be discharged into an energy dissipating device if necessary (e.g., straw bale structure, filter bag, etc.).<sup>25</sup>
31. After pipe welding activity is completed, each weld will be inspected by qualified welding inspectors to determine the weld integrity. U.S. DOT regulations require nondestructive testing of all welds in areas such as inside railroad or public road rights-of-way and in certain other areas.<sup>26</sup>
32. The U.S. DOT requires buried pipelines to have an acceptable protective coating. The pipe is typically coated with a mill-applied fusion-bonded epoxy prior to delivery in order to protect against corrosion. Directionally drilled pipe will be dual-coated and construction field welds will be coated in the field with an approved material that is compatible with the mill-applied coating. The entire coating will be inspected and any defects in the coating will be field-repaired. After this coating is inspected, the pipe will be ready to be lowered into the trench.<sup>27</sup>
33. The pipeline will be lowered into the trench after the trench is excavated and free of rocks and other debris that could damage the pipe or protective coating. Stormwater dewatering may be necessary to inspect the bottom of the trench in

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<sup>24</sup> Application for a Route Permit, August 18, 2016, at 7-1, 7-2.

<sup>25</sup> Application for a Route Permit, August 18, 2016, at 7-1.

<sup>26</sup> Application for a Route Permit, August 18, 2016, at 7-2.

<sup>27</sup> Application for a Route Permit, August 18, 2016, at 7-2, 7-3.

areas where water has accumulated. Trench dewatering activities will be performed in accordance with erosion control plans developed pursuant to the Minnesota Pollution Control Agency (MPCA) National Pollutant Discharge Elimination System (NPDES) Construction Storm Water Discharge Permit.<sup>28</sup>

34. After backfilling, the pipeline will be hydrostatically tested to ensure the system is capable of withstanding the operating pressure for which it was designed. Test water will be pumped into each test section and pressurized to design test pressure. Test pressure and duration will be consistent with the requirements of Title 49 CFR Part 192. If leaks are found, they will be repaired and the section of pipe retested until the required specifications are met. Activities associated with hydrostatic testing will be performed in accordance with applicable federal, state, and local regulations.<sup>29</sup>
35. Clean-up and restoration of the right-of-way is the final phase of pipeline construction and typically begins immediately after backfilling, or as soon as weather and soil conditions allow. The right-of-way will be cleaned up by the removal and disposal of construction debris and surplus materials. Construction debris will be taken to a licensed disposal facility. Restoration efforts may involve soil decompaction, smoothing with disc harrows or other equipment, stabilization using erosion control devices, and revegetation activities. Preconstruction contours will be reestablished to the extent possible. Xcel Energy will work with the DOT and the City of Burnsville Natural Resources Department and Parks Department to develop a restoration plan.<sup>30</sup>
36. Xcel Energy may use both herbicides and/or mechanical methods to control the spread of noxious weeds. All herbicides used by Xcel Energy are approved by the U.S. Environmental Protection Agency and the Minnesota Department of Agriculture. These herbicides are applied by commercial pesticide applicators that are licensed by the Minnesota Department of Agriculture. If, during post-construction monitoring of the restored right-of-way, a higher density and cover of noxious weeds on the right-of-way is noted when compared to adjacent off right-of-way areas, Xcel Energy will obtain landowner permission and work to mitigate noxious weed concerns.<sup>31</sup>

## VI. Operation and Maintenance

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<sup>28</sup> Application for a Route Permit, August 18, 2016, at 7-3.

<sup>29</sup> Application for a Route Permit, August 18, 2016, at 7-3.

<sup>30</sup> Application for a Route Permit, August 18, 2016, at 7-3.

<sup>31</sup> Application for a Route Permit, August 18, 2016, at 7-3.

37. Xcel Energy will own and operate the pipeline under the jurisdiction of the U.S. DOT Pipeline and Hazardous Materials Safety Administration (PHMSA), the MN Public Utilities Commission (MPUC), and MN Office of Pipeline Safety (MNOPS). The minimum Federal Safety Standards for Gas Lines are contained in Title 49 of the Code of Federal Regulations (49 CFR Part 192). Subpart L (Operations) specifies minimum requirements for the utility's operations and maintenance plan. Under these rules, Xcel Energy is required to have the following:

- operation and maintenance plan;
- procedures for continuing surveillance of its facilities to determine and take appropriate action concerning changes in class location, failures, leakage history, corrosion, substantial changes in cathodic protection requirements, and other unusual operation and maintenance conditions;
- damage prevention programs;
- emergency plans; and
- procedures for investigation of failures.<sup>32</sup>

38. All personnel involved with operation and maintenance responsibilities for the pipeline facilities will be certified under an Operator Qualification Plan and will participate in a Drug and Alcohol Program in compliance with the U.S. DOT regulations. Xcel Energy has a Gas Operations and Maintenance plan which details all aspects of operating distribution systems and gas pipelines and filed with the MNOPS upon completion. A brief description of the operations activities required for the Project is described further in the Application.<sup>33</sup>

## **VII. Pipeline Routing**

39. Minnesota Rules, Chapter 7852.0100, Subpart 31, defines “route” as the proposed location of a pipeline between two end points. A route may have a variable width from the minimum required for the pipeline right-of-way up to 1.25 miles. In developing the proposed pipeline route, Xcel Energy evaluated the statutory and rule criteria (Minnesota Statutes Chapter 216G and Minnesota Rules Chapter 7852).<sup>34</sup>

40. Potential routes are evaluated in an attempt to reduce the creation of new impacts by locating pipeline adjacent to existing rights-of-way. Paralleling or

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<sup>32</sup> Application for a Route Permit, August 18, 2016, at 8-4.

<sup>33</sup> Application for a Route Permit, August 18, 2016, at 8-4.

<sup>34</sup> Application for a Route Permit, August 18, 2016, at 5-4.

sharing existing utility transportation rights-of-way is a method for minimizing impacts to humans and the environment, which is a standard for route selection (Minnesota Rules 7852.1900 Subp. 2).<sup>35</sup>

41. Xcel Energy initially considered two possible routes between the NNG Cedar Station and the Black Dog Generating Plant: a northern route which went generally northwest from the NNG Cedar station until crossing under the railroad tracks then paralleling the tracks and the Met Council sanitary sewer pipeline to the southwest, and a southern route which generally followed Old Sibley Memorial Highway and Highway 13 before turning northwest at the transmission line corridor toward the Black Dog Generating Plant.<sup>36</sup>
42. The northern route would have crossed lands owned by the Minnesota Department of Natural Resources (DNR) and the US Fish and Wildlife Service (USFWS) before reaching the railroad at which point it would be located on land owned by NSP Minnesota and managed as part of the Minnesota Valley National Wildlife Refuge. However, after meeting with USFWS staff it was determined that it would not be possible to acquire the necessary rights to cross National Wildlife Refuge land to reach NSPM land. The USFWS does not consider a new pipeline to be an appropriate use within the National Wildlife Refuge system and therefore would not be able to approve a new right-of-way crossing. Therefore, this route was eliminated from consideration. In addition to the issue with crossing USFWS land, the northern route had the disadvantages of crossing a significant amount of wetland area, involving above ground work within the 100 year floodplain and having a significant segment of the total length which did not parallel existing utility or transportation rights-of-way.<sup>37</sup>
43. Based on evaluation of existing infrastructure, discussions with the Cities of Eagan and Burnsville, the MN DNR, the USFWS and the Minnesota Department of Transportation as well as feedback from landowners Xcel Energy developed the proposed route and anticipated alignment. The anticipated alignment minimizes impacts to private properties by placing the pipeline primarily within road right-of-way or on land owned by the City of Burnsville and NSP. Approximately 88% of this proposed alignment parallels existing rights-of-way. Xcel Energy requested a variable route width, which accommodates this alignment while allowing for minor changes based on

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<sup>35</sup> Application for a Route Permit, August 18, 2016, at 5-4.

<sup>36</sup> Application for a Route Permit, August 18, 2016, at 5-4.

<sup>37</sup> Application for a Route Permit, August 18, 2016, at 5-4.

detailed engineering, geotechnical analysis and survey results for existing infrastructure.

## **VII. Environmental Impacts**

44. In deciding whether to grant or deny a partial exemption from pipeline route selection procedures, the Commission must determine that the pipeline project will not have a significant impact on humans or the environment. The Commission must consider the impact of the pipeline project on the criteria set forth in Minnesota Rules 7852.0700, subpart 3.<sup>38</sup>

### **Natural Environment**

#### **Geology**

45. The proposed pipeline overlies an area where the surficial geology is dominated by till and mixed outwash deposited by glaciation during the Pleistocene epoch (Hobbs, Aronow and Patterson 1990). The terrain has minimum relief owing to the degree of urban development that typifies the area. Elevation along the proposed pipeline ranges from 700 - 880 feet above mean sea level. No special construction techniques are expected to be necessary since the trenching for pipeline installation will be within the unconsolidated glacial drift. The limited shallow excavation of the trench will not have a significant effect on geology.<sup>39</sup>

#### **Soils**

46. Potential temporary impacts to soils resulting from construction of the Project could include soil erosion, soil compaction, loss of soil productivity associated with mixing of topsoil, introduction of rock into the topsoil, and poor revegetation following construction. In order to protect topsoil resources topsoil segregation procedures will be used as required in areas specified by applicable regulations, permit conditions or landowner requests. An erosion control plan will be developed pursuant to the MPCA NPDES Construction Storm Water Discharge Permit. Temporary erosion controls will include slope breakers, mulching, and the use of silt fence. Following construction, application of seed, fertilizer and mulch will commence in accordance with any existing permit requirements or landowner agreements. Inspector(s) will be used to ensure contractor compliance with these procedures.<sup>40</sup>

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<sup>38</sup> Application for a Route Permit, August 18, 2016, at 1-1.

<sup>39</sup> Application for a Route Permit, August 18, 2016, at 9-1.

<sup>40</sup> Application for a Route Permit, August 18, 2016, at 9-2.

## Water Resources

47. The Project is located within the Lower Minnesota River watershed within the Minnesota River Basin. A watershed is defined as the entire physical area or basin drained by a distinct stream or riverine system, physically separated from other watersheds by ridgetop boundaries. No surface waters will be impacted by the Project, including those listed on the MN DNR's Public Waters Inventory (PWI). The Project will directionally drill under Black Dog Lake, which is a PWI basin. Xcel Energy will coordinate with MN DNR to obtain a Public Water Crossing License for crossing this water feature.<sup>41</sup>
48. Wetland areas were initially identified using National Wetlands Inventory (NWI) data to assess wetlands that may be present within the proposed pipeline route. Merjent, Inc., on behalf of Xcel Energy, also conducted a wetland delineation within the anticipated alignment. Two additional palustrine emergent (PEM) wetlands were identified, both in the electric transmission line right-of-way. The U.S. Army Corps of Engineers (COE) and the City of Burnsville regulate construction activities in wetlands. Xcel Energy will submit the wetland delineation report to COE and Burnsville and coordinate impacts and potential mitigation as appropriate.<sup>42</sup>
49. Construction of the proposed pipeline is not expected to affect overall groundwater recharge or discharge in the area. Shallow groundwater is not a major source of drinking water in the area. The pipeline trench will be approximately five to six feet deep and will not intersect any drinking water aquifers. The proposed Project will not require the installation or abandonment of any water wells or connection to or changes in any public water supply. A single abandoned and sealed well was found within 200 feet of the proposed pipeline alignment using the County Well Index database that is maintained by the Minnesota Departments of Health and Natural Resources. (MDH, 2016). The abandoned well is located near the western edge of the property at 11008 27th Ave South and was sealed in December 2013.<sup>43</sup>
50. Construction of the proposed pipeline is not expected to affect groundwater discharge which supports nearby fens. The fens are primarily fed by upwelling and pressures from deep bedrock groundwater layers. Trench construction will typically involve trenching to approximately 6 feet in depth and is not expected to impact groundwater layers. Boring from the top of the bluff, beneath the RR

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<sup>41</sup> Application for a Route Permit, August 18, 2016, at 9-2.

<sup>42</sup> Application for a Route Permit, August 18, 2016, at 9-2.

<sup>43</sup> Application for a Route Permit, August 18, 2016, at 9-3.

tracks and Black Dog Lake will be deeper and may pass through shallow groundwater layers but will not reach deeper bedrock layers. The pressurized boring technique will prevent infiltration of any shallow groundwater layers into the bore because, due to the proximity of the project to Black Dog Lake and the Minnesota River, any shallow groundwater layers are unlikely to be artesian

51. A designated trout stream is located near the project. Construction of the proposed pipeline will not have any direct impacts on the stream. Construction is also not expected to have any indirect impacts on the stream because construction in locations up slope from the stream is not expected to impact shallow groundwater, which might provide flow to the stream. Stormwater and erosion control best management practices will be used during construction to ensure that no sediment leaves the construction site and impacts the stream.
52. Accidental equipment spills or leaks of fuel or oils could contaminate soil and groundwater. Contaminated soils could continue to leach pollutants to the groundwater for an extended period after the spill or leak. A Spill Prevention Containment and Countermeasure Plan (SPCC Plan) will be developed and implemented during construction to manage equipment spills or leaks should they occur.<sup>44</sup>
53. The 100-year floodplain is defined as the land that is predicted to flood during a 100-year storm, which has a 1% chance of occurring in any given year. The proposed pipeline route crosses a 100-year floodplain associated with the Minnesota River and Black Dog Lake. However, construction of the pipeline will not impact the floodplain as this portion of the proposed alignment will be installed via directional drilling. The City of Burnsville has confirmed that if above ground work is not proposed within the floodplain, a Conditional Use Permit will not be required. The City will require a FEMA Elevation Certificate and No Rise Certificate and “as-constructed” plans be submitted post-construction.<sup>45</sup>

### **Biological Resources**

54. Vegetation clearing and tree cutting will occur along the pipeline construction right-of-way. Permanent impacts to vegetation associated with construction of the proposed pipeline will primarily include the clearing and maintenance of trees along the permanent right-of-way. Impacts to vegetation adjacent to the

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<sup>44</sup> Application for a Route Permit, August 18, 2016, at 9-3.

<sup>45</sup> Application for a Route Permit, August 18, 2016, at 9-3.



right-of-way will be minimized by restricting construction activities to only the approved work areas. After construction is complete vegetation will be reestablished by applying seed, mulch, and fertilizer mixtures specified by permit conditions, land managing agencies, and/or landowners. During operation of the pipeline, the permanent right-of-way will be maintained by mechanically clearing trees and shrubs about once every three to five years to maintain accessibility of the pipeline and to accommodate inspection and potential maintenance of the pipeline.<sup>46</sup>

55. The proposed route is characterized by urban and suburban development containing both wooded and open areas which provide habitat for a variety of wildlife. Wildlife typically found in the area are those species which have adapted to urban and suburban development and include white-tailed deer, coyotes, fox, raccoons, beaver, opossum, woodchucks, squirrels, muskrats, and a variety of owl and other raptor species, including osprey, red-shouldered hawks, and bald eagles.

Construction of the proposed facilities will likely result in temporary impacts to wildlife habitat in the immediate vicinity of the construction areas. Vegetation clearing will result in reduced cover, nesting and foraging habitat for some wildlife. Wildlife-friendly erosion control matting will be used in any areas where erosion control matting is needed to stabilize soils. The proposed construction will temporarily displace mobile avian, mammal, amphibian and reptile species that inhabit the Project area. The displaced species will likely colonize in nearby areas or reestablish their original habitats after construction activities are complete and the construction site is restored.

Long-term effects to wildlife are expected to be limited to occasional displacement or impact to individual animals due to future periodic clearing of the permanent right-of-way to maintain the vegetative cover in an herbaceous state. Vegetation maintenance of the right-of-way will comply with any wildlife timing windows if specified by natural resource agencies. Construction and maintenance of the proposed pipeline will not significantly alter the character of the landscape in the Project area. Consequently, effects to wildlife will likely be short-term and the habitat disturbed by project-related activities is expected to generally revert back to preconstruction conditions. If soil conditions and topographic features allow, restoration efforts may include the introduction of pollinator plants. Xcel Energy will work with the City of Burnsville Natural

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<sup>46</sup> Application for a Route Permit, August 18, 2016, at 9-3.

Resources Department and Parks Department to the applicability of such a plan.<sup>47</sup>

56. Xcel Energy reviewed the most recent MN DNR Natural Heritage Information System (NHIS) database to obtain the locations of rare and unique natural resources within the Project area. Queries to the NHIS database often display species that either do not have a legal status or are of special concern. Species or communities that do not have a status, or are classified as special concern, have no legal protection in Minnesota. Only potential impacts on species with legal protection (threatened and endangered) are discussed below.

Given the developed nature of the Project area, there will not be impacts to rare or significant tree communities (e.g., old growth forest, federal/state-managed timber, etc.).

Two federally-endangered mussel species - the Higgins eye pearlymussel (*Lampsilis higginsii*) and the snuffbox mussel (*Epioblasma triquetra*) - may be found in waters in the vicinity of the Project. The federally-threatened northern long-eared bat (*Myotis septentrionalis*) and the federally-threatened prairie bush-clover (*Lespedeza leptostachya*) are also known to occur in Dakota County and may be present in the Project area.

The Higgins eye pearlymussel is a freshwater mussel of larger rivers where it is typically found in deep water with moderate currents. The animals bury themselves in sand and gravel river bottoms with just the edge of their partially opened shells exposed; the species feeds by siphoning the water for microorganisms. In Minnesota, the Higgins eye is found in the Mississippi and St. Croix Rivers, and is believed to be extirpated from the Minnesota River. Project activities will not take place within the Minnesota River, and Black Dog Lake will be crossed via directional drilling. As such, it is reasonable to conclude that the Project will have no effect on the Higgins eye pearlymussel.<sup>48</sup>

The snuffbox mussel is a small freshwater mussel primarily found in small- to medium-sized creeks in areas with a swift current, although it has also been found in larger rivers and Lake Erie. Adults often burrow deep in sand, gravel or cobble substrates, except when they are spawning or the females are attempting to attract host fish. They are suspension feeders, typically feeding on algae, bacteria, detritus, microscopic animals, and dissolved organic material.

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<sup>47</sup> Application for a Route Permit, August 18, 2016, at 9-3, 9-4

<sup>48</sup> Application for a Route Permit, August 18, 2016, at 9-4, 9-5

Project activities will not take place within the Minnesota River, and Black Dog Lake will be crossed via directional drilling. As such, it is reasonable to conclude that the Project will have no effect on the snuffbox mussel.

The range of the northern long-eared bat (NLEB) stretches across much of the eastern and Midwestern United States. During summer, northern long-eared bats roost singly or in colonies under bark, in cavities, or in crevices of both live and dead trees. Males and non-reproductive females may also roost in cooler places such as caves and mines. This species is thought to be opportunistic in selecting roosts, utilizing tree species based on the tree's ability to retain bark or provide cavities or crevices. It has also been found, rarely, roosting in structures such as barns and sheds. In winter, northern long-eared bats utilize caves and mines as hibernacula. The NLEB was listed as a federally threatened species in May, 2015, with an interim 4(d) rule; effective February 16, 2016, the USFWS finalized the 4(d) rule which restricts tree clearing within 0.25 miles of a hibernacula and within 150 feet of a known maternal roost tree during the months of June and July. A 4(d) rule may only be applied to species listed as threatened, and is a tool periodically utilized by the USFWS to allow for flexibility in Endangered Species Act (ESA) implementation. The rule allows the USFWS to tailor take restrictions to those that make the most sense for protecting and managing at-risk species, and directs the USFWS to issue regulations considered "necessary and advisable to provide for the conservation of threatened species."

The NHIS review confirmed the absence of known hibernacula within 0.25 miles and the absence of known roost trees within 150 feet from the Project. Scheduling tree clearing activities to take place between November 1 and March 31 (e.g., when bats are hibernating and not present on the landscape) greatly reduces impacts to NLEB. However, if tree clearing activities will take place after March 31, 2016, Xcel would rely on the programmatic Biological Opinion developed by USFWS on January 5, 2016 to fulfill the Section 7 consultation for this species. Therefore, we believe the Project may affect, but incidental take is not prohibited for the northern long-eared bat.

Prairie bush clover is found only in the tallgrass prairie region of four Midwestern states. It is a member of the bean family and a Midwestern "endemic" – known only from the tallgrass prairie region of the upper Mississippi River Valley. The Project area is located in a suburban housing development. Therefore, we believe the Project will have no effect on the prairie bush clover.

A query of the Natural Heritage Inventory System database was conducted to determine if any state-listed species or other significant natural features are known to occur within an approximate one-mile radius of the proposed Project. No Element Occurrences (EOs) intersect the Project workspace. Xcel Energy has submitted a request for concurrence of a finding of No Impacts to Protected Species to the MN DNR; On November 11, 2017 the Endangered Species Review Coordinator responded with concurrence of the requested finding.

Four element occurrences (EOs) for calcareous fens are found within one mile of the Route. Calcareous fens are distinctive wetlands characterized by a non-acidic peat substrate. They are dependent upon a steady supply of cold, oxygen-poor water rich in magnesium and calcium bicarbonates. They are legally protected in Minnesota due to their rarity and their ability to support a number of rare plant species. Calcareous fens are designated as “outstanding resource value waters” in water quality regulations administered by the Minnesota Pollution Control Agency (MPCA) (see Minnesota Rules part 7050.0180) and they are given special protection through Minnesota Rules part 8420.1010 - 8240.1060. The Wetlands Conservation Act, authorized by Minnesota Statutes 103G.223, states that calcareous fens may not be filled, drained, or otherwise degraded, wholly or partially, by any activity, except as provided for in a management plan approved by the Commissioner of the MN DNR. Many of the unique characteristics of calcareous fens result from the upwelling of groundwater through calcareous substrates. Because of their dependence on delicate groundwater hydrology, calcareous fens can be indirectly affected by activities away from the fen. The Project does not intersect the fens, therefore will have no direct impact on the fens. An analysis of groundwater resources and planned construction practices indicates that construction of the project will not result in indirect impacts to the fens.

Three additional EOs for natural communities are within one mile of the Project: a southern wet ash swamp, a seepage meadow/carr, and black ash seepage swamp. The Project does not intersect these EOs, and as such, will have no impact on these ecological resources.

Three fish species have one EO each within one mile of the Project. The paddlefish (*Polyodon spathula*), the black buffalo (*Ictiobus niger*), and the pugnose shiner (*Notropis anogenus*) are state-listed threatened species. Paddlefish are found in the open waters of large rivers and river lakes (such as Lake Pepin and Lake St. Croix), oxbow lakes, and backwaters. They have been associated with areas of deep water and low current velocities (Zigler et al.

2003). Paddlefish feed primarily on zooplankton (Becker 1983), and require free-flowing rivers with gravel bars that are inundated in spring floods for spawning. The black buffalo is found both fast- and slow-flowing portions of rivers, as well as in sloughs and impoundments, and (Hatch et al. in preparation). Little is known regarding the life history of the species in Minnesota, but the black buffalo is thought to have similar habits to smallmouth and bigmouth buffaloes. The black buffalo however, tends to occupy deeper water and areas of faster moving currents than the latter two species. The black buffalo's diet includes mollusks, insects, crayfish, duckweed, and algae, and typically spawns from April to mid-June (Becker 1983). The pugnose shiner is found primarily in clear, glacial lakes and streams with an abundance of submerged vegetation. They live in habitats with slow velocity currents over sand, mud, or gravel substrates, and are commonly found in pondweed (*Potamogeton* spp.), water milfoil (*Myriophyllum* spp.), elodea (*Elodea* spp.), eelgrass (*Verbasum blattaria*), coontail (*Ceratophyllum* spp.), bulrush (*Scirpus* spp.), muskgrass (*Chara* spp.), and filamentous algae. The presence of rooted aquatic plants seems more important to this species than substrate type (Hatch et al. in preparation). No in-water work will be performed for the Project, and Black Dog Lake will be crossed via directional drilling. Therefore, we believe the Project will have no impact on these fish species.

Records for five state-threatened plant species were identified within one mile of the Project: one record for sterile sedge (*Carex sterilis*), one record for hair-like beak rush (*Rhynchospora capillacea*), one record for whorled nutrush (*Scleria verticillata*), three records for edible valerian (*Valeriana edulis* var. *ciliate*), and one record for tuberous Indian-plantain (*Arnoglossum plantagineum*). Sterile sedge, hair-like beak rush, whorled nutrush, and edible valerian are associated with and found primarily in calcareous fens. The Project will not impact calcareous fens; therefore, impacts to these species are not expected. Tuberous Indian-plantain is largely restricted to native, moist prairies in the southern portion of Minnesota, although a few populations are found on dry soils in bluff prairies. These habitats are often found on old railroad rights-of-way. The Project will not impact prairie habitat, and railroad rights-of-way will be crossed via the directional drill associated with Black Dog Lake.

Since data collected on mussel species from 2008-2015 has not been added to the Rare Features Database, Xcel Energy also reviewed records from the Minnesota Statewide Mussel Survey. Multiple EOs for a variety of state-listed threatened and endangered mussels are found within one mile of the Project. No in-water work will be performed for the Project, and Black Dog Lake will

be crossed via directional drilling. As such the Project will have no impact on these mussel species.<sup>49</sup>

## **Noise**

57. When in service, the proposed pipeline will not generate noise during normal operations. The Project will not include new compression facilities so there will not be exhaust or other noise sources that would be associated with compressor stations.
58. Noise will be generated by the construction of the Project. Construction noise will be predominantly sources originating from diesel engine driven construction equipment and boring rigs. Potential noise impacts will be mitigated by proper muffling equipment fitted to construction equipment and restricting activities if necessary.<sup>50</sup>

## **Air quality**

59. Potential air quality effects related to pipeline construction facilities include fugitive dust emissions during construction, and exhaust emissions from construction equipment. Dust will be controlled through implementation of a stormwater pollution prevention plan (SWPPP) which will include control measures for exposed soils. These potential effects are considered to be relatively minor and of short duration. The pipeline by itself will not have any long-term impacts on air quality.<sup>51</sup>

## **Human Environment**

60. The Project traverses land that has undergone significant development, including commercial facilities as well as rights-of-way for road, pipeline, and electrical transmission lines. The portion of the proposed alignment within the City of Eagan is situated on land zoned as Business Park and Light Industrial. The portion of the proposed pipeline route within the City of Burnsville is situated on lands zoned as Neighborhood, General Business and Park. Land within the permanent and temporary rights-of way, and workspace within the proposed aboveground facilities will be impacted during construction of the Project. The impact will be short-term, as the construction period, including restoration, is not expected to exceed 6-7 months. The primary permanent impact of construction will be the removal of trees and shrubs from the construction work area and permanent right-of-way. Xcel Energy will develop a

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<sup>49</sup> Application for a Route Permit, August 18, 2016, 9-4, 9-5, 9-6.

<sup>50</sup> Application for a Route Permit, August 18, 2016, at 9-6, 9-7.

<sup>51</sup> Application for a Route Permit, August 18, 2016, at 9-7.

Vegetation Management Plan with input from the DNR, the DOT, and the cities of Burnsville and Eagan to address impacts to vegetation and potential restoration plantings. As referenced in Section 7.12, the permanent right-of-way will be maintained in an open condition consisting of primarily herbaceous or shrub communities to facilitate maintenance and inspection activities.<sup>52</sup>

61. There is currently a bike trail paralleling Minnesota State Highway 13 which will be impacted during construction. Xcel Energy has an agreement with the City of Burnsville to replace the trail after construction is complete. The Project will also impact the City of Burnsville's Tennesioux Park, which overlaps the existing Xcel Energy single-circuit 115 kV and a double-circuit 345/345 kV electric transmission line corridor. The park does not currently have any amenities; however the City of Burnsville has requested that Xcel Energy construct a new 10 foot wide paved bike trail which would eventually connect the existing trail along Highway 13 to Black Dog Park. Xcel Energy will work with the City to facilitate construction of the trail. The proposed pipeline will also cross land managed as part of the Minnesota Valley National Wildlife Refuge; however, no impacts are expected because Xcel Energy will directionally drill underneath Refuge managed lands.<sup>53</sup>
62. On behalf of Xcel Energy, Merjent, Inc. conducted a Phase Ia Background Cultural Resource Literature Review of the Project area as well as a one mile surrounding buffer in June of 2016 at the Minnesota State Historic Preservation Office ("SHPO"). This area is defined as the Area of Potential Effect (APE) for the Project. The goal of the review was to identify recorded cultural resource sites and assess the potential for unrecorded sites within the APE. The standard for considering a cultural property as significant is whether it meets the criteria for listing on the National Register of Historic Places (NRHP). The initial criterion for such listing is an age of 50 or more years. Beyond age, a property must retain integrity and be associated with significant historic trends, historic persons, building styles and craftsmanship, or the property must have the potential to provide significant information about the past.

Two (2) previously recorded archaeological sites and one (1) previously inventoried historic structure within or proximal to the proposed Project route. Both archaeological sites are documented as human burial sites and are

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<sup>52</sup> Application for a Route Permit, August 18, 2016, at 9-7.

<sup>53</sup> Application for a Route Permit, August 18, 2016, at 9-7.

protected under Minnesota Statute 307.08. However, these sites are located external to the proposed Project route and will not be impacted by proposed construction activities. The inventoried structure is located south of the Project and will not be impacted by proposed construction activities. Based on the findings it was concluded that the Project will not affect properties listed on, or eligible for listing on, the National Register of Historic Places, and no known or suspected archaeological properties in the area will be affected by the Project. The assessment further recommended that no cultural resources field inventory be required. A letter report summarizing the findings has been submitted to the Minnesota State Historic Preservation Office (SHPO) requesting comments regarding the nature of future cultural resource investigations.

In the event that buried cultural deposits or human remains are encountered, work in the immediate vicinity of the find will be stopped until a professional archaeologist can evaluate the find and recommend treatment in consultation with the Minnesota State Historic Preservation Office.<sup>54</sup>

### **Human Settlement**

63. Economic benefits to the local economy will be realized during construction resulting from the influx of Project labor workforce. These benefits include material expenditures, workforce lodging, fuel sales, grocery sales and restaurant expenditures. Additional local benefits include easement payments, permit fees and property tax revenues.
64. The Project may result in short-term impacts to human settlement during pipeline construction activities. Impacts to existing roads would be minimized by installing the pipeline underneath these features through the use of the directionally drilling. These crossing methods will minimize traffic interruptions and prevent disturbance to the road and rail surfaces. If directional drilling is not successful, roads may be crossed by open-cut construction methods. In the event that a road is open-cut, traffic disruptions will be minimized if possible by maintaining one open lane of traffic except when the pipeline is being trenched and backfilled. Transportation of equipment and materials to the right-of-way could also result in minimal short-term impacts to traffic in the area. Xcel Energy will obtain all necessary permits for road right-of-way crossings.<sup>55</sup>

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<sup>54</sup> Application for a Route Permit, August 18, 2016, at 9-7, 9-8.

<sup>55</sup> Application for a Route Permit, August 18, 2016, at 9-8.



## **Public Health and Safety**

65. Safety is a prime consideration for employees and contractors who will be operating and maintaining the pipeline system, and also for the general public. Safety code compliance is achieved through adherence to 49 CFR Part 192 as defined by the U.S. DOT. General safety procedures include:
- strict adherence to an operations and maintenance plan;
  - the pipeline MAOP is assured through the use of over pressure protection equipment;
  - company signs, with emergency numbers, are posted along the pipeline;
  - ignition sources are minimized;
  - smoking will be prohibited in and around any structure or area containing gas facilities;
  - “no smoking” signs are posted where appropriate; and
  - above ground facilities will be painted or coated to prevent atmospheric corrosion.

Xcel Energy will implement proper safeguards, as described in sections 7 and 8, during construction and operation to avoid potential impacts public health and safety. The Project will be designed in compliance with local, state, federal and Xcel Energy standards for, crossing utilities and buildings, strength of materials, and right-of-way widths. Xcel Energy will ensure that construction and contract crews comply with local, state, and company standards for installation of facilities and standard construction practices. Xcel Energy established and industry safety procedures will also be followed after the gas transmission line is installed. This will include clear signage during all construction activities.

With implementation of safeguards and protective measures, the Project is not anticipated to result in adverse or significant impacts on public health and safety.<sup>56</sup>

## **Cumulative Effects**

66. Construction of the pipeline is not expected to have any direct effect on the cultural, historic or aesthetic values of the area. No significant changes in the vegetation, wildlife, wetlands, water quality, geology or soils are expected to result from the Project. The area presently has an existing natural gas pipeline, high voltage transmission lines, and municipal facilities. Installation of the pipeline will not significantly change land use patterns. Consequentially, the cumulative potential effect of the Project is expected to be minimal.<sup>57</sup>

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<sup>56</sup> Application for a Route Permit, August 18, 2016, at 9-8, 9-9.

<sup>57</sup> Application for a Route Permit, August 18, 2016, at 9-9.

## **Unavoidable Impacts**

67. Unavoidable impacts are those impacts that cannot be avoided if the Project is constructed. Construction of the proposed pipeline will have minimal unavoidable impacts. The Project will parallel existing road ROW for a majority of the proposed route. As discussed above, paralleling existing road ROW will avoid the direct impacts associated with constructing new transmission ROW. Xcel Energy has analyzed the potential environmental effects from the proposed Project. It has been determined that no significant unavoidable impacts to protected species, water resources or other natural resources will result from construction of the proposed pipeline line.

The proposed Project route allows for the construction of the pipeline without impacts to homeowners. All wetlands and water bodies will be protected during construction. Upon the issuance of the Route Permit, Xcel Energy will continue to coordinate with state or federal agencies to ensure the Project complies with all applicable laws and regulations and minimizes impacts to the natural environment to the best extent practicable.<sup>58</sup>

## **Irreversible and Irrecoverable Commitment of Resources**

68. Irreversible and irretrievable resource commitments are related to the use of nonrenewable resources and the effects that the use of these resources have on future generations. Irreversible commitments of resources are those that result from the use or destruction of a specific resource that cannot be replaced within a reasonable time frame. Irrecoverable resource commitments are those that result from the loss in value of a resource that cannot be restored after the action. The Project will require minimal commitments of resources that are irreversible and irretrievable.

Anticipated commitments expected are those related to construction activities and may include aggregate resources, steel, and hydrocarbon fuel. Vehicles employed during construction would be deployed on site and would travel to and from the Project. Other resources would be used in pipeline construction and other construction activities.<sup>59</sup>

## **Impact Mitigation by Regulatory and Permit Conditions**

69. Potential negative human and environmental impacts, which could result from the Project, are mitigated by many factors. Several levels of federal, state, county and local governmental authorities have jurisdiction over the Project.

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<sup>58</sup> Application for a Route Permit, August 18, 2016, at 9-10.

<sup>59</sup> Application for a Route Permit, August 18, 2016, at 9-10.

Environmental jurisdictions include an overall Project permit and partial exemption determination from the MPUC; and permits and approvals by independent agencies charged with responsibility for management of environmental resources, discharge limitations, and restrictions on land use modification. A listing of each environmental permit required for the Project is found in Section 10.0 of the route permit application. Engineering regulatory requirements include U.S. DOT Pipeline and Hazardous Materials Safety Administration (PHMSA) material specifications, pipeline construction and operational standards, and building permit standards. U.S. DOT PHMSA construction and operation requirements are discussed in Sections 4, 6, and 7 of this application. Additional protection is provided by on-site third party inspectors and agency oversight.<sup>60</sup>

### **VIII. Conclusions**

1. Any of the foregoing Findings of Fact more properly designated as Conclusions of Law are hereby adopted as such.
2. The Commission has jurisdiction over the Application pursuant to Minn. Stat. § 216G.02.
3. The Project qualifies for review under the partial exemption process of Minnesota Statute 216G.02 and Minnesota Rule 7852.0600.
4. The Applicant, the DOC EERA, and the Commission have complied with the procedural requirements for a partial exemption from pipeline route selection procedures as set forth in Minnesota Rule 7852.0600, including publication of application notice in a newspaper in the county where the pipeline will be located, and mailing the notice and application to required parties, including affected landowners, and holding a public informational meeting and comment period.
5. The Commission has considered all the pertinent standards and criteria in accordance with Minnesota Rule 7852.0700 relative to its determination for a partial exemption from pipeline route selection procedures and issuance of a pipeline routing permit.
6. The Commission concludes that a route permit for the new pipeline should be conditioned in a number of respects, including imposition of those conditions

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<sup>60</sup> Application for a Route Permit, August 18, 2016, at 9-10.

specified in Minnesota Rules 7852.3600 and conditions agreed to by the Applicant.

Based on the Findings of Fact and Conclusions contained herein and the entire record of this proceeding, the Minnesota Public Utilities Commission hereby makes the following:

**ORDER**

1. The Minnesota Public Utilities Commission hereby grants Xcel Energy a partial exemption from the pipeline route selection procedures of Minnesota Rule, Chapter 7852.
2. The Minnesota Public Utilities Commission hereby issues a pipeline routing permit to Xcel Energy for construction of approximately 11,300 feet of natural gas pipeline and associated facilities along the route described in Findings Nos. 3, 4 and 7. The pipeline routing permit is attached hereto with a map showing the approved route, including the description of the route with a variable width as shown in the map, and the inclusion of conditions.