

Staff Briefing Paper

Meeting Date July 21, 2022 Agenda Item 1*

Company Flint Hills Resources Pine Bend, LLC

Docket No. **IP2/PPL-21-747**

In the Matter of the Information Book for Owners and Tenants of Property along the Unit 48 Pipeline Route in Dakota County, Minnesota

Issues 1. Should the Commission approve the Information Book provided by Flint Hills Resources Pine Bend, LLC for the anhydrous ammonia Unit 48 Pipeline Route?

Staff Craig Janezich craig.janezich@state.mn.us 651-201-2203



Relevant Documents

Date

[Initial Filing –Notice Flint Hills Resources Unit 48 Pipeline Project](#)

03/18/2022

[Other – Unit 48 Pipeline Information Book](#)

05/24/2022

[DOC EERA – Comments and Recommendations](#)

06/17/2022

[PUC – Notice of Commission Meeting – July 21, 2022](#)

07/08/2022

To request this document in another format such as large print or audio, call 651.296.0406 (voice). Persons with a hearing or speech impairment may call using their preferred Telecommunications Relay Service or email consumer.puc@state.mn.us for assistance.

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

I. Statement of the Issues

Should the Commission approve the Information Book provided by Flint Hills Resources Pine Bend, LLC for the anhydrous ammonia Unit 48 Pipeline Route?

II. Project Overview

On March 18, 2022, a notice was posted for an anhydrous ammonia pipeline proposed by Flint Hills Resources Pine Bend, LLC (Flint Hills). Flint Hills stated this pipeline will reduce truck traffic and reduce potential safety events related to the accidental release of ammonia. Additionally, anhydrous ammonia is a necessary component in the production of fertilizer products and ultra-low sulfur gasoline.¹

Flint Hills reports that the pipeline will be approximately 1.6 miles long, 4.5-inch outside diameter, with maximum operating pressure of 720 per square inch in gauge (psig). The typical operating pressure will range between 250 to 355 psig, with an anticipated flow range of 15 to 245 barrels per hour. The pipeline will flow in one direction from the CF Industries Anhydrous Ammonia Terminal (13040 Pine Bend Trail, Rosemount, Minnesota) to the Flint Hills Resources' Pine Bend Refinery.²

The Unit 48 Pipeline will be buried at an average depth of 54 inches.³ The pipeline will cross three roads/highways, one railroad track, and one bike path.⁴ Flint Hills owns 82% of the right of way, Minnesota Department of Transportation owns 16%, CF Industries owns 1%, and Chicago and North Western Transportation Company (railroad track) owns 1%. Installation of the pipeline at road or drainage crossings will be done through either bore or horizontal directional drilling (HDD) method.⁵

Flint Hills anticipates construction to start in the fall of 2022 and finish in the spring/summer of 2023.⁶

III. Procedural History

On March 18, 2022, Flint Hills filed a notice (Document ID: [20223-183958-01](#)) of its proposed Unit 48 Pipeline Route.

On May 24, 2022, Flint Hills filed *Informational Book for Owners and Tenants of Property along the Unit 48 Pipeline in Dakota County, Minnesota* for the project (Document ID: [20225-186029-01](#)).

¹ Notice to the Public Utilities Commission and Dakota County Board of Flint Hills Resources' Unit 48 Pipeline Project. Document ID: [20223-183958-01](#).

² Flint Hills Resources Pine Bend, LLC. Information Book. Document ID: [20225-186029-01](#) p. 4

³ Ibid. p.8

⁴ Ibid. p.5

⁵ Ibid. p.5-6

⁶ Ibid. p.6

On June 17, 2022, the Department of Commerce Energy Environmental Review and Analysis (DOC EERA) filed comments in response to the Information Book (Document ID: [20226-186739-01](#)).

IV. Statutes and Rules

The Flint Hills proposal is a pipeline with a diameter of less than six inches that is transporting a hazardous liquid, therefore the project is not subject to Minn. Stat. § [216G.02](#). However, the project is subject to Minn. Stat. § [216.01 subd. 3](#), and [216G.03 – 216G.05](#).

Under these statutes an applicant must provide notice of the project to the Commission and to each county in which the pipeline will be constructed. Additionally, statute prohibits the applicant from acquiring or negotiating an easement or right-of-way for the purpose of construction or operating a pipeline until 30 days after:

- a public meeting has been held in the county in which the right-of-way in question is located; and
- that person has provided to the owner or lessee from whom the easement or agreement is acquired a copy of the information book.
 - If the original information book is revised each owner or lessee of property which the original route did not affect shall be provided with a copy of the revised book.

Per Minn. Stat. § [216G.04](#), the information book must contain the following:

- a description of the pipeline proposed for construction, including the proposed route, types of commodities to be carried, size of the line and construction and operational characteristics;
- an explanation of the steps which must be taken to acquire right-of-way for the pipeline and of the rights and alternatives of the owner;
- an explanation of the legal requirements that must be met in constructing the pipeline; and
- an explanation of the county inspection procedure and instructions for contacting the inspector in the event of noncompliance with legal requirements.

V. Comments

Department of Commerce, Energy Environmental Review and Analysis

DOC EERA worked with the applicant on the draft Information Book before it was submitted.⁷ DOC EERA found that the Information Book, submitted on May 24, 2022, meets the requirements of Minn. Stat. § 216G.04 for Commission approval. Additionally, Dakota County

⁷ Ibid. p.2

indicated to DOC EERA that it is prepared meet its public meeting requirements upon receiving the Commission's approval of the Information Book.⁸

DOC EERA's analysis expanded on the applicant's submission regarding the proximity the pipeline will have relative to High Consequence Areas ([49 CFR 195.450](#)). "High Consequence Areas" (HCAs) are used to specify locations that would be most significantly impacted by a release from the pipeline. Identification of HCAs for hazardous pipelines focus on projects that pass close to populated areas, drinking water sources, and sensitive ecological resources. The pipeline passes near two HCAs including an unusually sensitive area (drinking water or a sensitive ecological resource) and a commercially navigable waterway. Additionally, the project passes in proximity to populated areas (Rosemount, Inver Grove Heights, and Cottage Grove). As a result of these features, this pipeline is required by Federal Law (49 CFR 195) to be part of the established Flint Hills Resources Integrity Management program.⁹

DOC EERA staff recommended approval of the Flint Hills' Information Book for the Unit 48 Pipeline and to authorize Flint Hills Pine Bend, LLC to proceed with the requirements for Minn. Stat. § 216G for an Information Book.¹⁰

VI. Staff Analysis

Staff has reviewed the Information book and agrees with the analysis of DOC EERA staff. As a result, staff recommends that the Commission approve Flint Hills Resources Pine Bend, LLC's proposed "Information Book for Owners and Tenants of Property along the Unit 48 Pipeline Route in Dakota County, Minnesota."

Staff recommends a spelling correction on page six of the Information book. The text in the middle column of the second table should read Chicago and North Western Transportation Company instead of Chicago and Norther Western Transportation Company.

VII. Decision Options

Information Book

1. Approve the Information Book as proposed.
2. Approve the Information book with the spelling correction proposed by staff.
3. Reject the Proposed Information Book.
4. Take some other action deemed appropriate.

Staff Recommendation: 2

⁸ Ibid. p.11

⁹ DOC EERA, *Comments*. Document ID [20226-186739-01](#). p.6

¹⁰ Ibid. p.11

