

BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

**In the Matter of the Letter of Notification Application by)
South Field Energy LLC for a Certificate of)
Environmental Compatibility and Public Need for the) 16-1166-GA-BLN
South Field Energy Natural Gas Pipeline)
Interconnection)**

Members of the Board:

Chairman, Public Utilities Commission	Ohio House of Representatives
Director, Development Services Agency	Ohio Senate
Director, Department of Health	
Director, Department of Agriculture	
Director, Environmental Protection Agency	
Director, Department of Natural Resources	
Public Member	

To the Honorable Power Siting Board:

Please review the attached Staff Report of Investigation, which has been filed in accordance with Ohio Power Siting Board (Board) rules. The accelerated certificate application in this case is subject to an automatic approval process as required by Section 4906.03 of the Ohio Revised Code.

The application will be recommended for automatic approval on July 29, 2016, unless suspended by the Board's chairperson or an administrative law judge. If suspended, the Board must render a decision on the application within 90 days from the date of suspension.

Please present any concerns you or your designee may have with this case to my office at least four business days prior to July 29, 2016, which is the automatic approval date.

Sincerely,



Patrick Donlon
Director, Rates and Analysis
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215
(614) 644-8932
ContactOPSB@puc.state.oh.us

OPSB STAFF REPORT OF INVESTIGATION

Case Number: 16-1166-GA-BLN
Project Name: South Field Energy Natural Gas Pipeline Interconnection
Project Location: Columbiana County
Applicant: South Field Energy, LLC
Application Filing Date: June 30, 2016
Filing Type: Expedited Letter of Notification
Inspection Dates: July 1 and 13, 2016
Report Date: July 22, 2016
Recommended Automatic Approval Date: July 29, 2016
Waiver Requests: None
Staff Assigned: J. O'Dell, G. Zeto

Summary of Staff Recommendations (see discussion below):

Application: ☐ Approval ☐ Disapproval ☒ Approval with Conditions
Waiver: ☐ Approval ☐ Disapproval ☒ Not Applicable

Project Description

On June 30, 2016, South Field Energy, LLC (Applicant) filed an expedited Letter of Notification in case number 16-1166-GA-BLN, proposing a natural gas pipeline project. This proposed natural gas pipeline project would be located within Yellow Creek and Madison townships. The project is needed to provide a gas supply interconnection for the Applicant's proposed electric generation facility (case number 15-1716-EL-BGN), which is pending before the Board. The pipeline would be approximately two miles in length. An above ground metering station would be constructed within a fenced 0.6 acre site, buffered by a 24.9 acre parcel.

The 20-inch diameter pipeline would be constructed of steel, with a wall thickness of approximately 0.8 inches. The maximum allowable operating pressure of the pipeline is 745 pound per square inch gauge.

Nature of Impacts

Land Use

The project area is surrounded by light density rural residential, agricultural, pasture and forested land uses. No institutional or other sensitive land uses are present in the vicinity. The pipeline alignment would share the Applicant's proposed 345 kilovolt transmission line interconnection right-of-way (case number 15-1717-EL-BTX), which is pending before the Board.

The Applicant conducted a Phase I cultural resources survey to ascertain potential impacts to archaeological sites and architectural resources. The survey concluded that no archaeological sites eligible for the National Register of Historic Places are located within 1,000 feet of the project. No architectural resources are within the project's potential disturbance area. There are no cemeteries in proximity to the project. Therefore, significant impacts to historical and cultural resources are not likely.

Surface Waters

The centerline of the proposed pipeline would cross two perennial streams and three wetlands, including one category 2 and two category 1 wetlands. The pipeline would also cross in close proximity to several ponds. The Applicant has proposed to use horizontal directional drilling (HDD) to bore in all areas where the centerline would cross streams and wetlands, which also includes areas in close proximity to ponds. Staff recommends the Applicant develop a frac-out plan which would establish procedures for monitoring during drilling activities and procedures to be taken in the event that an in-stream frac-out occurs.

One intermittent stream crossing associated with a shared access road to be utilized for both natural gas pipeline and electric transmission construction would result in a 0.002 acre impact. On June 9, 2016, the U.S. Army Corps of Engineers (USACE) authorized this impact under a Nationwide Permit 39. The Applicant has also stated that a second culvert may be needed for another intermittent stream crossing associated with the permanent access road to gas metering station. If a second culvert is necessary, the USACE would need to update the permit to reflect this impact.

The Applicant also plans to file a Notice of Intent with the Ohio Environmental Protection Agency for authorization of stormwater discharges associated with construction and will be responsible for implementing best management practices as established in the Stormwater Pollution Prevention Plan (SWPPP). The Applicant would provide a copy of the SWPPP to Staff prior to construction. To further limit surface water impacts, Staff recommends the Applicant not conduct mechanized clearing within 25 feet of any stream channel. To limit impacts to these streams further, the Applicant will conduct tree clearing by hand, and will limit tree clearing to those trees that it perceives as posing an imminent risk to the construction and operation of the facility.

Threatened and Endangered Species

The project area is within the range of the state and federal endangered Indiana bat (*Myotis sodalis*) and the federal threatened Northern long-eared bat (*Myotis septentrionalis*). As tree roosting species in the summer months, the habitat of these species may be impacted by the project. In order to avoid impacts to the Indiana bat and the Northern long-eared bat, the Applicant has committed to adhering to seasonal tree cutting dates of October 1 through March 31.

The project is also within the range of the Eastern hellbender (*Cryptobranchus alleganiensis alleganiensis*), a state endangered species and a federal species of concern. Two perennial streams, Alder Lick Run and Bailey Run, possess potential habitat for the Eastern hellbender. However, no impact to the habitat is expected due to the proposed use of HDD.

Conclusion

Staff's review of the application included consideration of the requirements listed in Ohio Revised Code Section 4906.10. Based on Staff's review, the application meets the necessary criteria for granting a certificate. Staff recommends automatic approval of this application on July 29, 2016, provided that the following conditions are satisfied.

Conditions

- (1) Prior to the commencement of construction activities that require permits or authorizations by federal or state laws and regulations, the Applicant shall obtain and comply with such permits or authorizations. The Applicant shall provide copies of permits and authorizations, including all supporting documentation, to Staff within seven days of issuance or receipt by the Applicant.
- (2) The Applicant shall adhere to seasonal cutting dates of October 1 through March 31 for removal of trees, unless coordination efforts with the Ohio Department of Natural Resources and the U.S. Fish and Wildlife Service allow a different course of action.
- (3) Prior to the commencement of construction, the Applicant shall provide Staff with a detailed frac-out plan for stream crossings that are expected to be completed via horizontal directional drilling. This plan shall address monitoring during drilling activities and procedures that will be taken in the event that an in-stream frac-out occurs.
- (4) The Applicant shall not conduct mechanized clearing within 25 feet of any stream channel.

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7/22/2016 1:18:44 PM

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Case No(s). 16-1166-GA-BLN

Summary: Staff Report of Investigation electronically filed by Mr. Matt Butler on behalf of Staff of OPSB