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September 9, 2009

The Honorable Alan R. Schriber Chairman Ohio Power Siting Board 180 East Broad St. Columbus, OH 43215

re: Construction Notice, PUCO Case No. 09-790 -GA-BNR

Dear Chairman Schriber,

In accordance with Ohio Administrative Code 4906-5-02(B) and 4906-11-02, Utility Technologies International Corporation (UTI) hereby transmits one original and fifteen copies of the proposed AK-REX Interconnect project on behalf of AK Steel, Inc.

If you have any questions concerning the enclosed Construction Notice or would like to schedule a meeting or site visit, please contact me at 614.482.8080.

Sinterely Hoby Griset, P.E.

President ( Utility Technologies International Corp.

Attachments: Construction Notice

Cc: Larry Schutte, AK Steel, Inc.

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## **CONSTRUCTION NOTICE**

## For the

# AK STEEL, INC.

### **AK – REX Interconnect Project**

Prepared by

Utility Technologies International Corporation

September 10, 2009



This information provided by Utility Technologies International Corporation on behalf of AK Steel, Inc.

#### **Construction Notice**

### 4906-11-02 Construction Notice Requirements

(B) A Construction Notice shall contain the following information:

(1) The name of the project.

The name of the project is the "AK-REX Interconnect"

(2) A brief description of the project, including a map depicting the facility's location and the reason why the project meets the requirements for a construction notice.

AK proposes to install a 12-inch lateral pipeline to carry natural gas from a new service tap on the Rockies Express Pipeline (REX) to the origination point of the existing AK transmission pipeline which serves the Middletown Steel Plant. The lateral will be approximately 900 feet in length and will be constructed using 12-inch OD, 0.375" wall X-52 pipe. The proposed route will parallel portions of the REX Pipeline and the AK transmission pipeline. The lateral will be constructed using the open-cut technique.

A detailed map of the project and the surrounding area is included as Attachment A.

This project is being submitted as a Construction Notice because it is viewed as meeting the requirements of a natural gas transmission line under OAC 4906-1-01 and meeting the requirements of OAC 4906-1-01 Appendix B, item 1(a) of the application requirements matrix.

(3) If the proposed construction notice project is an electric power transmission line or gas or natural gas transmission line, a statement explaining the need for the proposed facility.

The steel industry is a very competitive industry, especially given the current economic conditions. To ensure the Middletown plant is competitive in the marketplace, AK continually seeks opportunities to reduce production costs, of which natural gas represents a significant portion. Currently, the only options for AK's natural gas sources are via transmission pipelines from the gulf coast and Texas regions. The construction of the REX Pipeline in close proximity to AK's transmission line provides AK with the opportunity to connect with a new natural gas supply from the western region of the US. Natural gas supplies from the western region have traditionally been less expensive than the current AK supply sources.

(4) The anticipated construction schedule and proposed in-service date of the project.

The project is anticipated to start on or about November 9, 2009 with an anticipated completion date of December 15, 2009. The anticipated in-service date is April 2010.

(5)The estimated capital costs of the project

The total estimated capital cost of the project is \$750,000.

(6) A description of the operating characteristics, estimated number and types of structures required and right-of-way requirements,

The 12-inch pipeline will be constructed, maintained and operated in accordance with Federal and State regulations and its design exceeds all minimum safety requirements. It will be constructed of coated steel and cathodically protected to prevent corrosion. The pipe will be buried a minimum of 36-inches deep. The proposed pipeline will be designed, installed and tested to and ANSI 600 (1440 psig) standard and will have a 1,000 psig MAOP which is approximately 33% of the specified minimum yield strength. The anticipated operating pressure is 550 psig, which will allow for the regulated "free flow" of gas from the REX pipeline into the AK Steel pipeline.

The project will consist of a regulator setting at the REX tap, approximately 900 feet of 12-inch pipe and a new valve setting to connect the pipeline to the existing AK Steel pipeline. The project will require four private easements including one parcel owned by REX.

(7) An area map of not less than 1:24,000 scale clearly depicting the facility's centerline, with clearly marked streets, roads, and highways, and clearly written instructions for locating and viewing the facility.

A topographic map and a street map outlining the project location and surrounding features is included with this notice. The existing AK Steel station is located approximately 500 feet south of the St. Rt. 122 and Hart Rd. intersection. The pipeline will run west and south from the AK station to the new REX POD site. Directions to the proposed pipeline from Columbus are as follows: Interstate 71 south for approximately 74 miles to exit 32. Turn right on St. Rt. 123 and continue approximately 3.5 miles to South Broadway St. Turn right on South Broadway St. Rt. 48 and continue approximately 3.5 miles to St. Rt. 122. Turn left on St. Rt. 122 and continue approximately 1.3 miles to Hart Rd. Turn left on Hart Rd. and the AK station is approximately 500 feet on the right.

(8) A list of the properties for which the applicant has obtained easements, options and/or land use agreements necessary to construct and operate the facility and a list of the additional properties for which such agreements have not been obtained.

There are four properties from whom AK Steel is acquiring land rights for the interconnect pipeline. The list is as follows:

REX Rockies Express Pipeline 940 Science Boulevard, #A Columbus, OH 43230

INDOH, Inc. 411 W. Mulberry Street Lebanon, OH 45036

Warren County FOP 1343 W. State Route 122 Lebanon, OH 45036

Charles Stephens 700 Franklin Road Lebanon, OH 45036

(C) Documentation that the chief executive officer of each municipal corporation and county, and the head of each public agency charged with protecting the environment or of planning land use in the area in which any portion of the facility is to be located have been notified of the project and have been provided a copy of the construction notice.

The entities or individuals listed below have been provided a copy of the construction notice via certified mail:

Mr. Daniel Jones, President Turtle Creek Township Trustees 670 N. St. Rt. 123 Lebanon, OH 45036

Mr. David Young President of the Board Warren County Commissioners 406 Justice Dr. Lebanon, OH 45036

Ms. Kimberly Lapensee Executive Director – Warren County Regional Planning Commission Warren County Administration Building 406 Justice Dr. Lebanon, OH 45036



