

BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

**In the Matter of the Expedited Letter of Notification            )**  
**Application of Dominion Energy Ohio for the PIR 1410-    ) 18-1341-GA-BLN**  
**Wapakoneta 151-180 Replacement Project                    )**

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 Ohio Revised Code (R.C.) 4906.03 and Ohio Administrative Code 4906-6.

Staff recommends the application for automatic approval on October 16, 2018, unless suspended by the Board, an administrative law judge, or the chairperson or executive director of the board for good cause shown. 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 October 16, 2018, which is the recommended automatic approval date.

Sincerely,



Raymond W. Strom  
Chief of Siting, Efficiency and Renewables Division  
Rates and Analysis Department  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, Ohio 43215  
(614) 466-7707  
[ContactOPSB@puc.state.oh.us](mailto:ContactOPSB@puc.state.oh.us)

## OPSB STAFF REPORT OF INVESTIGATION

**Case No.:** 18-1341-GA-BLN  
**Project Name:** PIR 1410-Wapakoneta 151-180 Replacement Project  
**Project Location:** Auglaize County  
**Applicant:** Dominion Energy Ohio  
**Application Filing Date:** September 17, 2018  
**Filing Type:** Expedited Letter of Notification  
**Inspection Date:** September 24, 2018  
**Report Date:** October 9, 2018  
**Recommended Automatic Approval Date:** October 16, 2018  
**Applicant's Waiver Requests:** none  
**Staff Assigned:** A. Holderbaum, A. Conway

### Summary of Staff Recommendations (see discussion below):

Application: ☐ Approval ☐ Disapproval ☒ Approval with Conditions

Waiver: ☐ Approval ☐ Disapproval ☒ Not Applicable

### Project Description

Dominion Energy Ohio (DEO or Applicant) proposes to replace approximately 2.3 miles of existing 8-inch diameter pipeline with 3.25 miles of new 12-inch pipeline. The replacement pipeline would have a maximum allowable operating pressure of 275 pounds per square inch gauge (PSIG). The pipeline would be installed with a wall thickness of 0.375 inches and would have a minimum yield strength of 52,000 PSIG.

The Applicant would primarily utilize open cut trench construction methods, but will utilize conventional or directional drilling methods at culvert crossings. The existing pipeline would be abandoned in place as the new pipeline replaces it. The Applicant proposes to begin construction in October 2018 and place the line in-service by May 2019. The Applicant estimates the total cost of the project at \$4.24 million.

### Site Description

The section of pipeline to be replaced begins on the north side of Buckland-Holden Road, approximately 0.5 mile west of the intersection of Hauss Road and Buckland-Holden Road. The proposed pipeline would be installed within the road right-of-way of Buckland-Holden Road, Wapakoneta-Cridersville Road, and Linzee Road. The surrounding land use is a mix of road right-of-way, agricultural property, and rural residential property.

The replacement pipeline would be located primarily within existing public road right-of-way. Six culverts exist within the road right-of-way. The Applicant proposes to cross five of these culverts

via horizontal directional drill (HDD) and to avoid the other culvert entirely by obtaining a private easement and installing the pipeline around the culvert altogether. Temporary easements would be required from adjacent property owners for laydown areas.

### **Basis of Need**

The existing DEO pipeline segment transports natural gas to supply local distribution pipeline systems. These distribution pipeline systems supply residential, commercial, and industrial customers in Auglaize County. The Applicant states that the pipe segment is in poor condition and the company anticipates that there will be leak issues with the existing pipeline segment in the future.

This pipeline has been identified and qualifies as a segment to be replaced within DEO's Pipeline Infrastructure Replacement program due to the age of the pipe (installed in 1951). The Applicant also indicates that replacing the line would allow a complete integrity evaluation, pressure test, and leak survey along high pressure pipeline #1672. This high pressure line is important because it supplies several critical regulator stations for local medium pressure systems, which in turn serve customers in the area.

The Applicant proposed a slightly larger pipeline diameter (12-inch) for this project to make it consistent with the connecting and neighboring pipes in DEO's high pressure system. The Wapakoneta area is fed mainly from the Buckeye Road meter and regulator station that is currently operating at or near capacity. Yet, the Applicant anticipates that its customer base and demand will continue to grow downstream of this section of the pipeline. Specifically, Pratt Industries is constructing a paper mill and manufacturing facility in Wapakoneta. That paper mill would require a substantial gas feed for its facilities. Golden Fresh Farms and G.A. Wintzer and Son also have plans to expand their facilities in the Wapakoneta area in the near future. If these loads are added to the existing pipeline segment, then negative gas system pressures would occur. These negative pressures would not occur if the project is installed.

DEO considered, as an alternative option, installing a new pipeline parallel with the existing segment. DEO found this alternative to have several negative impacts such as greater customer interruption/disturbance and higher cost to obtain additional easements and increased timeline.

Staff believes that the Applicant has shown the need for replacement of the existing pipeline segment and additional natural gas supply in the area. The natural gas line proposed by the Applicant would serve to address this need. However, DEO has not necessarily established that the full size and pressure of the planned pipeline are needed to serve current and anticipated loads in the area. The primary negative consequence of installing a pipeline of greater capacity than necessary would be that additional cost would be associated with the additional size increment. Such cost ramifications, and their impacts on gas customer rates, are properly addressed through base rate proceedings before the PUCO. Nothing in this report should be construed as Staff's pre-approval of cost recovery in future rate proceedings.

## **Nature of Impacts**

### *Socioeconomic Impacts*

The replacement pipeline would be laid in the road right-of-way of Buckland-Holden road, Wapakoneta-Cridersville Road, and Linzee Road. The Applicant proposes to utilize open cut trenching to install the majority of the pipeline, and use HDD under five roadside culverts. The Applicant will avoid a culvert on Buckland-Holden Road by open cut trenching around the culvert on a private easement the Applicant has already obtained. The Applicant submitted construction plans to the Auglaize County Engineer's Office who indicated the County would prefer for the Applicant to avoid using HDD to cross the existing culverts and instead avoid the culverts altogether by obtaining private easements and going around the culverts where feasible. If a determination is made to avoid the culvert sites or to HDD under the two culvert sites the Applicant plans on avoiding, Staff recommends the Applicant submit their plans for construction in the sections around culvert areas as a separate certificate application to the Board.

Although the HDD process would be used to avoid direct impacts to culverts, the process has a risk of an inadvertent return of drilling lubricant, commonly known as frac-out. An inadvertent return occurs when the drilling lubricant, typically a non-toxic, fine clay bentonite slurry, is forced through cracks in bedrock and surface soils. If the Applicant avoids direct impacts to the culverts via HDD, Staff recommends that, prior to construction in these areas, the Applicant provide a frac-out contingency plan detailing monitoring, environmental specialist presence, containment measures, clean-up, and restoration in the event of an inadvertent return.

The Applicant states that tree removal, including potential bat roosting trees, would be necessary for this project. In areas where existing screening trees would need to be removed, aesthetic impacts would occur. Staff recommends the Applicant prepare a residential landscape restoration plan that addresses these impacts. Where appropriate, the plan shall focus on the installation of new compatible vegetation.

The Applicant sent notification about the project to area public officials and affected property owners. Temporary easements would be required from adjacent property owners for laydown areas. The Applicant stated that it will ensure that all property owners and tenants have access to their residences and/or property during construction.

### *Agricultural Land*

The proposed construction of the pipeline includes 29 designated agricultural district properties that are adjacent to the project area. Construction of the natural gas pipeline would not present long-term impacts to agricultural production.

### *Cultural Resources*

The Applicant completed a cultural resources literature review for the area of potential effects for the project. The review identified one Ohio Genealogical Society Cemetery, the Stuevely-Two Mile-Wheler Cemetery. The project would run on the east side of Wapakoneta-Cridersville Road while the cemetery is located on the west side of Wapakoneta-Cridersville Road. No impacts to the cemetery are anticipated.

### *Surface Waters*

The road right-of-way contains four intermittent stream crossings and two Category 1 wetland crossings. All surface water impacts would be covered under the Nationwide Permit 12 from the U.S. Army Corps of Engineers (USACE). During trenching, the Applicant would temporarily dam the stream and maintain flow through a pump. Additionally, silt fencing and filter socks would be used to minimize siltation.

The Applicant submitted a Notice of Intent application for a General Construction Stormwater Permit to the Ohio Environmental Protection Agency (Ohio EPA) on August 20, 2018. The Applicant submitted a Notice of Intent for coverage under the Ohio EPA General National Pollutant Discharge Elimination System Permit and receive authorization from the Ohio EPA on August 29, 2018. Wetland and stream impacts would be covered under the Permit #12 from the USACE without the need to submit a pre-construction notification.

### *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 Ohio Department of Natural Resources (ODNR), The U.S. Fish and Wildlife Service (USFWS), and Staff recommend the Applicant adhere to seasonal tree cutting dates of October 1 through March 31 for removal of any trees greater than or equal to three inches in diameter. The Applicant is currently coordinating with the ODNR and the USFWS for any additional federal and state-listed species and/or suitable habitat that may be found in the project area. The Applicant would provide Staff with any comments from the ODNR and the USFWS review of the project and continue coordination with the ODNR, the USFWS, and Staff based on these comments.

The project area is within the range of the federal and state endangered clubshell (*Pleurobema clava*), the state threatened pondhorn (*Uniomerus tetralasmus*), and the state threatened greater redhorse (*Moxostoma valenciennesi*). No in-water work in perennial streams is proposed, no impacts to these species are anticipated.

The project lies within the range of the state endangered lark sparrow (*Chondestes grammacus*). This species nests in grassland habitats with scattered shrub layers, disturbed open areas, as well as patches of bare soil. If this type of habitat will be impacted, the ODNR recommends the Applicant avoid construction in this habitat during the species' nesting period of May 1 through June 30.

### **Conclusion**

Staff's review of the application included consideration of the requirements listed in R.C. 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 October, 16, 2018.

### **Conditions:**

- (1) The pipeline shall be installed on the route presented in the application, which includes installation of the pipeline under roadside culverts via conventional or directional boring, and open cut trenching around the culvert on Buckland-Holden Road. If the Applicant, in consultation with the Auglaize County Engineer's Office, determines that another installation

method or route would be preferable in vicinity of existing culverts, the Applicant shall make an appropriate certificate application with the Board at that time.

- (2) Prior to the commencement of construction activities in areas 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.
- (3) Prior to commencement of any construction, the Applicant shall prepare a residential landscape restoration plan that addresses impacts to mature residential screening vegetation. Where appropriate, the plan shall focus on the installation of new compatible vegetation. The Applicant shall consult with affected property owners in the development of this plan and provide the plan to Staff for review and confirmation that it complies with this condition.
- (4) The Applicant shall adhere to seasonal cutting dates of October 1 through March 31 for removal of any trees greater than three inches in diameter, unless coordination with the Ohio Department of Natural Resources (ODNR) and the U.S. Fish and Wildlife Service allows a different course of action.
- (5) Prior to construction, the Applicant shall submit to Staff, for review and confirmation that it complies with this condition, a project construction plan that provides the specific locations of its laydown areas and is responsive to ODNR concerns about state listed species and ecological areas of significance. If the specific laydown locations chosen appear to have additional adverse impacts, the Applicant shall either propose different specific locations without such impacts, or refile its application.
- (6) The Applicant shall provide to Staff for review a frac-out contingency plan detailing monitoring, environmental specialist presence, containment measures, clean-up, and restoration prior to construction in the sections of the pipeline crossing culverts if the Applicant chooses to utilize horizontal directional drilling methods underneath the culverts.
- (7) The Applicant shall avoid construction in lark sparrow habitat during the species' nesting period of May 1 through June 30, unless coordination with the ODNR allows a different course of action.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**10/9/2018 3:55:34 PM**

**in**

**Case No(s). 18-1341-GA-BLN**

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