

## **Information for File # 2010-02064-RMM**

**Applicant:** Alpha Development and Construction LLC

**Corps Contact:** Ryan Malterud

**Address:** 180 Fifth Street East, St. Paul, Minnesota 56101

**E-Mail:** Ryan.M.Malterud@usace.army.mil

**Phone:** (651) 290-5286

**Primary County:** Stearns

**Section:** 34

**Township:** 124 North

**Range:** 29 West

**Information Complete On:** March 14, 2013

Posting Expires On: March 29, 2013

**Authorization Type:** LOP-05-MN

This application is being reviewed in accordance with the practices for documenting Corps jurisdiction under Sections 9 & 10 of the Rivers and Harbor Act of 1899 and Section 404 of the Clean Water Act identified in Regulatory Guidance Letter 07-01. We have made a preliminary determination that the aquatic resources that would be impacted by the proposed project are regulated by the Corps of Engineers under Section 404 of the Clean Water Act. Our jurisdictional review and final jurisdictional determination could result in modifications to the scope of the project's regulated waterbody/wetland impacts and compensatory mitigation requirements identified above. Any approved jurisdictional determination made prior to reaching a permit decision will be posted on the St. Paul District web page at <http://www.mvp.usace.army.mil/>.

### **Project Description and Purpose (As stated by the applicant):**

The proposed expansion of the Wenner Gas Company facility will include doubling the existing facility. A total of eight (8) – 40,000 gallon stand alone liquid propane (LP) gas tanks will be installed. Associated with the facility expansion is the extension of Wenner Spur #1 by approximately 2,550 feet, the new construction of Wenner Spur #2 for approximately 3,170 feet, unloading stations, and off load service roads.

In 2010, Wenner Gas constructed the existing LP gas rail facility. The design included space for ten (10) 40,000 gallon and two (2) – 30,000 gallon stand alone LP gas tanks. Currently, six (6) of the 40,000 gallon tanks and two (2) of the 30,000 gallon tanks have been installed and utilized the last couple of years. The required service building, service roads, and rail spur (Wenner Spur #1) were constructed in 2010.

The project purpose is to expand the existing Wenner Gas site to meet the needs for their LP gas service business. Since the construction of this facility, the demand for LP gas and alternative delivery systems has changed dramatically. The company who owns the primary LP gas pipeline (known as the Cochin Pipeline) in western Minnesota has been approved for re-purposing. In the fall of 2013 or spring of 2014 the line that currently carries LP gas from Canada through the northwest corner of Minnesota to a transfer station in Benson and ending near Mankato and provides most of the LP gas for the agricultural portion of Minnesota will no longer carry LP gas. The pipeline will instead be reversed providing a product that will be utilized by oil companies in Canada and North Dakota. This pipeline supplied approximately 130 million gallons of LP to Minnesota.

LP gas cost and availability is crucial to the residences of Stearns County. LP gas is utilized for heating homes, poultry livestock barns, and grain crop drying. The availability of LP gas is reliant on the delivery methods available such as truck, rail, or pipeline. The delivery method of bulk LP greatly affects the costs which are then passed onto the customers. Wenner Gas receives its LP shipments via rail service. Rail service has proven to be the most economical method and safest method for delivery of the large volumes of LP gas to Stearns County. Truck transports do not provide LP gas volumes or timely schedules necessary to meet the needs of Stearns County residence, businesses, and farmers that rely on LP gas. In 2012, Wenner Gas Company transferred 12 million gallons through the existing rail facility. Wenner Gas negotiated a contract on March 13, 2013, that guarantees the doubling of the 2012 volume.

**Name, Area and Types of Waters (Including Wetlands) Subject to Loss:**

As a result of this proposed project, approximately 2.97 acres of wetland would be permanently lost. Please see attached drawings for exact locations of wetland fill areas.

**Alternatives Considered:** The following discussion of alternatives was provided by the applicant.

1. No-Build Alternative: In the no-build alternative, Wenner Gas would not expand the existing LP gas facility and would maintain their existing business practices. Wetland habitat would not be impacted by expansion and Wenner Gas would presumably maintain its existing client base. The no-build alternative was removed from further consideration since the existing facility cannot meet the future demands. The re-purposing of the region's only current LP supply pipeline means the availability of LP gas will be limited by the fall of 2013 or spring of 2014. Limited product creates a supply and demand scenario, which will likely

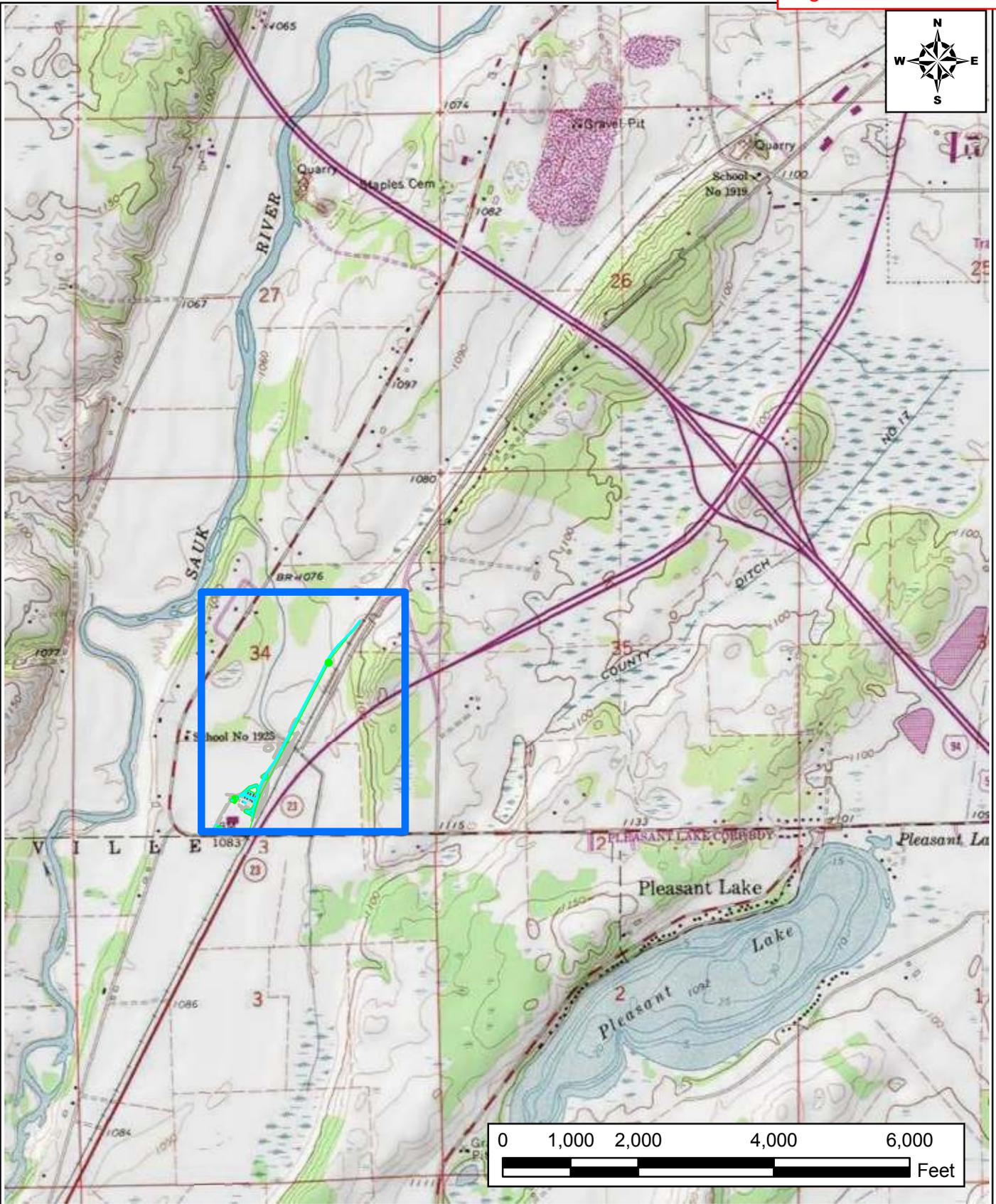
dramatically increase the cost of LP gas. The existing facility was originally designed to add four (4) 40,000 gallon which would assist in alleviating a percentage of the demands, however the forecasted loss of 130 million gallons of LP gas in the area are far greater than the addition of these four tanks.

2. Design and Location Alternatives: Location alternatives were considered in an effort to avoid and minimize wetland impacts. The first location alternative considered was other property adjacent to the railroad tracks. The availability of land adjacent to the active rail is limited. Several sites were identified as potential locations. The potential site location criteria included having approximately 3,500 linear feet of access to the rail, approximately 25 acres available to build the facility, road access for delivery trucks hauling hazardous material (LP gas), and appropriate zoning opportunities. Two sites were identified. Site 1 is within the city limits of Rockville. This property owner was not a willing seller. The Site 2 owner was potentially a willing seller, however after the initial review of the site it was determined the environmental impacts would have been similar or greater than the preferred alternative. The National Wetland inventory and aerial photography identified wetland habitat adjacent to the property and forested areas would be cleared to construct the facility. Additionally, roadway access was poor. Due to unwilling sellers and sites that were not the least environmentally damaging alternatives, these new rail alternative locations were deemed not practicable and were removed from future consideration.
3. The preferred alternative is to expand the existing rail facility to meet the predicted demands. The adjacent landowner to the north is a willing seller of the property adjacent to the railroad. The preferred alternative plan is to purchase approximately 9.5 acres. Two rail spurs will be constructed on this property leading to the existing transfer facility. The existing facility will be expanded by eight (8) – 40,000 gallon tanks for transferring LP gas from the rail cars to holding tanks to delivery trucks and ultimately the consumers of west central Minnesota. The expanded rail is needed to store full rail cars (Wenner Spur #2) and empty rail cars (Wenner Spur #1). The expanded facility will be able to transfer up to 720,000 gallons of LP gas in an 18 hour day. The preferred alternative meets the project purpose, the site owner is a willing seller, the site meets optimal facility design criteria, and the project at this location would involve equivalent or less wetland impacts than other alternatives. For these reasons, this is the preferred alternative.

### **Compensatory Mitigation:**

The applicant proposed to meet compensatory mitigation requirements by securing wetland mitigation bank credits at a ratio of 2:1. The applicant is proposing to purchase 5.94 credits from a Corps-approved wetland mitigation bank in the closest watershed. At this time the applicant has not completed a purchase agreement for wetland credits but will secure the necessary credits before work begins.

**Drawings:** MVP-2010-02064-RMM Page 1 through MVP-2010-02064-RMM Page 9




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PROJECT: ALPHA 122970  
DATE: March 14, 2013  
Map by: jasp  
Projection: County Coordin.  
Source: MnGEO, MnDOT,  
MnDNR, and SEH

**Site Location Map**  
Wenner Gas  
USA Topo Maps  
ST. JOSEPH TOWNSHIP, MINNESOTA

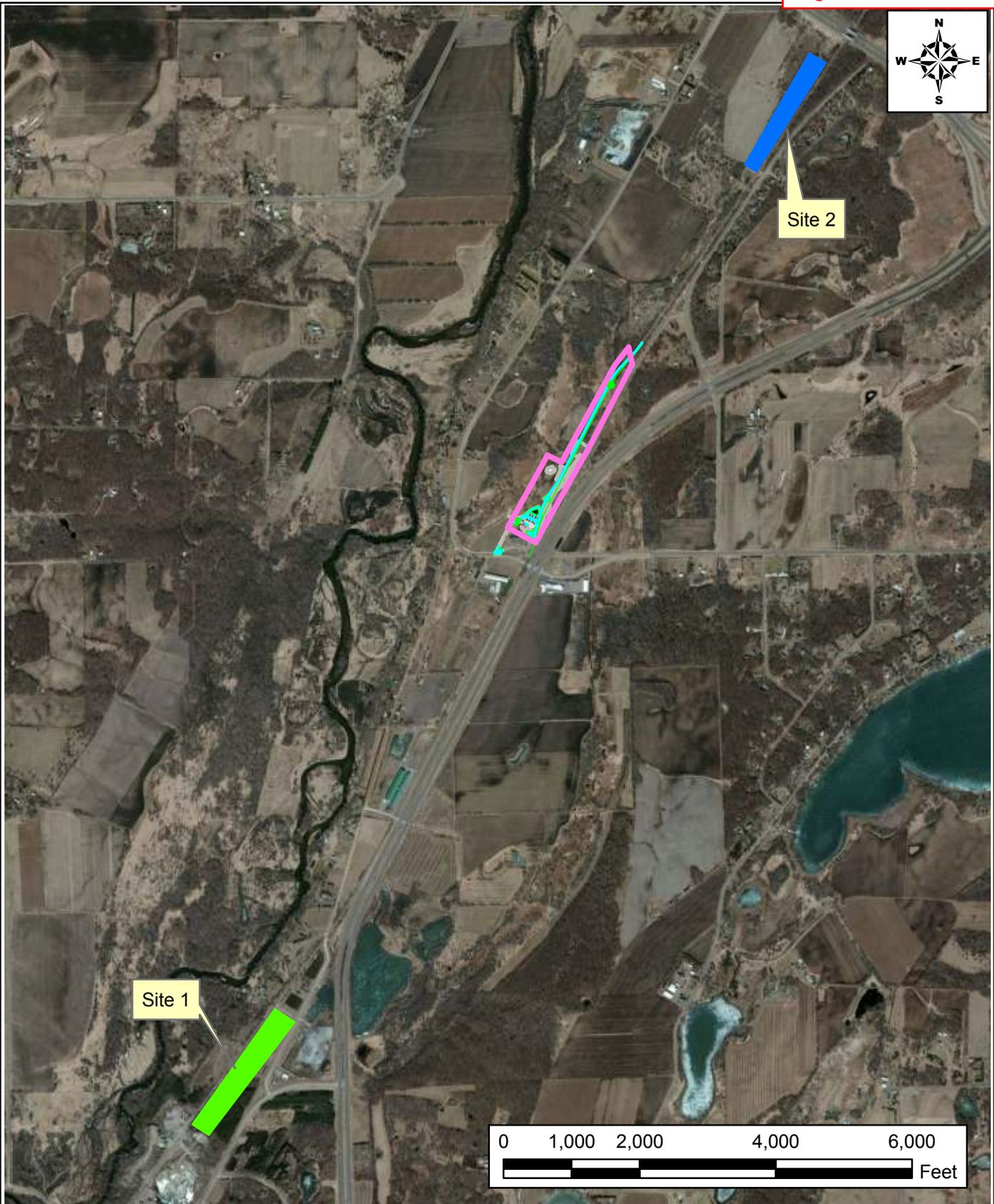
Figure  
1

This map is a compilation of records, information, and data gathered from various sources listed on this map and is to be used for reference purposes only. SEH does not warrant that the Data used to prepare this map are error free or can be used for exacting measurement. The user of this map acknowledges that SEH shall not be liable for any damages which arise out of the user's access or use of data provided.



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|  <p>1200 25TH AVE SOUTH<br/>ST CLOUD, MN 56301<br/>PHONE: (320) 229-4300<br/>www.sehinc.com</p> | <p>PROJECT: ALPHA 122970</p> <p>DATE: March 14, 2013</p> <p>Map by: jasp<br/>Projection: County Coordin.<br/>Source: MnGEO, MnDOT,<br/>MnDNR, and SEH</p> | <p><b>Aerial Map</b><br/>Wenner Gas</p> <p>2010 Aerial</p> <p>ST. JOSEPH TOWNSHIP, MINNESOTA</p> | <p>Figure</p> <p>2</p> |
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**Alternative Locations Map**  
Wenner Gas  
2010 Aerial  
ST. JOSEPH TOWNSHIP, MINNESOTA

Figure  
3

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| DATE     | 03/14/13     |

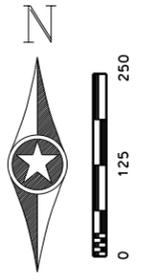
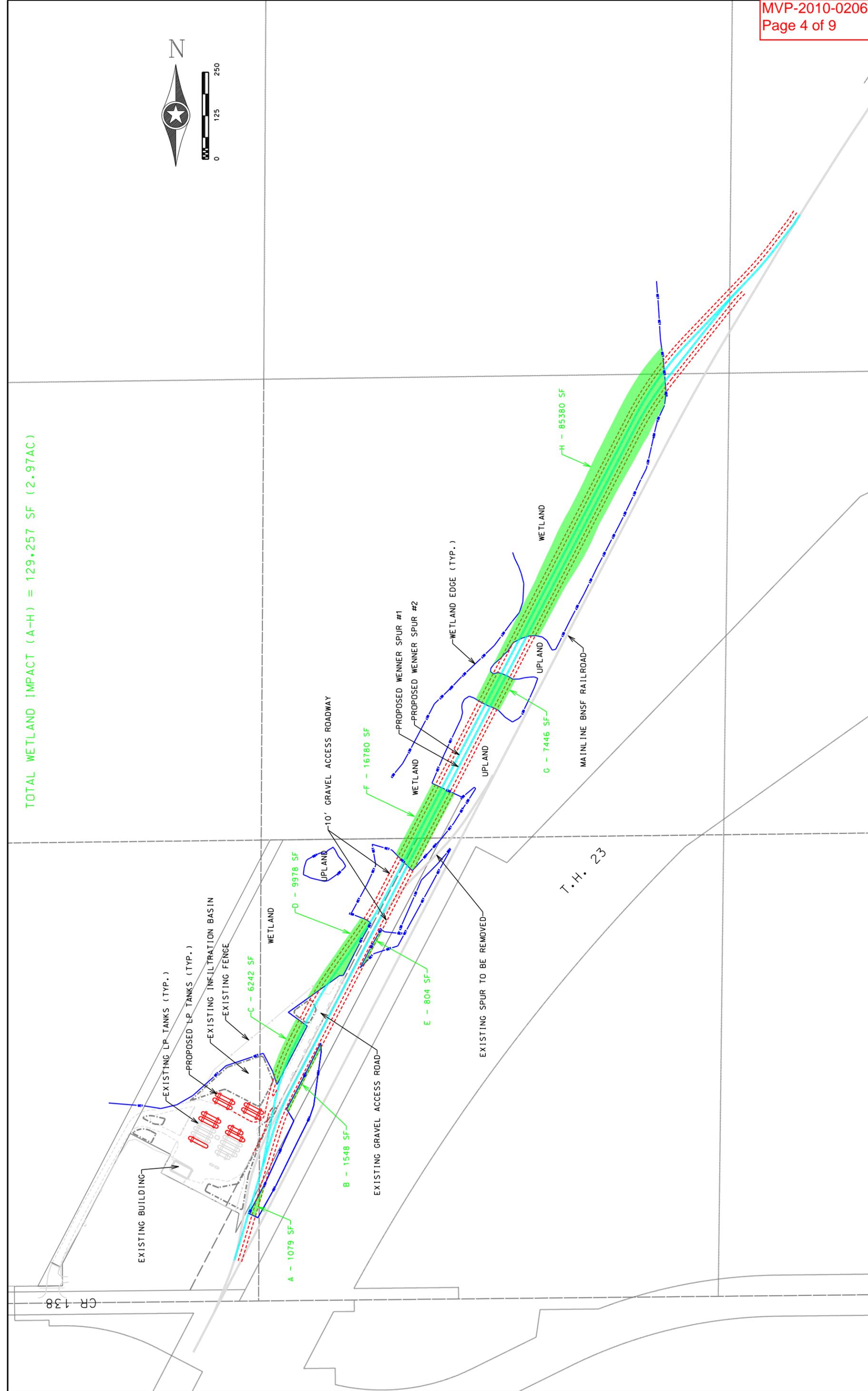
WETLAND IMPACTS

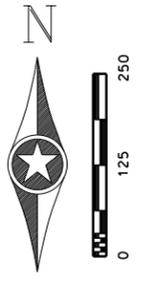
WENNER GAS PHASE II

CITY  
MINNESOTA



TOTAL WETLAND IMPACT (A-H) = 129,257 SF (2.97AC)



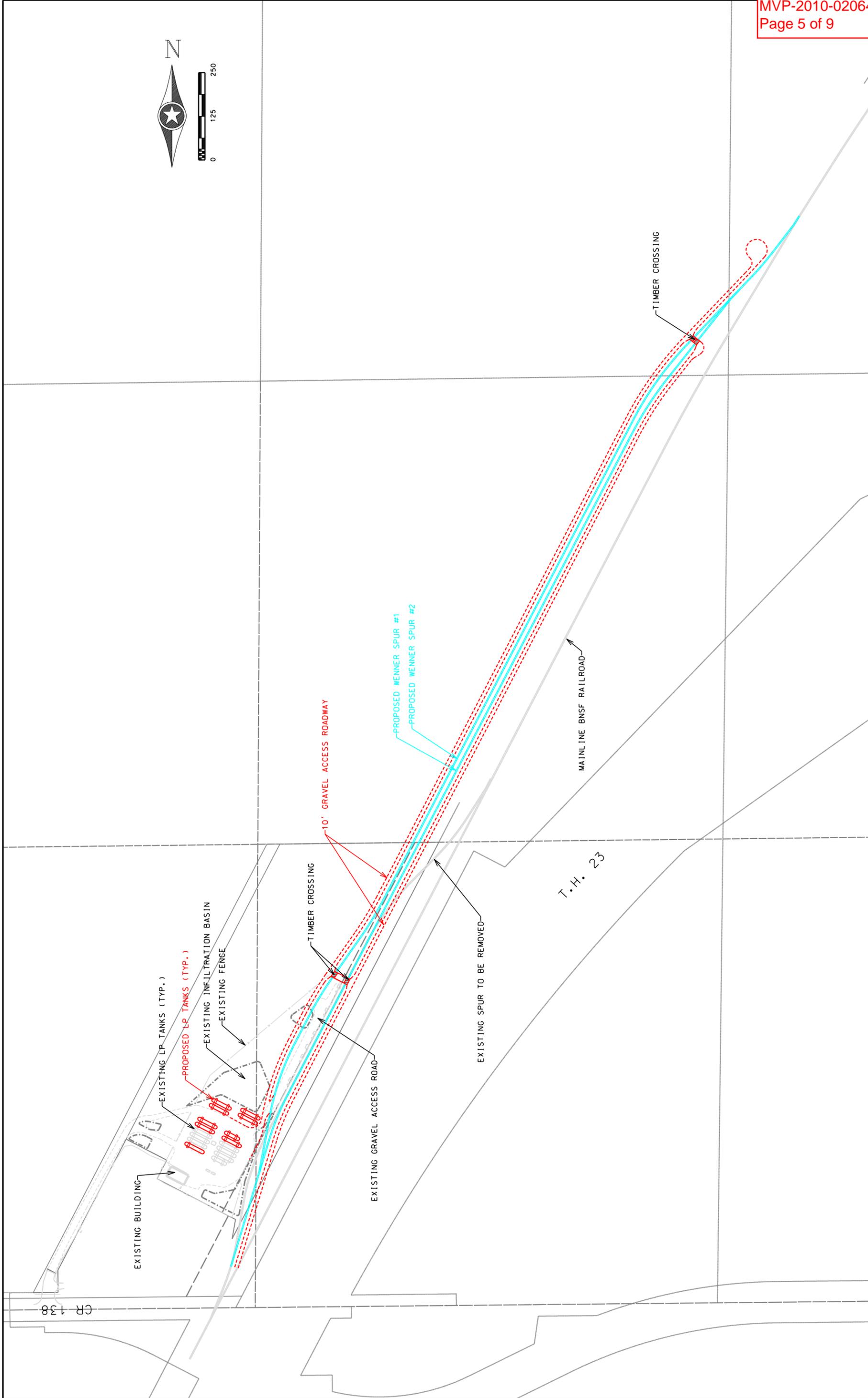


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PREFERRED  
SITE LAYOUT

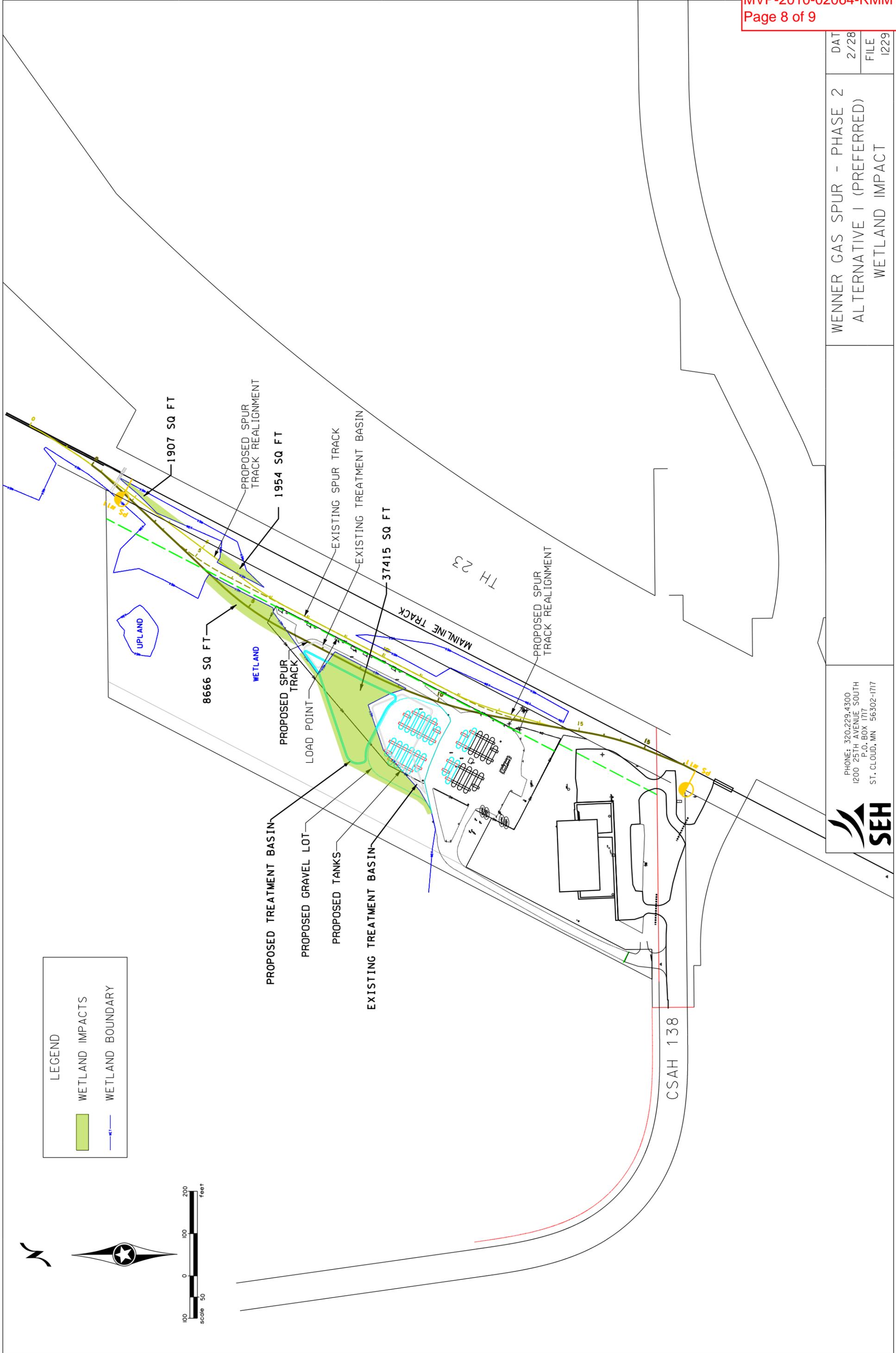
WENNER GAS PHASE II

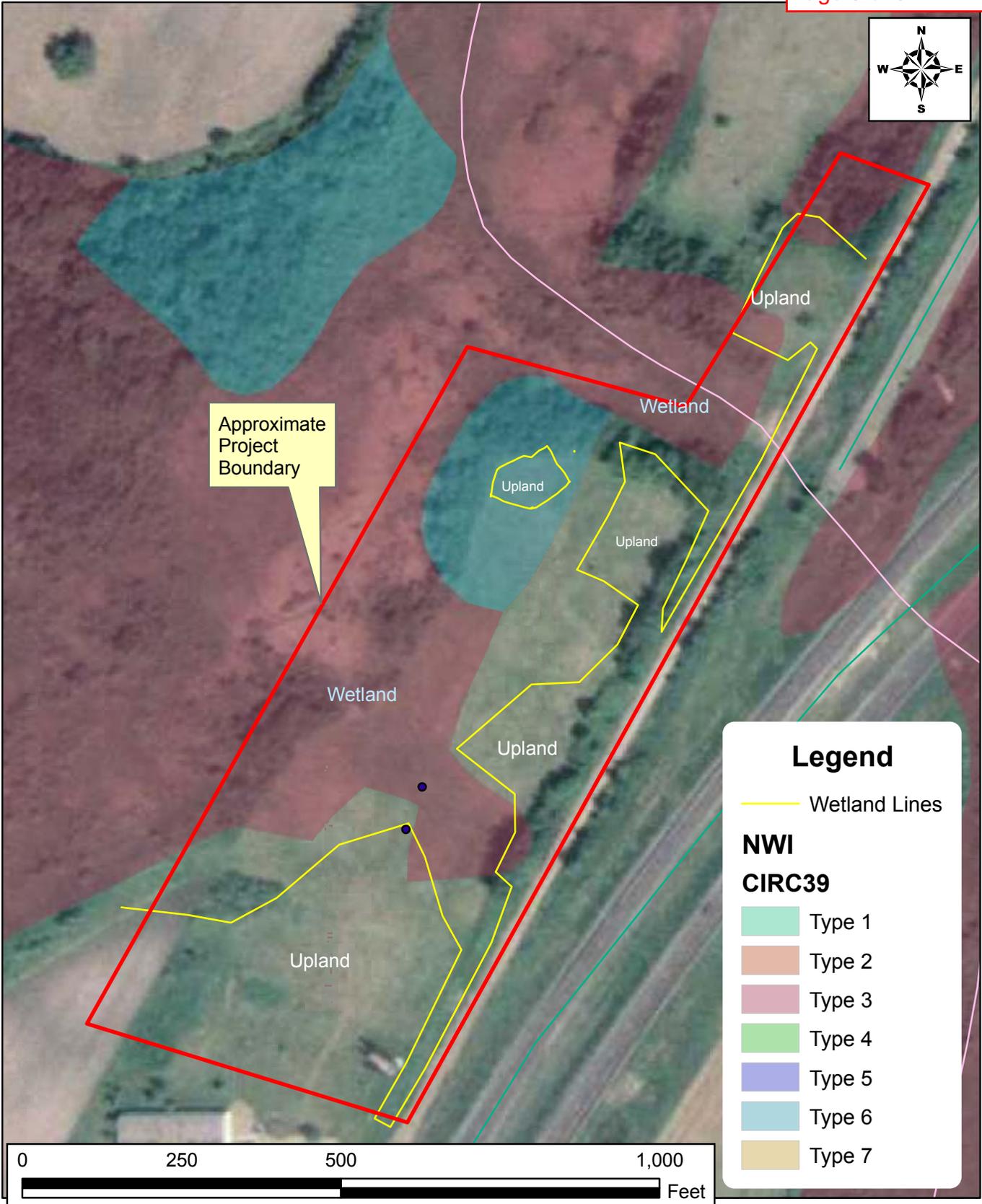
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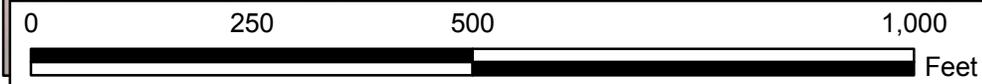


**Legend**

- Wetland Lines

**NWI  
CIRC39**

- Type 1
- Type 2
- Type 3
- Type 4
- Type 5
- Type 6
- Type 7



|   |  |                       |   |                 |
|---|--|-----------------------|---|-----------------|
|  | 1200 25TH AVE S<br>ST CLOUD, MN 56301<br>PHONE: (320) 229-4300<br>FAX: (320) 229-4301<br>WATTS: 800-572-0617<br>www.sehinc.com | PROJECT:<br>112590    | <b>Wetland Delineation Results</b><br>2009 Aerial Photo<br><br>ROCKVILLE, MINNESOTA | Figure<br><br>4 |
|   |  | DATE:<br>May 24, 2010 |   |                 |