STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

Cenex Pipeline, LLC **Case No. PU-2242-02-561**
Petroleum Pipeline Reroute-Cass Cnty
Siting Application

ORDER

December 4, 2002

On October 30, 2002, Cenex Pipeline, LLC (Cenex) filed a consolidated letter of intent, an application for waiver of procedures and time schedules, and an application to amend its existing route permit. Cenex proposes to reroute approximately 325 feet of existing 8-inch refined petroleum products pipeline around an electric substation expansion in the NW ¼ of the SW ¼ of Section 33, T 140 N, R 49 W in Cass County, North Dakota, as shown on the attached map.

Cenex asserts the rerouted transmission line will produce minimal adverse effects and requests the Commission (1) waive the separate filing of a Letter of Intent and the one-year time period for filing an application; (2) waive provisions of law and rule that require filing of separate applications, separate hearings and certain time schedules; (3) not hold a public hearing, but instead publish a notice of opportunity for hearing; (4) find that the proposed facility is of such length, design, location and purpose that it will produce minimal adverse effects; (5) provide in the notice of opportunity for hearing that requests for hearing be made in not more than ten days under N.D.C.C. section 49-22-13(4); and (6) designate and approve the amended route and issue the appropriate amended route permit.

On November 5, 2002, the Commission assessed a filing fee of $5,000, waived the one-year waiting period between filing a letter of intent and an application, and issued a Notice of Filing and Notice of Opportunity for Hearing. The notice provided until December 2, 2002 for receiving written comments or requests for hearing. No requests for hearing were received. The notice identified the following issues to be considered in this proceeding:

1. Will the location, construction, and operation of the proposed transmission line produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota?

2. Is the proposed transmission line compatible with the environmental preservation and the efficient use of resources?

3. Will the proposed transmission line route minimize adverse human and environmental impact while ensuring continuing system reliability and integrity and ensuring that energy needs are met and fulfilled in an orderly and timely fashion?

4. Is the proposed transmission line of such length, design, location, or purpose that it will produce minimal adverse effects so that procedures and time schedules may be waived?

5. Does a demonstrable emergency exist, which requires immediate construction so that adherence to procedures and time schedules would jeopardize the utility's system?

6. Is it appropriate for the Commission to waive any procedures and time schedules as requested in the application?

On November 18, 2002, Cenex filed additional information in support of its application. The Commission finds the application complete.

On November 28, 2002, the North Dakota Parks & Recreation Department filed comments regarding the project.

Cenex owns and operates an existing 8-inch outside diameter buried petroleum pipeline extending from Minot to West Fargo, North Dakota. The Commission issued Corridor Certificate No. 61 and Route Permit No. 70 to Cenex for this pipeline on May 21, 1991 in Case Number PU-126-90-625.

Cass County Electric Cooperative and Minnkota Power Cooperative have requested Cenex to relocate a short segment of the pipeline to permit expansion of an electric substation adjacent to the designated pipeline route. The purpose of the expansion is to install electric peaking generators that would offset peak electrical demands in the area. The construction schedule for the peaking generators requires that the pipeline be relocated before the ground freezes this winter.

In its application, Cenex proposes to relocate a 325-foot pipeline segment that now lies between the existing substation to the north and cropland to the south. The new segment would be moved less than 100 feet to the south and east. It would extend east 295 feet before turning north for an additional 184 feet to rejoin the existing pipeline. The relocated pipeline segment would remain entirely within the existing corridor previously designated by the Commission in Case Number PU-126-90-625.

The estimated cost of the relocation is approximately $15,000.

The proposed relocation would be constructed in agricultural cropland. Temporary disturbance of topsoil and vegetation are the only anticipated environmental effects. No long term effects are anticipated.

Environmental assessments were previously performed for the existing pipeline under Case No. PU-126-90-625 with no exclusion or avoidance areas identified for this project area

The State Historical Society of North Dakota has reviewed the project and concluded no significant impact on cultural resources.

The U.S. Fish and Wildlife Service has reviewed the project and concluded no significant impact on fish and wildlife resources. The service reports no endangered or threatened species are known to occupy the project area.

The North Dakota Game & Fish Department has reviewed the project and concluded it does not affect state park lands or land and water conservation fund recreation projects managed or coordinated by the Department.

The Commission finds the location, construction, and operation of the proposed transmission line will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.

The Commission finds the proposed transmission line compatible with the environmental preservation and the efficient use of resources.

The Commission finds the proposed transmission line route minimizes adverse human and environmental impact while ensuring continuing system reliability and integrity and ensuring that energy needs are met and fulfilled in an orderly and timely fashion.

The Commission finds the proposed transmission line is of such length, design, location, or purpose that it will produce minimal adverse effects so that procedures and time schedules may be waived.

The Commission does not find a demonstrable emergency exists, which requires immediate construction so that adherence to procedures and time schedules would jeopardize the utility's system.

The Commission finds it appropriate to waive procedures and time schedules as requested in the application.

Order

The Commission Orders:

1. Cenex is issued Route Permit No. 94 granting authority to construct the pipeline relocation as shown on the attached map.

2. A preconstruction conference shall be held prior to the commencement of any construction. The conference shall include a Cenex representative, Cenex's construction supervisor, and Commission staff, to ensure that Cenex fully understands the conditions set forth in this order.

3. Cenex shall comply with all the rules and regulations of all other agencies having jurisdiction over any phase of the proposed pipeline, and shall obtain all other necessary licenses and permits, and shall provide copies to the Commission prior to construction of the pipeline.

4. If any cultural resource, paleontological, archeological, historical or grave site is discovered, it shall be marked, preserved, and protected from further disturbances until a professional examination can be made by the State Historical Society, a report filed with the Commission, and clearance to proceed is given.

5. Construction must be suspended during periods when weather conditions are such that construction activities would cause irreparable harm to the environment, unless adequate measures approved by the Commission are taken.

6. Topsoil over and along the trench area shall be stripped and segregated from the subsoil and be replaced only after the subsoil is replaced.

7. Reclamation, reseeding and fertilization of non-crop areas is to be completed by Cenex according to National Resources Conservation Service recommendations, unless otherwise specified by the landowners and approved by the Commission..

8. Cenex's obligation for reclamation and maintenance of the right-of-way shall continue throughout the life of the pipeline.

9. Cenex shall construct and operate the pipeline in the manner described in its application, and in accordance with all applicable safety requirements.

10. Cenex shall provide the Commission with a copy of the design specifications for the construction of the pipeline showing the location of the pipeline as built.

11. The authorization granted by the amended route permit is subject to modification by order of the Commission if deemed necessary to further protect the public or the environment.

PUBLIC SERVICE COMMISSION

Anthony T. Clark **Commissioner**	**Susan E. Wefald** **President**	**Leo M. Reinbold** **Commissioner**