

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Enbridge Pipelines (North Dakota) LLC
Crude Oil Pumping Stations-McKenzie-Williams-Mountrail
Ctys
Siting Application**

Case No. PU-06-317

ORDER

August 23, 2006

Enbridge Pipelines (North Dakota) LLC (Enbridge) owns and operates an existing crude petroleum pipeline extending from near Alexander, North Dakota, to Clearbrook, Minnesota.

On July 19, 2006 Enbridge Pipelines (North Dakota) LLC (Enbridge) filed a consolidated letter of intent and request for waiver of procedures and time schedules, and a request to amend its existing corridor or route permit. Enbridge proposes to upgrade the existing Alexander, Trenton, Beaver Lodge and Stanley pump stations on its existing crude oil pipeline. The proposed additions are taking place within the perimeter of the existing Enbridge station sites.

By its July 19, 2006 letter, the North Dakota State Historic Preservation Officer affirmed a "No Historic Properties Affected" determination regarding the Beaver Lodge and Stanley Station.

On July 26, 2006 the Commission acknowledged the Enbridge letter of intent, assessed a filing fee of \$82,250, 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 August 16, 2006 for comments or requests for hearing. No comments or requests for hearing were received. The Commission stated that it could determine the matter without a hearing.

On July 31, 2006 the U.S. Fish and Wildlife Service responded that the project will have no significant impact on fish and wildlife resources and that no endangered or threatened species are known to occupy the project area.

On August 18, 2006 Enbridge filed an affidavit of Brian Johnson, Manager of Enbridge Pipelines (North Dakota) LLC, in support of the application.

The Beaver Lodge and Stanley stations were initially constructed prior to North Dakota Century Code Chapter 49-22 for the siting of transmission facilities.

The Alexander and Trenton stations were initially constructed by Portal Pipeline Company under authority granted by the Commission in an October 11, 1983 order in Case No. 10,472. In that proceeding, the Commission issued Certificate of Site Compatibility for Transmission Facility Corridor No. 40 and Permit for the Construction of a Transmission Facility Permit No 49. In 1998 Portal Pipeline Company changed its name to Enbridge Pipelines (North Dakota) Inc. and the Commission reissued Certificate No. 40 and Permit No 49 effective December 16, 1998. Effective May 9, 2001 the Commission again reissued Certificate No. 40

and Permit No 49 to Enbridge Pipelines (North Dakota) LLC due to company reorganization. In its July 28, 2005 order the Commission amended Certificate No. 40 and Permit No 49 to Enbridge Pipelines (North Dakota) LLC for an upgrade of the Alexander and Trenton Stations and construction of a new station called the East Fork Station.

The upgrade at Alexander Station includes the addition of pumps, a storage tank, and associated piping and equipment. The upgrade at Trenton Station includes the addition of pumps, a storage tank, and associated piping and equipment. The upgrade at Beaver Lodge Station includes the addition of pumps and associated piping and equipment. The upgrade at Stanley Station includes the addition of pumps and associated piping and equipment.

Environmental assessments that were previously performed for the existing pipeline under Case No. 10,472 were updated for purposes of the Alexander and Trenton stations. The cultural resource survey material demonstrates there will be minimal adverse effects by the proposed construction.

With respect to the Beaver Lodge and Stanley stations, cultural resource survey material was compiled for the application. The cultural resource survey material demonstrates there will be minimal adverse effects by the proposed construction.

Enbridge asserts that these pipeline facilities will produce minimal adverse effects and requests that 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 corridor certificate or issue the appropriate amended route permit.

The issues to be considered in this proceeding are:

1. Will the location, construction, and operation of the proposed pipeline facilities produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota?
2. Are the proposed pipeline facilities compatible with the environmental preservation and the efficient use of resources?
3. Will the proposed pipeline facilities locations 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. Are the proposed pipeline facilities of such length, design, location, or purpose that they 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?

The Commission finds the location, construction, and operation of the pump stations with upgrades will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.

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

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

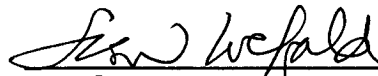
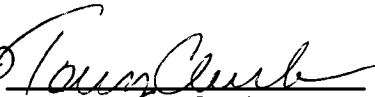
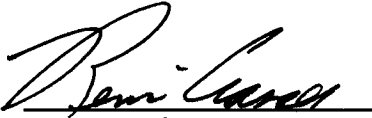
The Commission finds it appropriate to waive procedures and time schedules as requested in the application.

The Commission Orders:

1. Enbridge is issued Second Amended Certificate of Site Compatibility for Transmission Facility Corridor No. 40 and Second Amended Permit for the Construction of a Transmission Facility No. 49 granting authority to upgrade the Alexander Station and the Trenton Station.
2. Enbridge is issued Certificate of Site Compatibility for Transmission Facility Corridor No. 93 and Permit for the Construction of a Transmission Facility No. 103 granting authority to upgrade the Beaver Lodge Station and the Stanley Station.
3. A preconstruction conference shall be held prior to the commencement of any construction. The conference shall include an Enbridge representative, Enbridge's construction supervisor, and Commission staff, to ensure that Enbridge fully understands the conditions set forth in this order.
4. Enbridge shall comply with all the rules and regulations of all other agencies having jurisdiction over any phase of the proposed project, and shall obtain all other necessary licenses and permits, and shall provide copies to the Commission prior to any construction.
5. 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.
6. 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.

7. Any reclamation required shall be performed by a reclamation crew and coordinated with ongoing construction.
8. If any reclamation, reseeding, or fertilization is required, it is to be done in accordance with the National Resources Conservation Service recommendations, unless otherwise specified by the landowner and approved by the Commission.
9. Enbridge's obligation for reclamation and maintenance of the right-of-way shall continue throughout the life of the pipeline.
10. Enbridge shall construct and operate the pipeline in the manner described in its application, and in accordance with all applicable safety requirements.
11. Enbridge shall provide the Commission with a copy of the design specifications for the construction of the Alexander Station, the Trenton Station, the Beaver Lodge Station, and the Stanley Station showing the location of the project facilities as built.
12. The authorization granted by the 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

 _____ Susan E. Wefald Commissioner	 _____ Tony Clark President	 _____ Kevin Cramer Commissioner
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