

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

IN THE MATTER OF THE
APPLICATION OF ENBRIDGE
PIPELINES (SOUTHERN LIGHTS) LLC
FOR THE CONSTRUCTION OF
APPROXIMATE 28 MILES OF 20-INCH
PIPELINE AND ASSOCIATED
FACILITIES IN PEMBINA COUNTY,
NORTH DAKOTA.

CASE NO. PU-07-75

**Consolidated Application of Enbridge Pipelines (Southern Lights) LLC
for Waiver or Reduction of Procedures and Time Schedules
for a Corridor Certificate and Route Permit**

Enbridge Pipelines (Southern Lights) LLC ("Applicant") whose address for purposes of this application is 1100 Louisiana, Suite 3300, Houston, Texas 77002, pursuant to the Energy Conversion and Transmission Facility Siting Act codified at North Dakota Century Code Chapter 49-22 ("Act"), hereby submits this Consolidated Application for Waiver or Reduction of Procedures and Time Schedules for a Corridor Certificate and Route Permit ("Application").

Applicant requests that the North Dakota Public Service Commission ("Commission") waive and/or reduce the procedures and time schedules required by the Act or in the Commission's regulations set forth in Title 69-06 of the North Dakota Administration Code, to accomplish the purposes as requested herein. These include, but are not limited to: (1) waive, pursuant to North Dakota Century Code §§ 49-22-07.2, 49-22-13(2), and North Dakota Administrative Code § 69-06-01-02(3) and Chapter 69-06-06, provisions of North Dakota Century Code §§ 49-22-08(5), 49-22-08.1(5), 49-22-13 and North Dakota Administrative Code § 69-06-01-02 which requires separate filings of such applications, separate notices of such

applications, separate hearings on such applications and certain time schedules as set forth in said statutes and rules; (2) approve a one-mile wide corridor rather than a 2.8 mile wide corridor pursuant to North Dakota Administrative Code § 69-06-04-02(1)(b); (3) hold one expedited public hearing on this combined Application; (4) find that the proposed facilities are of such design, location and purpose that they will produce minimal adverse effects; and (5) designate and approve the requested facilities as identified in this Application, and issue the appropriate corridor certificate and route permit.

The Commission's Application Guidelines for Waiver of Procedures and Time Schedules requires a description of the facility, the need for the facility, the cost of the facility and separate justification for each provision of the Act for which the Applicant is requesting a waiver, together with evidence that the project will produce minimal adverse effects or that a demonstrable emergency exists. As demonstrated in this Application, and summarized below, Applicant's requests for waivers or reduction of procedures and time schedules and the issuance of a corridor certificate and route permit are justified as the proposed facilities are of such design, location and purpose that they will produce minimal adverse effects, and that the urgent demand for additional pipeline capacity to deliver petroleum to markets in the United States and Canada requires construction at an early date.

DESCRIPTION

The proposed project (the "LSr Project") consists of approximately 313 miles of new 20-inch liquid petroleum pipeline extending from Cromer, Manitoba, to Clearbrook, Minnesota. Approximately 28 miles of this pipeline will be located in Pembina County, North Dakota. The LSr Project is proposed to be located within Enbridge Energy, Limited Partnership's existing

multiple line rights easements, and parallel to its existing pipeline systems, some of which have been previously sited by the Commission. Applicant proposes to use pumping units at existing station sites. Thus, other than block vales, no new surface facilities will be constructed within the State of North Dakota.

NEED

The purpose of the LSr Project is to transport crude oil supplies from western Canada to serve the increasing demand for crude oil in Midwestern markets and beyond. Moreover, the capacity provided by the LSr Project provides independent utility to Applicant and its customers, who will use the pipeline for the transportation of products to the Clearbrook tankage facilities for subsequent delivery to interconnected existing pipeline systems to the south, via Minnesota Pipeline, which is owned by others, or to the east of the Clearbrook terminal via existing affiliated pipelines.

Due to the fact that the LSr Project will cross the international border between the United States and Canada, Applicant must obtain a Presidential Permit from the United States Department of State. Significant lead times are anticipated in securing such a Presidential Permit. In order that the LSr Project be constructed and placed in service in a timely manner, Applicant is at this time seeking necessary approvals and permits from the Commission and from the appropriate regulatory agency in the State of Minnesota. In order that the LSr Project be constructed in a timely manner, it is imperative for Applicant to obtain the appropriate state permits as soon as possible so that construction can commence when the Presidential Permit is issued.

COST

The estimated cost of constructing the proposed 20-inch liquid petroleum pipeline within the State of North Dakota is \$31,528,809.00.

JUSTIFICATION

In previous cases before this Commission for what is known as the Lakehead Pipeline System, comprehensive environmental analyses, including cultural resources surveys, were completed. Applicant has updated said environmental analyses and cultural resource surveys for the purpose of the LSr Project. These studies demonstrate that there will be minimal adverse effects by construction.

For the foregoing reasons, Applicant hereby submits there is substantial justification for the requested waivers and/or reduction of time schedules and procedures, as the LSr Project will produce minimal adverse effects.

Applicant respectfully requests the Commission to grant the requested waivers and/or reductions of procedures and time schedules; and to render an expeditious decision approving the requested corridor certificate and route permit.

