

Memo

To: Commissioner Fedorchak

From: Sara Cardwell^{SC}, Public Utility Analyst

Date: April 13, 2016

**Re: Belle Fourche Pipeline Company
8-Inch Crude Oil Pipeline/McKenzie County
Siting Application
Case No. PU-07-596**

On January 28, 2016, a work session was held to discuss Tree and Shrub mitigation issues. One of the outcomes of the work session was that Staff should make recommendations to the Commissioner with the portfolio regarding next steps for cases where the Company has made multiple efforts but has had less than satisfactory results with their tree and shrub mitigation efforts. The case discussed below provides an example of a case where the Company planted trees and shrubs multiple times but has not been successful in achieving a 75 percent survival rate.

Recommendation: Find that Belle Fourche Pipeline Company has made good faith efforts to grow replacement trees and shrubs in Case No. PU-07-596 and should not have to continue with further shrub and tree mitigation/reporting efforts.

Background:

In this case, Belle Fourche constructed approximately 32 miles of 8-inch liquid petroleum pipeline in McKenzie County, North Dakota adjacent and parallel to its existing pipeline in McKenzie County.

On January 3, 2008, the Company filed an inventory on trees and shrubs removed during construction stating it removed 37 trees and 179 shrubs. On June 10, 2009, the Company reported that it had planted 358 shrubs and 74 trees in order to satisfy the two for one planting requirement. On September 16, 2010, the Company reported that the 74 trees planted in Watford City were doing well and one of the plantings of chokecherry bushes also was very successful. However, in another area, there was less than a 5 percent survival rate due to the noxious weeds in the area and that the owner was going to return the lands to a food plot in order to better combat the noxious weeds.

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Public Service Commission Staff

Sara Cardwell

In lieu of replanting at the same site, the Company contacted Pheasants Forever who was happy to supply an alternative site but preferred that the replanting consist of trees. So, the Company planted 170 blue spruce trees with Commission Staff's concurrence in May of 2012. In the fall of 2012, the Company reported that all the trees had survived but there were no shrubs still alive.

On August 2, 2013, the Company reported that it had entered into an agreement with the North Dakota Forest Service to plant an additional 100 trees/shrubs in the North Unit of the Little Missouri National Grasslands. The plantings would be completed in 2014 and the landowners where the trees would be planted would make a ten-year commitment to the maintenance of the trees/shrubs. On January 2, 2015 the Company reported that 125 trees and shrubs had been planted and the Company felt it had met its mitigation requirements.

In a letter from Staff to the Company on August 28, 2015, Commission Staff stated that because the Company had replanted in 2014, the Company needed to monitor the 2014 planting for 2 more years. The Company has not responded.