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PUBLIC SERVICE COMMISSION July 30, 2008

ERNEST R. FLECK
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Ms. Ilona Jeffcoat-Sacco
Executive Director, Public Utilities Division
North Dakota Public Service Commission
600 E. Boulevard Ave., Dept. 408
Bismarck, ND 58505-0480

Dear Ms. Jeffcoat-Sacco:

In re: Enbridge Pipelines (North Dakota) LLC
Phase 6 Pipeline Expansion Project
Case No. PU 07-791

Enclosed for filing please find original and ten copies of Prepared Testimonies of Brent Horton and Jeff Mackenthun.

Please call should you have any questions.

Very truly yours,



BRIAN R. BJELLA

bw
Enc.

NORTH DAKOTA PUBLIC SERVICE COMMISSION
PREPARED TESTIMONY OF
JEFF MACKENTHUN

May 23, 2008

1. Please state your name and business address.

ANSWER: Jeff Mackenthun, Merjent, Inc. of Minneapolis, Minnesota.

2. Is the purpose of your testimony today to discuss cultural resources and environmental matters with respect to the upgrades to the ten Enbridge pump stations?

ANSWER: Yes

3. Please briefly describe your education and work experience.

ANSWER: I have a Bachelor of Science in environmental studies from Bemidji State University. I have ten years of experience with pipeline environmental and regulatory compliance and permitting. In addition, I am certified as a professional wetland scientist by the Society of Wetland Scientists; I am a certified Wetland Delineator in Minnesota; and have training in Federal Energy Regulatory Commission Environmental Compliance and Environmental Report Preparation.

4. Did you assist in preparation of the Cultural Resource and Environmental Reports which are included in the Application to the Public Service Commission?

ANSWER: Yes

5. Would you please first summarize the cultural resource investigations which have been completed.

ANSWER: Cultural resource investigations have been conducted for all of the proposed study areas. Investigations at Alexander, Trenton, Stanley, Blaisdell, Denbigh and Larimore were conducted as part of previous pump station projects which were authorized by the North Dakota Public Service Commission in Case No. PU-06-349.

Investigations at Beaver Lodge, Minot, Pleasant Lake and Bartlett Stations could not be documented for the entire project area; therefore, new studies were completed. The new studies concluded that no historic properties would be affected by the proposed Beaver Lodge, Minot, Pleasant Lake and Bartlett Station upgrades. The North Dakota State Historical Society (SHPO) has concurred in our recommendation. The SHPO concurrence letter is found as Exhibit C to the Application.

6. Please briefly discuss the results of the wetland assessment which was completed.

ANSWER: A wetland assessment was completed for all project areas in the fall of 2007. No wetlands are present or near the Alexander, Trenton, Stanley, Blaisdell, Denbigh, Larimore, Beaver Lodge, Minot and Bartlett Stations. Two wetlands were identified near the Pleasant Lake Station, however, these wetlands will not be disturbed by project activities.

7. Please briefly describe the review for biological resources which was completed.

ANSWER: A review of the study area did not identify areas for animals or plant species that are unique or rare to the state and could possibly be irreversibly damaged by the proposed project. A letter was sent to the North Dakota Game and Fish Department to determine whether the proposed project would have any significant adverse effects on unique or rare animal or plant species. A response from the North Dakota Game and Fish was received on December 21, 2007, and included as Exhibit E to the Application, stating that the project would not result in significant adverse impacts on wildlife or wildlife habitat, including endangered species.

8. Are any of the Public Service Commission's exclusion areas contained within the project areas?

ANSWER: No

9. Are any of the Public Service Commission's avoidance areas contained within the project areas?

ANSWER: No

10. With respect to the Public Service Commission's selection criteria, were any potential impacts identified?

ANSWER: Yes, potential impacts were identified to human health and safety, animal health and safety and plant life. With respect to human health and safety, pipelines have an excellent safety record. Enbridge will design, construct and operate the proposed upgrades in accordance with all applicable safety laws and standards, including the U.S. Department of Transportation's pipeline standards published in part 195 Title 49 of U.S. Code of Federal Regulations. These regulations are intended to ensure adequate protection of the public and to prevent accidents and failures.

With respect to animal health and safety, impacts to wildlife will be limited. Local wildlife has generally adapted to daily noise and ongoing operational activities at these stations, and therefore impacts to wildlife are expected to be minimal.

With respect to plant life, approximately 4.1 acres of land at the Beaver Lodge Station and 0.09 acres contained within the Pleasant Lake Station would be converted to industrial use. Due to the small nature of the project over a large geographic area, these acreages represent only a very small percent of available wildlife habitat on a regional basis.

Enbridge consulted with the North Dakota Game and Fish regarding potential impacts on wildlife and wildlife habitat, including endangered species. The North Dakota Game and Fish Department indicated that the project would not result in significant adverse impacts on wildlife or wildlife habitat, including endangered species.

11. With respect to the policy criteria of the Commission, do any have application to this project?

ANSWER: Enbridge has designed this project to take advantage of existing facilities to the maximum extent practicable. With respect to local laborers, it is anticipated that approximately 25% of the labor needed would be hired from the local population. In the short-term the local economy is anticipated to benefit while construction crews are in the field. Most importantly, the additional crude oil allowed to be shipped after the upgrades are completed would be a boost to the economy of the State of North Dakota, in allowing more Williston Basin crude oil to reach markets and to increase tax revenue generated from production and extraction taxes.

12. How will Enbridge monitor impacts of construction?

ANSWER: Enbridge is committed to protecting the environment and in complying with all applicable environmental laws, regulations and standards. Enbridge requires environmental training of all project personnel prior to construction. Environmental monitoring, in the form of ongoing inspection, will be conducted during and following construction. Inspectors will monitor compliance with required environmental protection measures, permit conditions and specifications, and provide ongoing oversight of day-to-day issues that may arise during construction.

13. Please describe general mitigation measures to be taken.

ANSWER: Mitigation measures to minimize adverse impacts of the proposed project include adoption of Environmental Guidelines for construction by Enbridge which is included as Exhibit G to the Application. These Environmental Guidelines were developed based on Enbridge's experience implementing best management practices during construction. In addition, Enbridge has adopted a Spill Prevention, Containment and Control Plan that describes spill prevention and control measures to minimize impacts of any project related spills during construction.

14. Has Enbridge discussed this project with other state and federal agencies and local entities?

ANSWER: Yes. Enbridge has consulted with numerous state, federal and local agencies to identify potential environmental resources in the project area. No problems or concerns have been raised by any commentators.

15. What other local, state or federal permits or approvals are needed for this project?

ANSWER: A storm water permit for all stations will need to be obtained from the North Dakota Department of Health. Also, zoning approval for the new storage tank at Beaver Lodge Station in Williams County will be sought.

16. How is pipeline operation and safety monitored?

ANSWER: A control center located in Estevan, Canada, is manned by pipeline operators 24 hours a day. A computerized pipeline control system allows these operators to remotely monitor and control the pipeline and related facilities. This control center also serves as an emergency center to receive calls from employees or the public reporting unusual conditions. Included are emergency shutdown capabilities and isolation of the pipeline, and notification procedures, in the event of a suspected emergency.

The pipeline is protected against corrosion in a number of ways. The pipeline is covered with a protective coating; in addition, all buried metallic structures are under cathodic protection system, as required by pipeline safety regulations.

Enbridge conducts routine inspection of the pipelines and facilities to ensure that the system is operating in compliance with federal regulations.

Enbridge also conducts a comprehensive public education program to ensure that the affected public, excavators, local public officials and emergency units of government are aware of how to recognize and avoid or respond to a pipeline emergency. Enbridge has also been active at the local, county and state level in emergency response planning and joint training/exercises to prepare all potential responders to deal with emergencies. The pipeline is marked at all public road and railway crossings (at a minimum) to increase the public's awareness of the underground pipeline. Enbridge is a member of the North Dakota one call system.

In addition, Enbridge's Emergency Response Plan has been submitted and approved by the U.S. Department of Transportation, Office of Pipeline Safety.

17. To date, have any local, state or federal agencies or units of government objected to these pump stations' upgrades?

ANSWER: No

18. In your opinion, if the proposed pump station upgrades are constructed, will there be any significant long-term irreversible affects to the environment or to cultural resources?

ANSWER: No.

NORTH DAKOTA PUBLIC SERVICE COMMISSION
PREPARED TESTIMONY OF
BRENT HORTON

May 23, 2008

1. Please state your name and business address.

ANSWER: Brent Horton - 2505 16th St. SW, Ste 150, Minot, ND 58701

2. What is your position with Enbridge Pipelines (North Dakota) LLC?

ANSWER: Manager, Regional Services and Development

3. Are you the project manager for Enbridge for these pump station upgrades?

ANSWER: Yes

4. Please briefly describe the existing Enbridge Pipeline system in North Dakota.

ANSWER: The original pipeline was constructed by Portal Pipeline Company in 1962, and extended from Lignite, North Dakota, to Clearbrook, Minnesota. Subsequent extensions were made in the late 1960's to western North Dakota and eastern Montana. In 1983 Portal extended its pipeline from the Beaver Lodge Station in Williams County to oilfields being developed in western North Dakota. In 2007 a second pipeline was constructed between the Trenton and Beaver Lodge stations in Williams County.

5. Have these pump stations which are the subject of this hearing been considered by the Public Service Commission in prior cases?

ANSWER: Most of them. The following stations have been previously sited by the Commission: Alexander Station in McKenzie County, Trenton and Beaver Lodge Stations in Williams County, Stanley and Blaisdell Stations in Mountrail County, Denbigh Station in McHenry County, and Larimore Station in Grand Forks County. It does not appear that the Minot, Pleasant Lake and Bartlett Stations have been sited by the Public Service Commission.

6. What are the markets for crude oil shipped by Enbridge?

Answer: The majority of the crude produced in Williston Basin and shipped on the Enbridge system is refined in Minnesota and Wisconsin refineries. Some volumes are also delivered to other Midwestern refineries, such as the Tesoro Refinery in Mandan.

7. What is the current capacity of the existing Enbridge pipeline system in North Dakota?

ANSWER: Approximately 110,000 barrels per day.

8. If these pump station upgrades are approved, what will the capacity of the pipeline system be in North Dakota?

ANSWER: It is anticipated that approximately 51,600 additional barrels of crude oil will be able to be shipped per day ex – Minot.

9. Why is this additional pipeline capacity needed?

ANSWER: The existing pipeline infrastructure in North Dakota and neighboring states is at capacity. In April 2006 the pipeline infrastructure was short about 15,000 barrels per day. Lack of space on existing pipelines has caused the price for petroleum products to drop significantly on several occasions for Williston Basin crude oil. The need for this project results from a lack of capacity to carry Williston Basin crude oil to market. Oil producers in the Williston Basin have urgently requested this additional pipeline capacity to be brought on line as soon as possible. The upgrades to these stations would accomplish the objective of allowing additional oil produced in the Williston Basin to reach markets.

Production in the Williston Basin continues to ramp up, these upgrades are needed immediately to help relieve the bottleneck and avoid or limit apportionment of pipeline capacity that shippers are currently experiencing on the Enbridge system, despite the fact that Enbridge's Phase V expansion which has been gradually placed in service in 2007 and reached its current 110,000.00 barrels in the first quarter of 2008.

10. Will all of these station upgrades be constructed on land already owned by Enbridge?

ANSWER: Yes, with the exception of Beaver Lodge Station, where an additional approximately five acres is being acquired for a new storage tank. Otherwise, all construction at these stations will take place on land already owned by Enbridge.

11. Please briefly describe the major components of these upgrades at each station.

ANSWER: Alexander Station (McKenzie County) – installation of new pump and motor, a new control building and DRA (Drag Reducing Agent) Skid and equipment.

Trenton Station (Williams County) – DRA Skid and equipment.

Beaver Lodge Station (Williams County) – installation of new pump/motor, new booster pump, new control building and DRA Skid and equipment. Construction of new storage tank.

Stanley Station (Mountrail County) – installation of new pump/motor, new control building and DRA Skid and equipment.

Blaisdell Station (Mountrail County) – installation of new pump/motor, new control building and DRA Skid and equipment.

Minot Station (Ward County) – three new pump/motor combinations, two new booster pumps, a new control building and DRA Skid and equipment.

Denbigh Station (McHenry County) – installation of new pump and new pump/motor, a new control building and DRA Skid and equipment.

Pleasant Lake Station (Benson County) – installation of two new pump/motors, new control building and DRA Skid and equipment.

Bartlett Station (Ramsey County) – installation of two new pump/motors, a new control building and DRA Skid and equipment.

Larimore Station (Grand Forks County) – installation of new pump, new pump/motor, new control building and DRA Skid and equipment.

12. What is the anticipated time schedule for completion of these pump station upgrades?

ANSWER: Enbridge hopes to commence construction yet in June 2008. The estimated completion date is on or before December 2009, with full capacity reached in early 2010.

13. What is the anticipated construction cost for these pump station upgrades?

ANSWER: \$119,700,000.00. This includes the Penn Station which is the subject of a later hearing before the Commission.

14. Is it the request of Enbridge that the upgrades to the ten pumping stations which are the subject to this hearing be approved by the Commission, and that the Commission issue corridor certificates and route permits for these pump stations' upgrades?

ANSWER: Yes.

15. Is it the further request of Enbridge that the Public Service Commission issue the appropriate corridor certificates and route permits as soon as possible, so that construction may commence yet this spring?

ANSWER: Yes.