

THE PIPELINE SERVES A VERY CRITICAL PUBLIC NEED.

From the Application:

VI.

There is a need for the petroleum product transportation services that the Applicant provides. The North Product System provides the most cost-effective means of transporting petroleum products from Mandan, North Dakota to various North Dakota and Minnesota destinations. There is **no other existing pipeline system that could meet the demand for transporting petroleum products** which the North Product System currently meets.

From NuStar's Request to Withdraw Application:

II. The North Product System Provides an Essential Public Service

The Pipeline provides essential transportation for the delivery of refined products manufactured at Tesoro's Mandan Refinery through North Dakota and into Minnesota to meet consumer demand. Pipeline transportation is the safest and most efficient economical cost method of transporting the refined products that are required to serve the citizens of North Dakota. The Pipeline transports approximately 19,000 barrels per day (16.9 million barrels per year) to meet the refined products demand of the citizens of North Dakota via two terminals in Jamestown, North Dakota and the Moorhead, Minnesota terminal which serves the Fargo area. NuStar Pipeline estimates that it would take approximately 110 fuel trucks per day driving across the state of North Dakota to replace the volume of product transported via the Pipeline. It is clear that the Pipeline serves a very critical **public** need.

From Supplemental Affidavit of Joseph Graham, August 6, 2009:

25. The Pipeline serves a very critical **public** need.