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September 22, 2010

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PUBLIC SERVICE COMMISSION

Mr. Darrell Nitschke
Executive Director
North Dakota Public
Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

Dear Mr. Nitschke:

In re: Enbridge Pipelines (North Dakota) LLC
Berthold Station Upgrades - Ward County
Siting Application
Case No. PU-10-130
Our File No. 31-411-002

On Monday, September 20, we filed, among other documents, in the captioned case the Affidavit of Bruce A. Homeniuk. What we enclosed then was a scanned copy of the Affidavit. Attached now is the signed original of said Affidavit for PSC records.

Please call should you have any questions.

Very truly yours,



BRIAN R. BJELLA

bw
Enc.

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Executed Affidavit of Bruce A. Homeniuk

Enbridge Pipelines (North Dakota) LLC
Brian Bjella, Crowley Fleck

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

ENBRIDGE PIPELINES (NORTH
DAKOTA) LLC
BERTHOLD STATION UPGRADES -
WARD COUNTY
SITING APPLICATION

CASE NO. PU-10-130

STATE OF NORTH DAKOTA)
) SS.
COUNTY OF WARD)

AFFIDAVIT OF BRUCE A. HOMENIUK

The undersigned, being first duly sworn and under oath, declares and states as follows:

1. My name is Bruce A. Homeniuk. My business address is 2505 16th Street SW, Minot, North Dakota 58701. I am employed by Enbridge Pipelines (North Dakota) LLC ("Enbridge") as Supervisor - Engineering and Regional Services and am responsible for operations and certain construction projects related to Enbridge's North Dakota System, including the expansion and upgrading of its Berthold Station ("Station").
2. I submitted testimony on behalf of Enbridge in this proceeding and testified at the public hearing held before the Public Service Commission in Berthold, North Dakota on July 16, 2010. The Commission granted Enbridge's Applications herein on August 4, 2010.
3. As found by the Commission, the purpose for the expansion and upgrades authorized for the Station is to accommodate the increasing demand for mainline receiving and storage capabilities of crude oil produced from the Williston Basin of North Dakota and Montana. The proposed upgrades will enable Enbridge to receive increased supply volumes at

the Station and to increase its injection capacity in order to deliver an additional 15,000 barrels per day of crude petroleum into Enbridge's Mainline System.

4. Oil shippers in North Dakota have requested increased capacity on our North Dakota System to transport greatly increased volumes of oil being produced from the Bakken Formation. New wells in the Bakken Formation have substantially increased North Dakota's oil production. Average monthly production from the Bakken fields has reached its highest average ever. In addition, indications are that the Bakken Formation will continue to see extensive development for many years to come. There are currently over 100 drilling rigs operating in the State of North Dakota and projections are that the "rig count" will increase in the foreseeable future.

5. North Dakota producers and shippers of crude petroleum are seeking increased pipeline transport capacity in order to move the growing Bakken output to various American markets, as the Commission found in its August 10 Order. Enbridge needs to meet shippers' demands and to partner with the State of North Dakota to get this increased oil production to markets, so additional production can be facilitated and consumer demand in the American Midwest and other areas satisfied. The expansion and upgrading of the Station is critical to these goals and it is imperative that Enbridge commence Station construction as soon as possible with the goal of completing the upgrades at the Station and putting them in service by November 1, 2010.

6. The City of Berthold ("City") participated in the proceedings leading to the Commission's Order and Certification of August 4, 2010, expressing therein certain concerns about traffic flows, volumes, and safety in regard to the expansion of the Station into an 80-acre parcel of land adjacent to the east side of the Station and the construction thereon of a truck

delivery and unloading facility. As the Commission found, Enbridge worked with City representatives, the Commission, and the North Dakota Department of Transportation to address such concerns. Enbridge agreed to the adoption of various traffic-safety measures, costing approximately \$1 million, to resolve such concerns and the Commission concurred in this resolution and so conditioned its Order and Certification. Enbridge has accepted such requirements and is willing and prepared to implement them as part of the Station expansion and upgrading.

7. In July of this year, Enbridge applied under protest to the City for an amendment to the City's zoning map that would change the zoning classification of the 80-acre parcel east of the Station, on which the new truck facility is to be located, from "Agricultural" to "Industrial." Subsequent to the proceedings in this docket and the issuance of the Commission's August 4 Order and Certifications, the City Council considered Enbridge's request (the City's Planning Commission had reviewed it on August 2, 2010 and recommended denial). Despite Enbridge's agreement to measures to resolve the City's traffic-safety concerns and the Commission's adoption thereof by its August 4 decision, the City Council denied Enbridge's application at a meeting held on August 9, 2010. Since that time, Enbridge has met with City representatives and has sought to resolve this matter, without success.

8. In the course of dealing with Enbridge's zoning request, various City representatives have requested that Enbridge purchase an approximately 80-acre parcel of land to the west of the Station and install the needed truck facility thereon rather than on the parcel to the east of the Station. A zoning amendment would be necessary for the western parcel as well but no assurance has been given by the City that it would be granted if Enbridge abandoned the eastern 80-acre parcel. The same traffic-safety concerns will continue for the City if the Station

expansion and the truck facility utilize the west 80-acre parcel, as the concerns primarily preexist the development of Enbridge's expansion project – that being the City's desire for a reduced speed limit on Highway 2 through its community that lies to east of the Station and the City's desire to address the safety issue resulting from the requirement that trucks must stop at the existing railroad track. Neither of these safety concerns will be addressed by Enbridge moving its project west of the Station as the North Dakota Department of Transportation has indicated that the only potential road improvement that may be required for the west site is a right hand turn lane for vehicles approaching the site from the west. The City has identified no other basis for shifting the Station expansion from the east side to the west side (expansion to the north is not feasible due to planned wind power facilities and the area to the south is quasi-developed already).

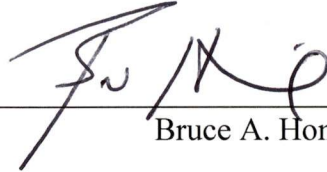
9. Enbridge has assessed the feasibility of utilizing the west 80-acre parcel, as proposed by the City. We have determined that it is not feasible, economic, safe, nor conducive to meeting public need to relocate the planned facility to that location. We have recently determined that the west 80-acre parcel is in close proximity to a missile silo maintained by the United States Air Force. We are advised by USAF representatives that, as a matter of safety, security, and standard operating procedure, the USAF does not allow construction within 2000 feet of the silo site property boundary. Some part of the truck facility planned for the Station expansion would inevitably fall within this exclusion zone if constructed on the west parcel. Enbridge would also be precluded from any further expansion to the west should future production increases require additional Station facility expansion. In addition, the west 80-acre parcel and existing Station, in contrast to the east parcel, is bisected by a raised railroad right-of-way belonging to the Burlington Northern Santa Fe Railroad. If the expansion facilities were to

be constructed on the west parcel, new Station facilities would be separated from existing facilities and both the visibility of and access to the new facilities would be impeded by the railroad embankment and daily railroad operations. This would hamper monitoring of facilities and emergency responses, if required. Moreover, placing the truck facility on the west parcel would require that connecting pipes and systems be placed beneath the railroad roadbed, thereby rendering them virtually unreachable and raising integrity concerns. In addition, it would be necessary to create at least one private crossing of the rail line for Station operations, a situation desirable neither to the railroad nor Enbridge.

10. Beyond the concerns just noted about relocating to the west 80-acre parcel, it is important to note that such a step would increase our Station improvement and expansion cost by roughly one million dollars (\$1,000,000). These costs include additional design, engineering, and construction costs associated with moving the truck facilities and placing additional, and unnecessary, facilities under and over the railroad right-of-way. It will also cost more in general to construct the Station upgrades if we must do so in the winter, as such a move would require. Such increased costs will have to be recovered in our charges for shipping crude and will ultimately be passed on to consumers, thus increasing the public's cost for refined petroleum products. Moving the facility and constructing in the winter would also delay the provision of increased capacity and service to shippers and producers and the delivery of increased volumes of North Dakota crude to petroleum consumers in the Midwest and elsewhere. Our current plan and goal is to have the initial capacity increase in service by November 1, 2010. Precluding Enbridge from constructing its facilities on the east 80-acre parcel could delay its in-service date until March of 2011, and seriously jeopardizes the timely future expansions of Enbridge's North Dakota System. This delay, and its foreseeable effect on future expansion projects, will be

detrimental to our transport customers and the public. And, of course, we could be further delayed or blocked if the City refuses a zoning amendment for the west 80-acre parcel.

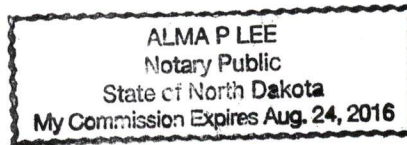
FURTHER AFFIANT SAYETH NOT.



Bruce A. Homeniuk

Subscribed and sworn to,
before me this 20
day of September, 2010

Seal)



Notary Public
State of North Dakota
County of Ward

My Commission expires: August 24, 2016