

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

IN THE MATTER OF THE APPLICATION
OF RANGELAND PIPELINE, LLC FOR A
CERTIFICATE OF CORRIDOR
COMPATIBILITY AND ROUTE PERMIT
FOR THE CONSTRUCTION OF AN
APPROXIMATELY 20-MILE-LONG
CRUDE OIL PIPELINE AND ASSOCIATED
FACILITIES IN WILLIAMS COUNTY,
NORTH DAKOTA

CASE NO. PU-10-637

**Application of Rangeland Pipeline, LLC,
for Waiver or Reduction of Procedures and Time Schedules**

In connection with its submission of a consolidated application for a Certificate of Corridor Compatibility and Route Permit for an approximately 20-mile-long, 8-inch crude oil pipeline project to be located in Williams County, North Dakota (the Project), Rangeland Pipeline, LLC (Rangeland Pipeline), submits to the North Dakota Public Service Commission (Commission) this application for a waiver or reduction of procedures and time schedules set forth in Chapter 49-22 of the North Dakota Century Code and Article 69-06 of the North Dakota Administrative Code. In accordance with Section 49-22-07.2 of the North Dakota Century Code and Chapter 69-06-06 of the North Dakota Administrative Code, Rangeland Pipeline requests that the Commission waive the following requirements:

1. That the Commission hold a separate hearing on a waiver request, a Certificate of Corridor Compatibility application and a Route Permit application, as may be required by Sections 49-22-07.2, 49-22-08, 49-22-08.1 and 49-22-13 of the North Dakota Century Code and Chapter 69-06-01-02 of the North Dakota Administrative Code. Rangeland Pipeline requests that the Commission hold a single consolidated hearing on this waiver request and its consolidated application

for a Certificate of Corridor Compatibility and a Route Permit. Rangeland Pipeline also requests that the Commission shorten the three-month period specified in Section 49-22-08(5) of the North Dakota Century Code and Section 69-06-06-02(2) of the North Dakota Administrative Code, and the six-month period specified in Section 49-22-08.1(5) of the North Dakota Century Code.

2. That the Commission waive the requirements of Sections 49-22-08 and 49-22-08.1 of the North Dakota Century Code insofar as these sections may require the separate filing of applications for a Certificate of Corridor Compatibility and a Route Permit, and insofar as they require separate publication of notices of filing said applications.
3. That the Commission waive the requirement of Section 69-06-04-02(1)(b) of the North Dakota Administrative Code insofar as it requires that the corridor width be at least ten percent of its length, and that the Commission approve a one-mile-wide corridor for the Project.
4. That the Commission waive requirements for mylar maps and stereo-pair aerial photographs as set forth in the Commission's Energy Conversion and Transmission Facility Siting Guidelines for Certificate of Corridor Compatibility and Route Permit Applications. Geographic Information System (GIS) maps that meet the intent of the Commission's requirements are provided in the consolidated application for a Certificate of Corridor Compatibility and a Route Permit.

Consistent with the Commission's Energy and Transmission Facility Siting Guidelines (Siting Guidelines), Rangeland Pipeline provides the following information in support of its waiver requests:

A. Description of Proposed Project.

1. **Type:** The Project will consist of an origin pumping station, approximately twenty miles of 8-inch pipeline, and a facility to deliver into Enbridge tankage at Beaver Lodge and into Tesoro tankage at Ramberg. Aboveground facilities installed will include a pump and meter station, "pig" launching and receiving stations, a block valve and a meter station. Pipeline markers will also be installed.

2. **Product:** The Project will transport crude oil.

3. **Size and Design:** The Project will require the installation of an 8-inch nominal diameter pipeline with a minimum nominal wall thickness of 0.219 inches and minimum grade X-42. Heavier wall pipe, likely 0.250-inch wall thickness or greater, will be installed at most road and railroad crossings. The maximum operating pressure will be 1480 pounds of pressure per square inch gauge (psig), the maximum temperature will be 100 degrees Fahrenheit and the maximum design flow rate will be 45,000 barrels per day. Aboveground facilities will include a pump and meter station, pig launchers and receivers, a meter station and a block valve. Pipeline markers will also be installed. Design, construction and operation of the pipeline and related facilities will be in accordance with U.S. Department of Transportation regulations governing the transportation of hazardous liquids. These regulations are prescribed under Part 195 of Title 49 of the Code of Federal Regulations, Transportation of Hazardous Liquids by Pipelines.

4. **Location:** The entire Project will be located in Williams County, North Dakota, and will extend from Rangeland Terminals, LLC's (Rangeland Terminals) COLT Hub near

Epping, North Dakota, to the Project's delivery facility, which will be located approximately eight miles south of Tioga, North Dakota. From there, connections will be provided to the Enbridge and Tesoro transmission pipelines. A map of the proposed Project is attached hereto as Exhibit A.

5. **Geographical Service Area**: As noted above, the proposed Project will transport crude oil from Rangeland Terminals' COLT Hub near Epping, North Dakota, to nearby transmission pipelines owned and operated by Enbridge and Tesoro. The immediate area served by the proposed Project will be northwestern North Dakota; however, the crude oil transported by the Project will ultimately be delivered to various areas served by the Enbridge and Tesoro transmission pipelines, as well as any future transmission pipelines constructed in the area.

6. **Time Schedule**: Rangeland Pipeline has a target completion date for the Project of November, 2011. Rangeland Pipeline proposes to develop the Project on the following schedule:

- February 2011 – Rangeland Pipeline files with the Commission a consolidated application for a Certificate of Corridor Compatibility and Route Permit.
- On or Before May 1, 2011 – The Commission issues a Certificate of Corridor Compatibility and Route Permit for the Project.
- May/June 2011 – Rangeland Pipeline will complete right-of-way acquisition and detailed engineering, and begin construction of the Project.
- Mid to Late October 2011 – Rangeland Pipeline will have completed construction of the Project.
- November 2011 – The Project will be placed in service.

7. **Future Plans**: Rangeland Pipeline plans to construct connections, as necessary and appropriate, between the Project and any future transmission pipelines constructed near the

Project. However, at this time, Rangeland Pipeline has no specific plans for additions to or modifications of the Project.

B. Need for Facility.

The existing pipeline infrastructure in North Dakota, Montana, and Wyoming is at capacity. Average individual well production in both North Dakota and Montana has increased as a result of advances in drilling technology and overall production has grown exponentially since 2005. Rangeland Pipeline's proposed Project will provide a means for crude oil production in Williams and surrounding counties to access the Enbridge and Tesoro transmission pipelines near Tioga, North Dakota. Small to medium sized producers will be provided an additional outlet for getting crude oil to market, and producers who are faced with longer truck hauls to the upstream Enbridge pipeline entry point at Trenton could avail themselves of reduced haul distances and lowered costs by utilizing the proposed Project to deliver their volumes from Rangeland Terminals' COLT Hub to the Enbridge and Tesoro transmission pipelines.

C. Cost.

The total capital cost of developing the proposed Project is estimated to be \$15 million.

D. Waiver Request.

Rangeland Pipeline requests that the Commission grant it the waivers requested because said waivers are needed in order to prevent potentially significant delays to the Project. As noted above, the Project is needed in order to provide an economical and efficient means of transporting crude oil from Rangeland Terminals' COLT Hub to the Enbridge and Tesoro transmission pipelines. Without the waivers of time schedules and procedures requested, completion of Rangeland Pipeline's proposed Project will be delayed and the Project will not be able to provide a transmission outlet for Rangeland Terminals' COLT Hub in a timely manner.

In addition, if construction were delayed until late in 2011, final restoration of the construction workspace would be delayed until the following spring, rather than being completed immediately following construction, which would increase the impacts of construction on landowners.

Section 49-22-07.2 of the North Dakota Century Code provides that the Commission may waive procedures and time schedules upon a finding that “the proposed facility is of such length, design, location, or purpose that it will produce minimal adverse effects.” Based upon the investigation and analysis set forth in Rangeland Pipeline’s consolidated application for a Certificate of Corridor Compatibility and a Route Permit for the Project, granting the waivers requested is appropriate because the proposed facility will produce minimal adverse effects due to its short length (only approximately 20 miles), its design (an underground, small-diameter pipeline with few above-ground appurtenances), its location (crossing pasture and farmland in rural Williams County within a previously-approved transmission corridor, and avoiding Exclusion and Avoidance Areas, as set forth in Section 69-06-08-02 of the North Dakota Administrative Code), and its purpose (underground pipeline transportation of crude oil from Rangeland Terminals’ COLT Hub to nearby transmission pipelines).

In determining whether the proposed facility will result in adverse impacts on the environment, Rangeland Pipeline evaluated the Project using the criteria set forth in the Energy Conversion and Transmission Siting Act (Siting Act), the Energy Conversion and Transmission Siting Rules set forth in Article 69-06 of the North Dakota Administrative Code (Siting Rules), and the Commission’s Siting Guidelines. More specifically, Rangeland Pipeline evaluated the impacts of the Project considering the siting criteria set forth in Section 69-06-08-02 of the North Dakota Administrative Code and the factors set forth in Section 49-22-09 of the North Dakota Century Code. Impacts associated with the Project, and mitigation measures that will be taken

with respect to said impacts, are summarized in Sections D.4 and D.5 of the Certificate of Corridor Compatibility portion of Rangeland Pipeline's consolidated application for a Certificate of Corridor Compatibility and Route Permit, provided herewith. As discussed in Rangeland Pipeline's consolidated application, the proposed Project will comply with the Exclusion and Avoidance Area criteria, and mitigation measures will be taken to minimize Project impacts.

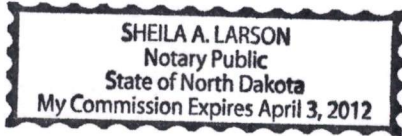
In addition, the majority of Rangeland Pipeline's proposed Project will be located adjacent and parallel to the existing Enbridge 10-inch crude oil pipeline, for which the Commission issued Certificate of Corridor Compatibility for Transmission Facility Certificate Number 94 (Corridor Certificate No. 94) and Route Permit for the Construction of a Transmission Facility Number 104 (Route Permit No. 104) on September 20, 2006 in Case No. PU-06-330. In Corridor Certificate No. 94, the Commission approved "a corridor one mile wide and 52 miles long centered approximately 25 feet adjacent and parallel to the existing Enbridge Pipelines (North Dakota) LLC [8-inch] crude petroleum pipeline from the existing Trenton Station to the Existing Beaver Lodge Station." In its combined application, Rangeland Pipeline utilized the same one-mile-wide corridor that the Commission approved in Corridor Certificate No. 94. Thus, the combination of Rangeland Pipeline's own evaluation of the proposed Project utilizing the factors set forth in the Siting Act, the Siting Rules, and the Commission's Guidelines, and the fact that the proposed Project will be located within a previously-approved corridor, supports the determination that the proposed Project will have minimal adverse effects.

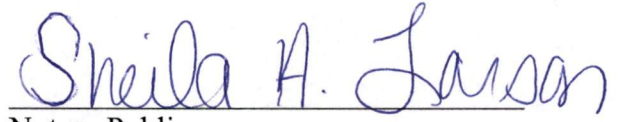
In addition, with respect to the corridor width waiver specifically, Section 69-06-04-02(1)(b) of the North Dakota Administrative Code provides that the Commission may approve a corridor width that is less than ten percent of the corridor length. In this case, waiving the corridor width requirement and approving the proposed one-mile-wide corridor is appropriate

statements made and contained therein are, to the best of her knowledge and belief, true and correct.

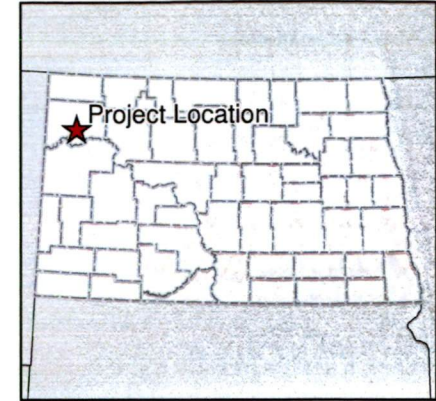

MOLLIE M. SMITH









Subscribed and sworn to before me this 10th day of February, 2011.




Notary Public
My Commission Expires:

4871388_3.DOC



-  COLT Connector Pipeline
-  State Highway
-  US Highway
-  County Road
-  Railroad
-  River or Stream
-  Surface Water
-  Township Boundary

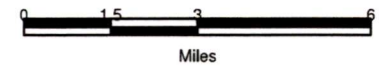


Exhibit A

PROJECT OVERVIEW
 COLT Connector Pipeline
 Williams County, North Dakota

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