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PUBLIC SERVICE COMMISSION

January 20, 2012

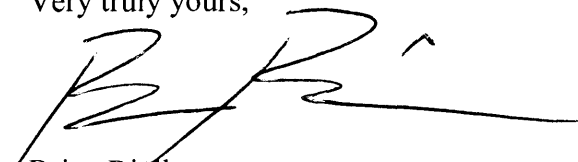
Mr. Darrell Nitschke
Executive Director
North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

Dear Mr. Nitschke:

In re: Letter of Intent
Enbridge Pipelines (North Dakota) LLC
Sanish Pipeline Project
McKenzie and Williams Counties, North Dakota

Enclosed for filing are the original and ten copies of Letter of Intent and accompanying map. Please feel free to call if you have any questions.

Very truly yours,



Brian Bjella

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Enc.

1 **PU-12-43** Filed: 1/20/2012 Pages: 5
Letter of intent

BILLINGS BISMARCK BOZEMAN HELENA KALISPELL

C R O W L E Y F L E C K PLLP

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

Enbridge Pipelines (North Dakota) LLC
1409 Hammond Avenue, Floor 2
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Mark Sitek
VP, Major Project Execution
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January 19, 2012

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

In re: Letter of Intent
Sanish Pipeline Project
McKenzie and Williams Counties, North Dakota

Dear Mr. Nitschke:

In accordance with § 49-22-07.1, North Dakota Century Code ("NDCC"), and Chapter 69-06-03, North Dakota Administrative Code ("NDAC"), Enbridge Pipelines (North Dakota) LLC ("EPND") hereby submits the original and ten copies of this Letter of Intent to file a Consolidated Application for a Certificate of Corridor Compatibility and Route Permit ("Permit"). EPND seeks a Permit which authorizes it to construct, own and operate approximately 42 miles of new crude oil pipelines in McKenzie and Williams Counties, North Dakota. The new pipeline will originate near Johnson Corner (Hwy 23 & Hwy 73) in McKenzie County extending in a general northerly direction to transport Bakken and Three Forks ("Bakken") production to EPND's existing Beaver Lodge Pump Station and Terminal Facility ("Beaver Lodge Station") in Williams County, near Tioga, North Dakota. The new pipeline referred to hereinafter as the "Sanish Pipeline Project" or "Project", will provide pipeline capacity to initially transport approximately 60,000 barrels per day ("bpd"), as more fully described below.

EPND is requesting that the North Dakota Public Service Commission ("ND-PSC") waive, pursuant to § 49-22-07.2, NDCC, and Chapter 69-06-03, NDAC, the requirement to file a Letter of Intent one year prior to filing an Application for Corridor Certificate or a Route Permit. The reason for this request is that this project must be in service as soon as possible in order to serve the rising demand for export capacity of crude oil produced in the Williston Basin of North Dakota and Montana. Enbridge anticipates filing an Application for a Corridor Certificate and Route Permit in the near future pending confirmation of shipper support.

The following information is provided to meet § 69-06-03-02, NDAC, requirements for the contents of a Letter of Intent.

I. Description of the Size and Type of Facility and the Area to be Served.

As previously stated, EPND plans to construct, own and operate a new 42-mile crude oil pipeline system referred to as the Sanish Pipeline. This pipeline system will include approximately 36 miles of new 12-inch pipeline and approximately 6 miles of new 10-inch pipeline, all being located in McKenzie and Williams Counties, North Dakota. The new pipeline system begins with the construction of approximately 6 miles of new 10-inch pipeline connecting new Bakken receipt volumes gathered from the existing Saddle Butte and Arrow Pipeline Stations to EPND's new Johnson Corner Pump Station and Terminal ("Johnson Corner Station") in McKenzie County. From Johnson Corner, the new 12-inch pipeline will extend in a northerly direction for approximately 36 miles, crossing Lake Sakakawea and continuing north to deliver such Bakken crude oil into EPND's Beaver Lodge Station in Williams County, near Tioga, North Dakota. The Lake Sakakawea crossing is expected to include a 2.4 mile horizontal directional drill. The new Johnson Corner Station will include a new pump station and two (2) new 30,000 barrel tanks. The Project will also include certain minor upgrades at EPND's existing Beaver Lodge Pump Station and Terminal in Williams County, North Dakota.

The purpose of this Project is to provide competitive pipeline transportation to customers located adjacent to the prolific Southern Nesson Anticline and the growing production emerging from the Fort Berthold Indian Reservation. The new Sanish Pipeline will provide an initial 60,000 bpd of incremental pipeline capacity to move Bakken production to EPND's Beaver Lodge Station. From the Beaver Lodge Station, shippers have entry into EPND's mainline system for further transportation to Clearbrook, Minnesota, where shippers will have access to various Midwestern refinery and marketing hubs via the Enbridge Mainline System or other third-party pipelines.

II. Map of the Study Area for the Proposed Site or Corridor

See attached map showing an overview of the Sanish Pipeline Project.

III. Anticipated Construction and Operation Schedule

EPND anticipates commencing construction by September, 2012, and placing the completed Project in service by 4th Quarter, 2013.

IV. Estimate of the Total Cost of Construction

Enbridge estimates the cost of construction of the Sanish Pipeline Project at \$135.6 million.

Should you have any questions, please contact the undersigned at (715) 398-4619 or Claudia Schrull, Manager (Regulatory Pipeline Development) at (713) 821-2045. Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'M Sitek', written over a faint circular stamp or watermark.

Mark Sitek
VP, Major Project Execution

Attachment

Enbridge Pipelines (North Dakota) LLC Sanish Pipeline Project

