

RECEIVED

JUL 02 2012

PUBLIC SERVICE COMMISSION



Tesoro High Plains Pipeline Company LLC
19100 Ridgewood Parkway
San Antonio, Texas 78259

Secretary to the Commission
North Dakota Public Service Commission
State Capitol Building
600 E. Boulevard Avenue, Dept. 408
Bismarck, North Dakota 58505-0480

Tesoro High Plains Pipeline Co.
Logistics – Pipelines & Terminals
19100 Ridgewood Parkway
San Antonio, TX 78259
www.TsoCorp.com

June 29th of 2012

Subject: **Tesoro High Plains Pipeline Company's Ten-Year Plan Report**

Dear Secretary to the Commission,

This letter is being submitted as the Tesoro High Plains Pipeline Company's Ten-Year Plan Report, in accordance with North Dakota Century Code Chapter 49-22-04 and North Dakota Administrative Code Chapter 69-06-02. Tesoro High Plains Pipeline Company (Tesoro) owns and operates, and intends to own and operate during the ensuing ten years, a crude pipeline system in northern and western North Dakota. The system consists of DOT trunk pipelines (i.e. transmission lines), DOT gathering pipelines, and non-regulated gathering pipelines. Tesoro's DOT transmission pipelines and associated facilities are detailed within this ten-year plan report. Please contact Lori Menke at (210) 626-6526 or Lori.A.Menke@tsocorp.com if any additional information is needed.

Sincerely,

A handwritten signature in black ink that reads "Ryan Biggs". The signature is written in a cursive, flowing style.

Ryan Biggs
Director, Environmental, Health & Safety

Ten-Year Plan

Section A – Existing Energy Conversion Facilities: Tesoro currently does not have energy conversion facilities.

Section B – Energy Conversion Facilities under Construction: Tesoro currently does not have energy conversion facilities under construction.

Section C – Proposed Energy Conversion Facilities on which Construction is Intended within the Ensuing Five Years:

Tesoro currently has no energy conversion facilities on which construction is intended within the ensuing five year period.

Section D – Proposed Energy Conversion Facilities during the next Ten Year Time Period:

Tesoro currently has no proposed energy conversion facilities during the next ten year time period.

Section E – Existing Transmission Facilities (Electric):

Tesoro currently has no such existing electrical transmission facilities.

Section F – Existing Transmission Facilities (Pipeline):

Tesoro has existing pipeline transmission facilities, as described in **Exhibit A**.

Section G – Proposed Transmission Facilities on which Construction is Intended within the Ensuing Five Years (Electric):

Tesoro currently has no proposed electric transmission facilities on which construction is intended within the ensuing five years.

Section H – Proposed Transmission Facilities on which Construction is Intended within the Ensuing Five Years (Pipeline):

Tesoro intends to construct a new transmission pipeline facility within the ensuing five year time period. **Exhibit B** contains the proposed facility location, service area, description, and timetable.

Section I – Proposed Transmission Facilities during the next Ten Year Time Period (Electric & Pipeline):

Tesoro currently has no proposed electric or pipeline transmission facilities during the next ten year period, excluding the new transmission pipeline facility described within Section H.

Section J – Regional Coordination:

Tesoro currently has one transmission pipeline facility planned that will require coordination into an existing utility system. Facility planning originated from two third-party pipeline companies expressing interest in establishing a connection to deliver crude oil to the existing Tesoro Johnsons Corner facility on the 12-inch transmission mainline upstream of Dunn Center, North Dakota. Tesoro is working through McKenzie Electric Cooperative, Inc. to provide a single electrical service with separate meters for Tesoro and the two third party pipeline companies, as required. McKenzie Electric Cooperative, Inc. has agreed to install facility power during July of 2012.

Section K – Environmental Information:

Tesoro currently has no facilities planned that will necessitate an environmental assessment. Land access for the Tesoro Johnsons Corner transmission facility was secured in June of 2012. The development of this rural location did not necessitate an environmental assessment, as Tesoro formerly operated a pump station at Johnsons Corner and continues maintaining a block valve at that site.

Section L – Projected Demand for Service:

Tesoro proposes a pipeline transmission facility within the next five year time period, which will be located at Johnsons Corner in North Dakota. The Johnsons Corner transmission facility project consists of both a short term and long term project to meet the immediate projected demand needs of crude oil supply to Tesoro's Mandan Refinery in Mandan, North Dakota. The scope of the short term project is to provide a connection to both third party pipeline companies in order to pump up to 30,000 BPD (Barrels Per Day) into Tesoro's 12-inch transmission mainline at Johnsons Corner, North Dakota. The long term project scope consists of installing two 15,000 barrel tanks at Johnsons Corner. The projected demand for Tesoro's transportation of crude for the ensuing ten years is projected to increase from 56,000 BPD to 86,000 BPD due to the Johnsons Corner Facility expansion. However, North Dakota has significant growing fields of crude oil production which are likely to incur projects in the future.

Exhibit A

1. Facility Description – DOT Trunk Pipelines (i.e. Transmission Pipelines): Tesoro's transmission pipeline system consists of a DOT-jurisdictional trunk line from the Canadian Border in North West North Dakota to Tesoro's Mandan Refinery in Mandan, ND. The system collects crude oil from various gathering locations, and can deliver crude to Rangeland Dry Forks, Richey Station, and to the Tesoro Mandan Refinery.
2. Type & Capacity:
 - a. Product Type: Crude Oil
 - b. Length of System: Approximately 233 miles in length
 - c. Pipe Size: Diameters vary between 6, 8, 12, and 16-inches
 - d. Minimum Cover: Approximately 30-inches
 - e. Maximum Operating Pressure (MOP):

Pipeline Segment	Pipeline MOP (psi)	Distance (miles)	Pipeline Diameter (in.)
Border to Black Slough		12	8
Black Slough to Tioga		43	6
Tioga to Ramberg		8	8
Ramberg to Dunn Center		66.3	12
Dunn Center to Dodge		19.8	16
Dodge to Mandan		68.5	16

- f. Maximum Flow Rate: In calendar year 2011, approximately 21,000,000 barrels of crude oil was transported through the transmission pipeline system.
- g. Pump Station Specifications: Maximum Operating Pumping Discharge (MODP) Pressure & Settings: (Table figures refer to the maximum throughput during complete system utilization.)

LOCATION	DISCHARGE		
	Pump MODP	High Pressure Shut Down Setting	Pump Relief Valve Setting
Black Slough		1000	1050
Tioga – Unit #1 – (6-inch liner)		800	850
Tioga – Unit #2 – (5.5-inch liner)		800	850
Ramberg – Unit #1 – (6-inch liner)		690	740
Ramberg – Unit #2 – (5.5-inch liner)		690	740
Yttredahl		700	740
Charlson		700	740
Keene		550	600
Blue Butte		650	700
Dunn Center		480	490
Dodge		480	490

3. In-Service Dates:

Line Segments – Year In-Service:
 Border to Mandan – 1954
 Border to Black Slough – 1966
 Black Slough to Tioga – 1966
 Tioga to Ramberg – 1991
 Ramberg to Keene – 1954
 Keene to Dunn – 1954
 Dunn to Mandan – 1954

Projected Retirements: [REDACTED]

5. Tesoro Pipeline System Map: The system consists of DOT trunk pipelines (i.e. transmission lines), DOT gathering pipelines, and non-regulated gathering pipelines (See **Figure 1**).

