

STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

**ONEOK Rockies Midstream, L.L.C.
Garden Creek II Plant — McKenzie County, ND
Siting Application**

Case No. PU-12-656

ORDER AMENDING CERTIFICATE OF SITE COMPATIBILITY

May 22, 2013

The Commission's December 21, 2012 Order in this proceeding issued Certificate of Site Compatibility No. 31 to ONEOK Rockies Midstream, L.L.C. (ONEOK) designating an energy conversion facility site for the construction of a 100 million cubic feet per day gas processing plant (the Garden Creek II Gas Plant or Plant II). Plant II is located on an 80-acre site in the N½SE¼ of Section 35, Township 151 North, Range 98 West, McKenzie County, North Dakota (Project Site). The Project Site is approximately 4.3 miles northeast of Watford City, adjacent to the 80-acre project site of the Garden Creek I Gas Plant.

On March 6, 2013, ONEOK filed an application with the Commission to amend Certificate of Site Compatibility No. 31 for another gas processing plant, known as the Garden Creek III Gas Plant (Plant III), to be constructed within the boundaries of the 80-acre plot on which ONEOK's Garden Creek II Plant will be constructed.

On March 27, 2013, the Commission issued a Notice of Opportunity for Hearing (Notice), providing notice of ONEOK's application to amend, inviting those interested to comment on the application in writing, and allowing those interested the opportunity to request a hearing. The Notice further provided that comments and requests for hearing must be received by close of business on April 30, 2013. Finally, the Notice provided, if deemed appropriate, the Commission can determine the matter without a formal hearing. The Notice identified the following issues to be considered:

1. Will the location, construction, and operation of the proposed facility produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota?
2. Is the proposed facility compatible with the environmental preservation and the efficient use of resources?
3. Will the proposed facility location minimize adverse human and environmental impact while ensuring continuing system reliability and integrity and ensuring that energy needs are met and fulfilled in an orderly and timely fashion?

No comments or requests for hearing were received.

On May 8, 2013 the Commission held an Informal Hearing concerning the application.

ONEOK is a utility as defined in North Dakota Century Code Section 49-22-03(13).

Plant III is an energy conversion facility as defined in North Dakota Century Code Section 49-22-03(5).

The Commission has jurisdiction over the applicant, ONEOK, and over the subject matter of this application under North Dakota Century Code Chapter 49-22.

North Dakota Administrative Code Chapter 69-06-08 sets forth certain criteria to guide the Commission in evaluating the suitability of granting an application for a certificate of site compatibility. The criteria as set forth in North Dakota Administrative Code Section 69-06-08-01 are classified as Exclusion Areas, Avoidance Areas, Selection Criteria and Policy Criteria. With the exception of prime and unique farm land, an energy conversion facility must not be sited within an Exclusion Area. An energy conversion facility must not be sited within an Avoidance Area unless the applicant demonstrates that under the circumstances there are no reasonable alternatives. In determining whether an Avoidance Area shall be designated for a facility, the Commission may consider, among other things, the proposed management of adverse impacts; the orderly siting of facilities; system reliability and integrity; the efficient use of resources; and alternative routes. In accordance with the Commission's Selection Criteria, an energy conversion facility shall be approved if it is demonstrated that no significant adverse impacts will result from the location, construction, and maintenance of the facility. In accordance with the Commission's Policy Criteria, preference may be given to an applicant demonstrating certain benefits of the conversion facility.

Plant III will be constructed entirely within the boundaries of the Project Site studied and approved for Plant II in this proceeding.

As evidenced this proceeding concerning Plant II, ONEOK evaluated the Project Site for the exclusion, avoidance, selection and policy criteria of the Commission.

No exclusion or avoidance areas are included within the Project Site. Therefore, the construction of Plant III will not affect any known exclusion or avoidance areas.

There are no woodlands or wetlands located within the Project Site. The United States Fish and Wildlife Service concurred that ONEOK's Plant II project will not adversely impact any federally protected species or their critical habitats.

As evidenced at the May 8, 2013 Informal Hearing, ONEOK commits to maximize the benefits of Plant III so as to meet the policy criteria.

As evidenced at the May 8, 2013 Informal Hearing, ONEOK makes the same representations and covenants for Plant III that it did for Plant II as indicated in the December 5, 2012 Certification Relating to Order Provisions – Energy Conversion Facility Siting for Plant II.

The location, construction, and operation of the proposed energy conversion facility will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.

The proposed energy conversion facility is compatible with the environmental preservation and the efficient use of resources.

The proposed energy conversion facility will minimize adverse human and environmental impact while ensuring continuing system reliability and integrity and ensuring that energy needs are met and fulfilled in an orderly and timely fashion.

The proposed project is of such design and location that it will produce minimal adverse effects, as defined under North Dakota Century Code Section 49-22-07.2.

Having allowed all interested persons an opportunity to be heard and having heard, reviewed, and considered all testimony and evidence presented, the Commission now makes its:


Order

1. ONEOK is issued First Amended Certificate of Site Compatibility No. 31 for the construction, operation and maintenance of the Garden Creek II and Garden Creek III Gas Plants. For purposes of the Certificate, the Site consists of the 80-acre Project Site.
2. The December 5, 2012 Certification Relating to Order Provisions – Energy Conversion Facility Siting (Certification) with accompanying Tree and Shrub Mitigation Specifications, is incorporated by reference and attached to this Order.
3. To the extent there are any conflicts or inconsistencies between ONEOK Rockies Midstream, L.L.C.'s Application and the December 5, 2012 Certification, the Certification provisions control.

PUBLIC SERVICE COMMISSION



Randy Christmann
Commissioner



Brian P. Kalk
Chairman



Julie Fedorchak
Commissioner

PUBLIC SERVICE COMMISSION

STATE OF NORTH DAKOTA

First Amended Certificate Number 31

Certificate of Site Compatibility

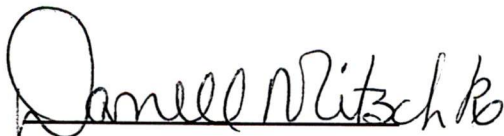
This is to certify that the Commission has designated an energy conversion facility site for ONEOK Rockies Midstream, L.L.C., for the construction of two 100 million cubic feet per day gas processing plants (the Garden Creek II Gas Plant and the Garden Creek III Gas Plant) in McKenzie County, North Dakota.

The facilities may be sited in this designated location in compliance with the energy conversion facility siting criteria. This certificate is issued in accordance with the Commission's Order dated December 21, 2012 as amended by the Commission's Order dated May 22, 2013, all in Case No. PU-12-656. The Certificate is subject to the conditions and limitations noted in those Orders.

Bismarck, North Dakota, May 22, 2013.

ATTEST:

PUBLIC SERVICE COMMISSION



Executive Secretary



Commissioner