

November 7, 2014

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue, Dept. 408
Bismarck, ND 58505-4080

**RE: Basin Transload, LLC
Case No. PU-12-675 — Request for
Supplemental Information**

Dear Mr. Nitschke:

This letter is a follow up to the Public Service Commission's ("Commission") October 9, 2014, letter requesting supplemental information in support of Basin Transload, LLC's ("Basin Transload") notice of route adjustment and request for an Amended Certificate of Corridor Compatibility and Route Permit in the above-captioned matter. As you may recall, Basin Transload filed a notice of route adjustment on September 24, 2014, through the Certification of Ray Sheldon. Because the reroute will occur outside the designated corridor and will not affect any known exclusion or avoidance areas, North Dakota Century Code Section 49-22-16.3(3), which does not require any action by the Commission, will govern the route adjustment.

Section 49-22-16.3(3) requires a company to provide certain information to the Commission to adjust a route outside of the previously designated corridor. Items specified in the Certification Relating to Order Provisions – Transmission Facility Siting ("Certification") attached to a Commission Order granting a Certification of Corridor Compatibility and Route Permit must also be addressed. Clarification is provided herein regarding certain applicable areas of Certification Item No. 31 governing route adjustments.

The Inapplicable Sections of Certification Item No. 31.

Item No. 31 provides the procedures a company must follow if a route adjustment is sought before or during construction of a pipeline. Many sections of Item No. 31, specifically subsections (a), (b), (g), and (h), do not apply to the reroute in this matter.

Item No. 31(a) requires Basin Transload to identify the subsection of House Bill 1147 under which the adjustment is requested. House Bill 1147 was codified at Section 49-22-16.3 of the North Dakota Century Code in 2013. Basin Transload properly filed its notice of reroute

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pursuant to N.D.C.C. § 49-22-16.3(3) after codification, so no specific reference is necessary to House Bill 1147.

Item No. 31(b) only applies when the reroute is within the designated corridor. Here, the reroute will be outside the designated corridor, so the provisions of Item No. 31(b) need not be addressed.

Item No. 31(g) only applies if the reroute will impact an avoidance area. As noted in Ray Sheldon's Certification in Support of the Application of Basin Transload for an Amended Corridor Certificate and Route Permit, no avoidance areas will be impacted by the route adjustment. The letter from Crystal Kuntz, Professional Engineer, further confirms the reroute will not impact any exclusion or avoidance areas, so subsection (g) does not apply.

Item No. 31(h) must be addressed when subsection (2) or subsection (4) of House Bill 1147, or the corresponding subsection of N.D.C.C. § 49-22-16.3, are utilized for the route adjustment. Here, the adjustment is being sought under subsection (3) of N.D.C.C. § 49-22-16.3, so Item No. 31(h) is not applicable.

The Relevant Sections of Certification Item No. 31.

The remaining sections of Item No. 31 do apply, and while all information is contained in the record, further clarification is provided below.

Item No. 31(c) requires maps containing certain information to be submitted in support of a route adjustment. In accordance with Item No. 31(c), the documentary evidence filed with the notice of route adjustment, along with the original application, satisfies the information required under the statute and Certification requirements imposed by the Commission. However, attached hereto as Exhibit A is a supplemental map clarifying certain areas of concern.

Exhibit A specifically identifies the length of the route outside the designated corridor, the corridor adjustment, and the width of the revised corridor in satisfaction of Item No. 31(c) subsections (1) through (3). The Certification of Ray Sheldon indicates that the adjusted route is no more than 1.5 miles outside the designated corridor in accordance with N.D.C.C. § 49-22-16.3(3)(a)(2), and the footage of the adjusted route outside the designated corridor is further clarified in Exhibit A.

There are no exclusion or avoidance areas in the original or revised corridor to be included on the supplemental map as required by Item No. 31(c)(4). Further, exclusion and avoidance areas are discussed below in reference to Item No. 31(f).

Item Nos. 31(c)(5) and (6), along with Item Nos. 31(d) and (e), require information regarding any landowners or governmental entities that may be affected by the reroute. No government entity communicated to Basin Transload any opposition regarding the original one-

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mile wide study area as indicated in the original application and supporting documentation. The route adjustment continues to fall within the original study area, so no new information is available for objection by the government entities. Further, the SHPO concurrence finding No Historic Properties Affected regarding the reroute was included in Basin Transload's September 24, 2014 submission to the Commission. The original letter was filed by SHPO on September 26, 2014.

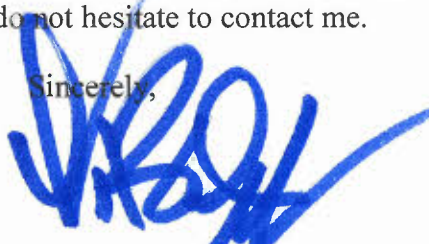
No additional documentary evidence is available as to landowner opposition or approval. As indicated in the Certification of Ray Sheldon, all landowners approved the route adjustments presented in Basin Transload's September 24, 2014 submission. The attached Exhibit B provides the requested landowner information.

In accordance with Item No. 31(f), Ray Sheldon's Certification states the adjusted route will not affect any exclusion or avoidance areas. The letter from Crystal Kuntz confirms this information and references the environmental studies included in the original application with respect to the exclusion and avoidance areas along the adjusted route. The original application included a one-mile wide survey area around the proposed pipeline route, and because the route adjustment will be located well within the one-mile wide survey area, there continues to be no exclusion or avoidance areas. While a small portion of the pipeline reroute is outside of the original cultural survey area, the SHPO concurrence with the finding of No Historic Properties Affected involving the route adjustment was included in Basin Transload's September 24, 2014 submission to the Commission. As such, no exclusion or avoidance areas are within the revised corridor.

Finally, in conformance with Item Nos. 31(i) and (j), the Certification of Ray Sheldon states that Basin Transload will comply with the Commission's orders, laws, rules, and regulations. Basin Transload has complied with all requirements to date and will continue to do so with respect to any route adjustment.

Enclosed for filing is an original and ten (10) copies of this letter and the exhibits referenced herein. Also enclosed is a CD containing the documents in PDF format. If you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,

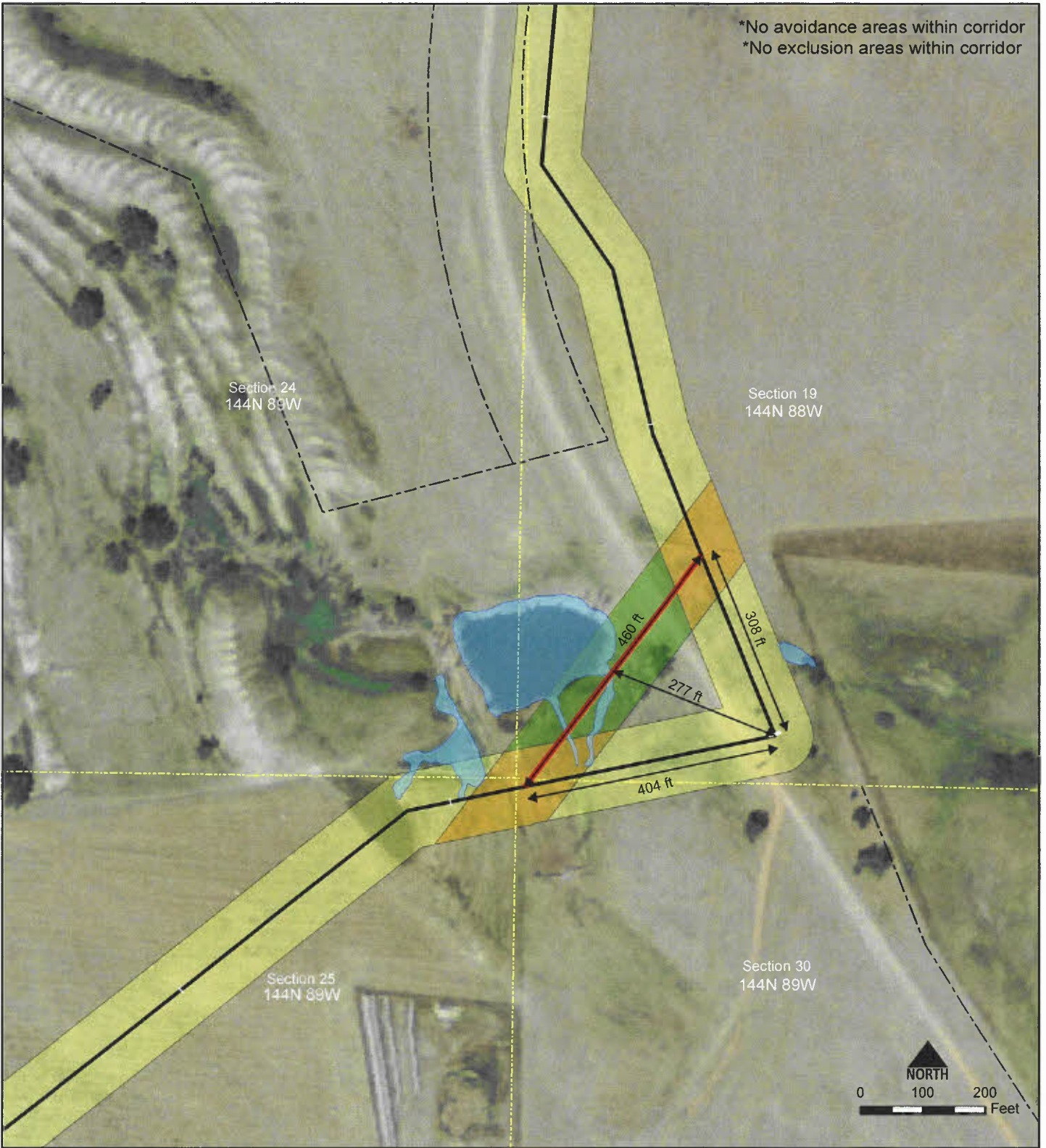


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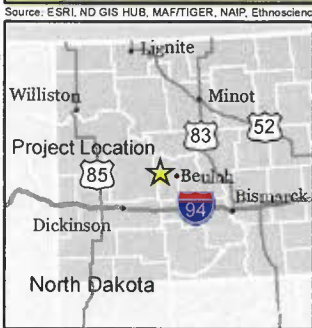
LB/dmk
Enclosures

cc: Ray Sheldon (*via e-mail*)
Julie Prescott (*via e-mail*)

*No avoidance areas within corridor
 *No exclusion areas within corridor



File: R:\Project\845-002 Beulah & Lignite\GIS\MapDocs\Beulah_Corridor\Revised_20141015.mxd 10/15/2014 2:43:00 PM



Original Route Centerline	Original 120' Wide Corridor* (Approved 2013)
Revised Route Centerline Segment	Revised 120' Wide Corridor* Segment
Delineated Wetland	Combined Original & Revised 120' Wide Corridor* Segments
Property Lines	
Section Line	

**THPP Beulah
Lateral Pipeline
Project Corridor
and Route**

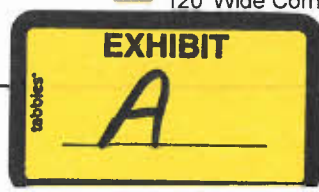


EXHIBIT B — LANDOWNER INFORMATION

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