

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**ONEOK Rockies Midstream, L.L.C.
Stateline I & II Gas Processing Plants - Williams
Siting Exclusion Certification**

Case No. PU-15-113

ORDER

June 17, 2015

The North Dakota Public Service Commission's (Commission) May 18, 2011 Findings of Fact, Conclusions of Law and Order (Order) in Case No. PU-10-666, issued to Bear Paw Energy, LLC Certificate of Site Compatibility for Energy Conversion Facility 22 (Certificate 22) designating a site for the Stateline I and Stateline II Gas Processing Plants.

By its October 12, 2011 letter, Bear Paw Energy, LLC notified the Commission that it had changed its name to ONEOK Rockies Midstream, L.L.C (ONEOK) and requested that the Commission reissue Certificate 22 to ONEOK, Case No. PU-11-658. On December 9, 2011 the Commission reissued Certificate 22 to ONEOK.

On March 12, 2015 and March 31, 2015, ONEOK filed letters to notify the Commission under North Dakota Century Code 49-22-03(3), that it intends to modify the Stateline I and II Gas Processing Plants to include a deethanizer for the extraction of ethane (Project).

At its April 21, 2015 work session, the Commission delegated authority to staff to approve the Project subject to the issuance of a Notice of Opportunity for Hearing providing opportunity for comments or requests for hearing on the Project. Staff's April 21, 2015 approval of the Project was conditioned on expiration of a public notice period without receipt of any comments or requests for hearing.

On April 21, 2015, the Commission issued a Notice of Opportunity for Hearing providing until May 21, 2015 for comments and request for hearing.

The Notice identified the following issues to be considered in this proceeding:

1. Will the location, construction, and operation of the proposed facilities produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota?
2. Are the proposed facilities compatible with the environmental preservation and the efficient use of resources?

3. Will the proposed facility locations 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 Notice of Opportunity for Hearing indicated that, if deemed appropriate, the Commission can determine the matter without a hearing.

On May 26, 2015, the Commission received comments from the North Dakota Department of Health (DOH) concerning the Project. The DOH expressed concern that care be taken during construction to minimize fugitive dust emissions, to minimize adverse effects on any water of the state, to prevent spills of oil and grease that may reach a water of the state, to minimize noise level impacts on persons who live nearby, and to obtain a discharge storm water runoff permit where applicable.

On June 12, 2015, ONEOK filed a response addressing the comments by the DOH.

Regarding fugitive dust, ONEOK indicates in its June 12, 2015 letter that the proposed project is small in scale and anticipated to be of moderate duration. Access routes within the plant are stable graveled surfaces which will minimize dust from vehicle and equipment operations. Vehicle speeds within the plant are greatly reduced for safety and secondarily serve as a dust control. Public roads include paved and gravel surfaces, vehicles traveling on gravel surfaced public roads shall observe posted speed limits and may further reduce speeds when conditions are dry and prone to dust generation.

Regarding effects on any water of the state, ONEOK indicates in its June 12, 2015 letter that the facility is operational, its design incorporated storm water control measures that conform to state and county requirements. The majority of the proposed activities will occur entirely within the fenced facility property and the combination of implementation of standard best management practices during construction coupled with the existing facility structural controls will combine to control potential impacts to waters of the state. ONEOK further indicates that it will comply with state regulations governing the discharge of storm water originating from the construction site.

Regarding noise level impacts on persons who live nearby, ONEOK indicates in its June 12, 2015 letter that the majority of the proposed project will occur entirely within the fenced property of a facility that is currently operating 24 hours per day, seven (7) days per week; the additional construction activity associated with the proposed project will not significantly increase the noise generated by plant operations. Equipment shall be in good operating condition and will be inspected to verify exhaust systems are in place and functional.

In its April 22, 2011 Certification Relating to Order Provisions – Energy Conversion Facility Siting, ONEOK agreed that it will obtain all other necessary licenses and permits, and will provide copies of all licenses and permits to the Commission prior

to construction activity associated with the energy conversion facility that requires said license or permit.

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

ONEOK is a utility pursuant to North Dakota Century Code § 49-22-03(13) solely for purposes of this Project.

The energy conversion facility proposed by ONEOK is an energy conversion facility as defined in North Dakota Century Code § 49-22-03(5).

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

The location, construction, and operation of the proposed energy conversion facility are compatible with 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 energy conversion facility is of such design and location that it will produce minimal adverse effects, as defined under North Dakota Century Code § 49-22-07.2.

Order

The Commission orders:

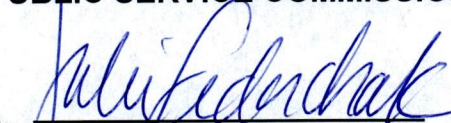
1. ONEOK is authorized to modify the Stateline I and II Gas Processing Plants to include a deethanizer for the extraction of ethane according to the revised site plan filed with the Commission on March 12, 2015.
2. The April 22, 2011 Certification Relating to Order Provisions – Energy Conversion Facility Siting is incorporated by reference and attached to this Order.

3. All provisions and requirements in the Commission's May 18, 2011 Findings of Fact, Conclusions of Law and Order in Case No. PU-10-666 continue to apply.

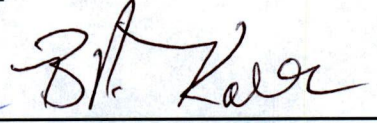
PUBLIC SERVICE COMMISSION



Randy Christmann
Commissioner



Julie Fedorchak
Chairman



Brian P. Kalk
Commissioner