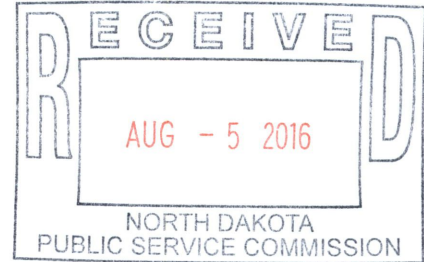


August 4, 2016

VIA HAND DELIVERY

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



**RE: Sacagawea Pipeline Company, LLC
Case No. PU-15-114**

Dear Mr. Nitschke:

Enclosed for filing in the above entitled matter, please find an original copy and ten (10) additional copies of the following document:

- o Letter from Sacagawea Pipeline Company, LLC in response to Notice of Potential Violation.

Also enclosed is a CD containing the above-referenced document in PDF format. Should you have any questions, please advise.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lawrence Bender".

LAWRENCE BENDER

cc: Zachary Pelham (via e-mail)
Julie Prescott (via e-mail)
Derrick Braaten (via e-mail)

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Attorneys & Advisors
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Fredrikson & Byron, P.A.
1133 College Drive, Suite
Bismarck, North Dakota
58501-1215

108 PU-15-114 Filed: 8/5/2016 Pages: 3
Response to letter regarding Notice of Potential Violation

Sacagawea Pipeline Company, LLC
Lawrence Bender, Fredrikson&Byron, P.A.

August 4, 2016

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

**RE: Sacagawea Pipeline Company, LLC
Case No. PU-15-114**

Dear Mr. Nitschke:

On August 3, 2016, Sacagawea Pipeline Company, LLC (“SPC”), received a Notice of Potential Violation filed with the North Dakota Public Service Commission (“Commission”) by attorney Derrick Braaten on behalf of the Laborers District Council of Minnesota and North Dakota for the above referenced matter. The Notice of Potential Violation (“Notice”) cites to perceived violations of the federal regulations governing the project, which are referenced in the orders of the Commission dated January 5, 2016 and July 1, 2016, and overseen by the Pipeline and Hazardous Materials Safety Administration (“PHMSA”).

Prior to receipt of the Notice filed with the Commission, on July 25, 2016, SPC received notice from PHMSA that an anonymous phone call had been placed to PHMSA. According to the caller, he or she believed there may be issues with the coating of the 16-inch pipeline associated with the project installed under Lake Sakakawea. PHMSA officials have been on site on two separate occasions, namely April 26-27, 2016 and July 19-20, 2016, to inspect construction operations. Inspection of construction operations specifically includes review of welding and coating of the pipeline.

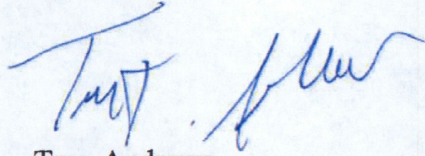
Following the anonymous call, PHMSA requested information from SPC in order to conduct an investigation into the allegations. SPC has complied with PHMSA’s request and has submitted the information for review. SPC is currently awaiting the results of the PHMSA investigation into the allegations.

At this time, Sacagawea Pipeline Company, LLC has received no notice from PHMSA of any violation of previously approved construction specifications. SPC will keep the Commission

Mr. Darrell Nitschke
August 4, 2016
Page 2

advised of the findings of the PHMSA investigation. If the Commission desires any additional information prior to the conclusion of PHMSA's review of the allegations, please do not hesitate to contact SPC.

Sincerely,

A handwritten signature in blue ink, appearing to read "Troy Andrews". The signature is fluid and cursive, with a large initial "T" and a long horizontal stroke extending to the right.

Troy Andrews
CEO, Paradigm Energy Partners, LLC on behalf
of Sacagawea Pipeline Company, LLC