



PLAINS
PIPELINE, L.P.



P. O. Box 708
Belfield, ND 58622

Jul. 1, 2015

Public Service Commission
State Capitol Building
Bismarck, ND 58505

Re: Ten-Year Plan

To Whom It May Concern:

Enclosed are ten copies of our Ten-Year Plan for filing with the Commission as required by law. Notice of filing to State Agencies and Officers has been completed and one copy of our plan has been mailed to respective County Auditors.

Please call me at 701-575-2301 if you have any inquiries regarding the contents of our plan.

Sincerely,

Ed Shypkoski
District Manager

Enclosure

1 **PU-15-459** Filed: 7/1/2015 Pages: 9
2015 Ten year plan

Plains Pipeline, L.P.

Ed Shypkoski

PLAINS PIPELINE, L.P.
2015
TEN-YEAR PLAN

Introduction

Plains Pipeline, L.P. [hereafter known as "Plains"] controls various pipeline transmission facilities in the State of North Dakota subject to the provisions of N.D.C.C. § 49-22-04. The 2015 ten-year plan of Plains Pipeline, L.P. is as follows:

(NOTE: The following assets were formerly owned by the following entities:

Koch Gathering Systems, Inc. and/or Koch Pipelines, Inc.(previous to December 1, 1998),

EOTT Energy Pipeline Limited Partnership (December 1, 1998 – October 1, 2003), and

Link Energy Pipeline Limited Partnership (October 1, 2003 -- April 1, 2004).

Plains acquired the Link Energy Pipeline Limited Partnership assets on April 1, 2004.

In late December 2010, Plains acquired Nexen USA assets. In Dec 2011, Bridger Pipeline acquired the Fryburg Dodge and Killdeer Pipeline systems from Plains PL. Those segments have been removed from Plains' Ten Year Plan.

• **Whitetail Gathering Facilities (Pipeline)**

1. Whitetail Gathering System

- a. Product type: crude oil
- b. Length of facility: 17 miles
- c. Pipe size: 4"
- d. Maximum design operating pressure: 1440 PSI
- e. Maximum design flow rate: 6720 BPD
- f. Pump station specifications: field gathering injection pumps move product to Whitetail Station.
- g. Minimum cover over pipe: 48" (more or less)
- h. The Whitetail gathering line was placed in service in 1982.
- i. An internal line inspection tool was run in 2010. Several anomaly digs were done as a result of the tool run.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT FIVE YEARS.

1. Due to various factors concerning the crude oil specifications, in August 2014, this line and associated tankage has been nitrogen purged, cleaned, and idled. It remains inactive and there are no immediate plans for any change or new construction at this time. Plains

maintains the property, however, to preserve its salvage value or return it to service should that be desired.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT TEN YEARS.

1. See above 5 year proposed plans. There are no long term plans for construction at this time.

• Baker/Rhame Gathering Facilities (Pipeline)

1. Harding Station (South Dakota) to Rhame Station, ND (Looped)

- a. Product type: crude oil
- b. Length of facility: approx. 30 miles (with 15 miles in South Dakota)
- c. Pipe Size: The pipeline consists of parallel pipelines running the entire distance. The line size in North Dakota is 2", 3" and 4". The line size in South Dakota is 4" and 6".
- d. Maximum design operating pressure: 1400 PSI
- e. Maximum design flow rate: 4800 BPD at 1100 PSI
- f. Pump station specifications: field pumps with low design flow rates.
- g. Minimum cover over pipe: 48" (more or less)
- h. The 2" ND line has been purged and idled. The 4" SD to Rhame Station line has had an internal inspection done in 2014 with anomaly repairs complete. Various gathering segments are scheduled for internal inspections in 2015.

2. Rhame Station to Baker Station (Montana) (Looped)

- a. Product type: crude oil
- b. Length of facility: 47.5 miles
- c. Pipe Size: The Rhame Station to Baker facility consists of parallel pipelines running the entire distance with an intermediate Marmarth Station. The line size in North Dakota is 6", 4", and 8". The line size in Montana is 4", 4", and 8".
- d. Maximum design operating pressure: 1400 PSI
- e. Maximum design flow rate: 58,000 BPD at 1400 PSI
- f. Pump station specifications: (Rhame and Marmarth combined) two 250 HP, 2651 Gaso pumps with an output pressure of 950 PSI and with throughput capacity of 10,000 BPD. A centrifugal pump with a throughput capacity of 42,000 BPD was installed at Marmarth Station in 2005, and another in 2006, with a maximum capacity of 53,000 BPD. A 30,000 bbl tank was constructed at Marmarth Station in 2005.
- g. Minimum cover over pipe: 48" (more or less)
- h. The 4", 6" and 8" lines from Rhame to Baker have had internal line inspection tools ran as of 2011 with all anomalies being inspected or repaired. The 4" and 6" lines between Rhame and Marmarth had internal line inspections in 2014 with all repairs completed or in progress. Additional lines are scheduled for internal inspections in 2015.

3. In-Service "Dates"

- a. The original Rhame Station to Baker line was put in service in 1971 with a 4" loop constructed in 1973, a 6" loop in 1984 and an 8" loop line in 1995. The 8" extension in to North Dakota was built in 1997. Other small gathering lines were constructed in 1995-1997 and 2003-2004. Several other small gathering lines were constructed in 2005 and 2006.
- b. The original gathering into Rhame Station was built in 1971. The Harding Station to Rhame Station lines were built and put into service in 1985.
- c. A 30,000 bbl crude oil tank has been constructed at Marmarth Station in 2005 to improve pipeline flows.
Throughput of the main lines has been increased up to 50000 bpd due to improvements in capacity at Marmarth Station.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT FIVE YEARS.

1. None anticipated

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT TEN YEARS.

1. None anticipated

• **Robinson Lake to Stanley Transmission Facilities (Pipeline)**

1. Robinson Lake Station to Stanley 8"
 - a. Product type: crude oil
 - b. Length of facility: approx. 17 miles
 - c. Pipe Size: 8"
 - d. Maximum design operating pressure: 1440 PSI
 - e. Maximum design flow rate: 62000 BPD
 - f. Pump station specifications: 2-1250 HP Centrifugal pumps with tankage
 - g. Minimum cover over pipe: 48" (more or less)
 - h. Internal line inspection tools have been run in 2015. Currently awaiting results.

2. In-Service "Dates"

- a. This line was put into service in 2010 by Nexen USA. Plains acquired the line in late Dec., 2010.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT FIVE YEARS.

1. Plains Pipeline has proposed a pipeline from Robinson Lake Station to the Van Hook Rail Terminal. The plans have been submitted to the ND PSC for the certificate of route compatibility approval and public hearings. Currently in progress.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT TEN YEARS.

1. See above 5 year plan. No other future plans are being considered at this time.

• **Stanley to Manitou Transmission Facilities (Pipeline)**

1. Stanley to Manitou 10”
Also known as Nelson to Manitou
 - a. Product type: crude oil
 - b. Length of facility: approx. 17 miles
 - c. Pipe Size: 10”
 - d. Maximum design operating pressure: 1440 PSI
 - e. Maximum design flow rate: 62000 BPD
 - f. Pump station specifications: 2-1250 HP Centrifugal pumps with tankage, originating from Robinson Lake Station.
 - g. Minimum cover over pipe: 48” (more or less)
 - h. Internal inspection tool was run in 2014 and investigation and repairs are in progress.
2. In-Service “Dates”
 - a. Construction began on this line in late June 2012 and was put in service on Dec 30, 2012.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT FIVE YEARS.

1. There are no other plans for this pipeline during the next 5 years other than possibly short pipeline connections from various production companies or other crude carriers.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT TEN YEARS.

1. There are no other plans for this pipeline during the next 10 years other than possibly pipeline connections from various production companies or other crude carriers.

• **Bakken North Transmission Facilities (Pipeline)**

1. Bakken North 12” (Trenton Station to Raymond Station)
 - a. Product type: crude oil
 - b. Length of facility: approx. 80 miles
 - c. Pipe Size: 12”
 - d. Maximum design operating pressure: 1440 PSI
 - e. Maximum design flow rate: 75000 BPD
 - f. Pump station specifications: 2-1250 HP Centrifugal pumps with tankage originating near Williston ND at Plains’ Trenton Station
 - g. Minimum cover over pipe: 48” (more or less)
 - h. This lines originates from Trenton Station near Williston ND and delivers to Wascana

Pipeline at the Canadian border north of Outlook, MT. The newly constructed segment from Trenton Station to Raymond Station is 80 miles in length and ties into an existing 6 mile segment Plains acquired from Bridger PL from Raymond Station to the Canada/US border.

- j. The existing segment from Raymond to the border was internally inspected in 2012.
- k. The newly constructed segment as well as the Raymond to the border segment has been internally inspected in 2015. Repairs required are pending all results of the internal inspections.

2. In-Service "Dates"

- a. Construction began on this line in early 2012 and completed by the 1st Qtr of 2013. This line was placed into service in April 2014.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT FIVE YEARS.

1. Plains Pipeline has constructed this line to deliver crude oil from the Williston ND area to the Canadian border near Outlook, MT where it connects with Wascana Pipeline in Canada. Connections from other crude oil sources such as production companies and other pipelines are possible, however, no plans are in existence at this time.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT TEN YEARS.

1. There are no other plans for this pipeline during the next 10 years other than possibly pipeline connections from various production companies, however, no plans are in existence at this time.

• Trenton System Transmission Facilities (Pipeline)

- 1. Richland County, MT to Trenton Station near Williston, ND
 - a. Product type: crude oil
 - b. Length of facility: 303 miles (280 miles are in Montana)
 - c. Pipe Size: 4", 6" and 10"
 - d. Maximum design operating pressure: 1440 psi
 - e. Maximum design flow rate: 36,000 bpd
 - f. Pump station specifications: Oil is gathered from production facilities with individual pumps at production sites in North Dakota and Montana. A truck unloading facility, Richland Station, injects crude into the line in Richland County, MT. Oil is gathered to tankage at Trenton Station near Williston, ND. Trucks can also unload at Trenton Station.
 - g. Minimum cover over pipe: 48" (more or less)
 - h. The Trenton gathering line was placed in service in 1968.
 - i. Internal inspection tools were ran in the pipeline in 1997, 2004, 2009, and 2014.
 - j. 5000' of changeouts were made in 1997-1998. Additional repairs were made in early 2005 as a result of the 2004 internal line inspection tool run. Other anomalies were addressed with pipe replacements as a result of the 2009 internal inspection tool run.

- k. Various line segments as well as the ND segments were internally inspected in 2014 and 2015.
 - l. Approximately 5 miles of 10" pipeline, including a 10" line bored under the Missouri River, have been constructed in 2006 to replace portions of the 6" line to increase capacity. The replaced portions of the 6" pipeline have been taken out of service.
2. East Fork Gathering Pipeline (INACTIVE)
- a. Product type: crude oil
 - b. Length of facility: 30 miles
 - c. Pipe size: 6" and 4"
 - d. Maximum design operating pressure: 1440 psi
 - e. Maximum design flow rate: 8400 BPD
 - f. Pump specifications: All pumps have been removed from production facilities.
 - g. Minimum pipe cover: 48" (more or less)
 - h. Internal inspection tool run in 1997.
 - i. No changeouts were required.
 - j. This line has been purged of all crude oil.

This pipeline is currently idle. Plains maintains the property, however, to preserve its salvage value or return it to service should that be desired.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES IN THE NEXT FIVE YEARS:

1. Plains Pipeline has no plans in the next 5 years to expand this pipeline other than possible connects to various sites such as production facilities or other carriers. However, no approved plans or projects are pending at this time.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES IN THE NEXT TEN YEARS:

1. See above 5 year plan.

• **Johnson Corner Terminal**

1. East of Watford City, ND, just east of Johnsons Corner intersection of Hwy 23 & 78
 - g. Product type: crude oil
 - h. Length of facility: no pipeline
 - i. Pipe Size: N/A
 - j. Maximum design operating pressure: N/A
 - k. Maximum design capacity: 50,000 bpd
 - l. Pump station specifications: Oil will be gathered from trucks from production sites in North Dakota and Montana and unloaded at this facility. A short pipeline (.8 miles) has been installed to connect the Johnson Corner Terminal with a nearby connecting carrier to receive or deliver crude oil.

- m. 2-250,000 bbl crude oil storage tanks exist at this terminal as well as associated measurement and pumping equipment.

2. In-Service "Dates"

- a. This terminal was acquired by Plains from Legion Terminals LLC in early 2015 while under construction. Currently, it is not in service, but construction is near completion and intentions are to commission the facility in July 2015.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT FIVE YEARS.

1. Although there are expansion and pipeline facilities under consideration, no definite, approved plans are underway at this time.

PROPOSED CONSTRUCTION OF TRANSMISSION FACILITIES DURING THE NEXT TEN YEARS.

1. See above 5 year plan.

Company Overview

Plains Pipeline, L.P. provides crude petroleum transportation services from producing leases to various pipeline or refinery destinations. Ultimately, the crude oil is converted to marketable condition as fuels and lube products. Plains must react to the oil and gas industry's needs for its service on a much shorter time frame than five or ten years. The distances involved are relatively short and the need for the service is generally only foreseeable by a few short months. Long-range planning is valuable only to the extent that it permits Plains to react rapidly and efficiently to industry requirements for pipeline transportation services.

Regional Coordination

Oil and gas exploration activity remains uncertain due to unpredictable crude oil prices. Since petroleum exploration is a highly competitive business, regional planning for production and transportation of oil and gas production is very limited.

It is believed that if the companies engaged in the exploration and production of oil and gas coordinated their plans on a regional basis in order to meet regional fuel requirements as they foresaw them, they may expose themselves to the severe penalties associated with violation of the nation's antitrust laws.

Environmental Information

Plains has developed cooperative working relationships with the U.S. Forest Service, the Bureau of Land Management, the North Dakota Industrial Commission, the North Dakota Public Service Commission, the State Health Department, the State Water Commission, and those counties in which it operates.

Plains selects pipeline corridors and routing to minimize impact as required by the statutes and rules and regulations of the Public Service Commission. Whenever desirable, Plains may employ local environmentalists and archaeologists to assist with planning; local farmers may be employed for restoring cropland to tillable condition following construction. Plains is proud of its safety record in the operation of facilities in North Dakota and is prepared to meet any emergency that should arise in order to minimize the impact of any pipeline failure.

In 1988, a new metering and SCADA supervisory system was installed on the Rhame to Baker, and Trenton lines for leak detection purposes. New pipelines under construction will have the newest technology for SCADA and leak detect available. Plains Pipeline's Control Center in Midland, TX monitors most of Plains Pipeline's operations in North Dakota. Plains maintains a rigid pipeline integrity program and periodically runs internal line inspection tools to find anomalies and perform required repairs and change outs as needed.

Projected Demand For Services

At the present time, the world market for crude oil is tight. This has led to higher crude oil prices.

Current high prices of crude oil have increased crude oil exploration in North Dakota and surrounding states. As development and production increases, the need for transportation capability also increases. New facilities and pipelines may need to be constructed to meet growing demand, however, uncertainty and confidentiality of production activities leads to short range planning by the crude oil gathering and transportation industry.