

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Alliance Pipeline L.P.

)

Docket No. RP15-1022-000

**COMMENTS OF THE
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

The North Dakota Public Service Commission (“NDPSC”) submits these comments to express concern regarding the proceedings involving the Alliance Pipeline L.P. (“Alliance”) Proposed Revisions to FERC Gas Tariff in the Federal Energy Regulatory Commission (“FERC”) Docket No. RP15-1022.

The NDPSC is a constitutional agency of the State of North Dakota vested with jurisdiction and authority to investigate and take action necessary to protect interests of the state from unreasonable rates, rules, and practices by utilities on interstate business. Within the State of North Dakota, there are industries, customers and potential business interests that may realize significant impacts due to the Alliance tariff filings and practices.

In comments filed with the NDPSC, Badlands NGLs, LLC (“Badlands”) alleges the Alliance tariff structure, exclusive processing arrangement between Alliance and Aux Sable, and associated contracts constitute a set of rules and practices that discriminate unjustly in favor of Aux Sable, such that this affiliate enjoys an exclusive arrangement with Alliance and its shippers to the exclusion of Badlands. If accurate, this places North Dakota at an unreasonable disadvantage with respect to other states downstream along the Alliance Pipeline. These allegations are further supported by a statement authorized by FERC Trial Staff (“Trial Staff”) to be included in Badland’s comments.

The statement by Trial Staff brought to the NDPSC’s attention that the Trial Staff believes that Badland’s inability to secure access to the natural gas stream for purposes of extracting and processing the ethane may be inconsistent with the FERC’s natural gas pipeline open access

interconnection/transportation rules, regulations, and precedent. Trial Staff's statement added that Badland's inability to secure access to the natural gas stream for purposes of extracting and processing the ethane may create issues of undue discrimination and undue preference under the Natural Gas Act, and that the facts underlying Badland's inability to secure access to the natural gas stream for purposes of extracting and processing the ethane may constitute anti-competitive conduct. Such facts, if demonstrated with sufficient proof in these proceedings, may constitute a violation of federal laws, rulings, orders, or regulations.

On 2 February 2016, Alliance filed Proposed Revisions to FERC Gas Tariff in FERC Docket No. RP16-581 to accommodate the future potential for additional processing plants connecting to the Alliance system, replacing references to the Aux Sable Plant with the more generic term "Processing Plant" to respond to concerns raised by Badlands in FERC Docket No. RP15-1022 to Section 20.1 of the General Terms and Conditions of Alliance's Tariff on Tariff Sheet No. 237 and other related tariff provisions. While the proposed neutralized tariff revisions are constructive, concerns remain as to whether the revisions adequately resolve the anti-competitive environment and exclusive arrangements that have already occurred as a result of Alliance and affiliate arrangements.

The NDPSC's concerns are directed towards the tariff structure, Alliance's exclusive processing arrangement and alleged discrimination in favor of its affiliate, Aux Sable, and do not extend to the broader rate issues pending in FERC Docket RP15-1022. While many of these issues are better suited to be addressed by the expertise of FERC, pursuant to North Dakota law, the NDPSC is empowered to continue its participation in the FERC proceedings for Docket No. RP15-1022 to fully discharge the NDPSC's duties, to encourage the full development and determination of the facts by FERC, and to help ensure a just and timely result for North Dakota and its citizens, whether by settlement entered into by mutual consent of the parties, or if necessary, by full and final adjudication.

Respectfully Submitted,

North Dakota Public Service Commission

By:

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Chairman

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Dated: February XX, 2016

Hamre, John G.

From: eFiling@ferc.gov
Sent: Friday, February 19, 2016 3:30 PM
To: Hamre, John G.; eFilingacceptance@ferc.gov
Subject: FERC Receipt of Filing in RP15-1022-000

Confirmation of Receipt

This is to confirm receipt by the FERC Office of the Secretary of the following electronic submission:

-Submission ID: 650547
-Docket(s) No.: RP15-1022-000
-Filed By: North Dakota Public Service Commission -Signed By: John Schuh -Filing Desc: Comments of North Dakota Public Service Commission under RP15-1022-000.
-Submission Date/Time: 2/19/2016 4:28:33 PM -Projected Filed Date/Time: 2/19/2016 4:28:33 PM (Subject to Change based on OPM/FERC Closure)

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Hamre, John G.

From: eFiling@ferc.gov
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To: Hamre, John G.; eFilingAcceptance@ferc.gov
Subject: FERC Acceptance for Filing in RP15-1022-000

Acceptance for Filing

The FERC Office of the Secretary has accepted the following electronic submission for filing (Acceptance for filing does not constitute approval of any application or self-certifying notice):

-Accession No.: 201602195194
-Docket(s) No.: RP15-1022-000
-Filed By: North Dakota Public Service Commission -Signed By: John Schuh -Filing Type: Comment on Filing -Filing Desc: Comments of North Dakota Public Service Commission under RP15-1022.
-Submission Date/Time: 2/19/2016 4:28:33 PM -Filed Date: 2/19/2016 4:28:33 PM

Your submission is now part of the record for the above Docket(s) and available in FERC's eLibrary system at:

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