Kelsch Kelsch Ruff & Kranda

C. F. Kelsch
1890 - 1987

William C. Kelsch
1932 - 2012

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THOMAS D. KELSCH, P.C.
TODD D. KRANDA, P.C.*
DANIEL J. NAGLE, P.C.**
GARRETT D. LUDWIG, P.C.*
ALEXANDER S. KELSCH

*Also Licensed in Minnesota
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March 29, 2016

RECEIVED
MAR 29 2016
NORTH DAKOTA
PUBLIC SERVICE COMMISSION

HAND-DELIVERED

MR. DARRELL NITSCHKE
EXECUTIVE SECRETARY
PUBLIC SERVICE COMMISSION
600 E BOULEVARD AVE - DEPT 408
BISMARCK ND 58505-0480

Re: Upland Pipeline LLC Project

Dear Mr. Darrell Nitschke:

Enclosed are 10 originals of Upland Pipeline LLC's Ten Year Plan for 2016 with regard to the Upland Pipeline Project.

Also enclosed is an original Notice of Filing and Affidavit of Service.

If you have any questions, please feel free to contact me.

Sincerely,

Todd D. Kranda

TK:ls
Encs
c: Upland Pipeline LLC

KKRK
ATTORNEYS AT LAW
Kelsch, Kelsch, Ruff & Kranda

1 **PU-16-144** Filed: 3/29/2016 Pages: 10
2016 ten year plan

Upland Pipeline LLC

Todd Kranda, Kelsch,Kelsch,Ruff&Kranda

UPLAND PIPELINE LLC

TEN-YEAR PLAN

2016

UPLAND PIPELINE LLC TEN YEAR PLAN

Upland Pipeline, LLC (Upland) proposes to construct and operate a new pipeline and related facilities, the Upland Pipeline Project (Project), to transport crude oil from various production areas in North Dakota (ND), United States (US) to existing and/or proposed pipeline system(s) in Canada. The Project would include approximately 126 miles of 20-inch diameter pipeline from a location approximately 15.5 miles southwest of Williston, ND to an interconnect at the US-Canada border, north of Flaxton, ND. The Project would be constructed in portions of Williams, Mountrail, and Burke Counties. Pursuant to Section 49-22-04 of the North Dakota Century Code, Upland hereby submits its Ten-Year Plan for 2016. The Section Headings in this report correspond to the descriptions as indicated hereafter:

Section 1 Description of the General Location, Size and Types of Facilities

The US portion of the Upland Pipeline System (Project) would include approximately 126 miles of 20-inch diameter pipeline from a location approximately 15.5 miles southwest of Williston, ND to the US-Canada border, north of Flaxton, ND. The Project would be owned as a separate pipeline system by Upland.

In addition to the pipeline, the Project would include the installation of five aboveground receipt facilities, four with one 100,000-barrel (bbl) storage tank and one with a 300,000 bbl storage tank. Three of the receipt facilities also would include a pump station.

Specifically, the above ground facilities will include:

Aune – Williams County – Oil storage tank and four (4) pump units
Trenton – Williams County – Oil storage tank and four (4) pump units
Epping – Williams County – Oil storage tank
Beaverlodge – Williams County – Oil storage tank
Tioga – Williams County – Oil Storage tank and five (5) pump units

A map identifying the pipeline corridor for the Project is attached.

Section 2 Energy Conversion Facilities and Transmission Facilities

Not Applicable – Upland does not propose to construct or operate any Energy Conversion Facilities or Transmission facilities within the next ten-year period.

Section 3 Regional Coordination

The Project discussed in Section 1 above is not currently part of a regional plan.

Section 4 Environmental Protection and Land Use Planning

The Project discussed in Section 1 above is subject to an Environmental Impact Statement to be prepared by the United States Department of State, with the assistance of other cooperating agencies, consistent with the National Environmental Policy Act. In addition, Upland is planning specific construction, operation and reclamation methods, and environmental protection measures as set forth in its Construction, Mitigation, and Reclamation Plan, as submitted with its application for a Presidential Permit to the Department of State:

http://www.state.gov/e/enr/applicant/applicants/uplandpipeline/index.htm, hereto, and as required by its PSC Certificate of Corridor Compatibility and Route Permit. An Emergency Response Plan (ERP) will be developed six (6) months prior to commencing new pipeline operations and submitted to pipeline safety regulators for approval.

Section 5 Projected Demands for Service

Williston Basin crude oil production in ND has increased over eight-fold in the past seven years from approximately 138,000 bpd to approximately 1.2 million bpd (ND Pipeline Authority (NDPA), 2014a). Currently, more than 12 percent of total US oil production is produced in the Williston Basin. According to the US Energy Information Administration (EIA), it is one of four regions (along with the Gulf of Mexico, Eagle Ford, and Permian basins) producing more than one million bpd (EIA, 2014c).

Currently, transportation by rail dominates all other forms of crude oil transport in the Williston Basin in ND (NDPA, 2014b). Out of state crude oil exports for the past year were 20 to 30 percent pipeline transport, 60 to 70 percent railway transport, and approximately one percent truck transport (NDPA, 2014b).

The need for the Project results from the limited pipeline capacity to transport ND Williston Basin crude oil out of the region. In July 2014, and in response to market demand, Upland conducted an open season seeking long-term shipper commitments on the Upland Pipeline System. Upland received sufficient commitments to underpin development of the proposed Project. The Upland Pipeline System is expected to help relieve these pipeline capacity constraints and mitigate the current reliance by ND Williston Basin producers on rail transportation. The Upland Pipeline System is planned to be in service by the end of 2020.

The purpose of the Project, therefore, is to develop the infrastructure necessary to provide shippers in the Williston Basin in ND with a pipeline option to transport crude oil to access various markets in Canada and the eastern US, including refineries on the eastern seaboard.

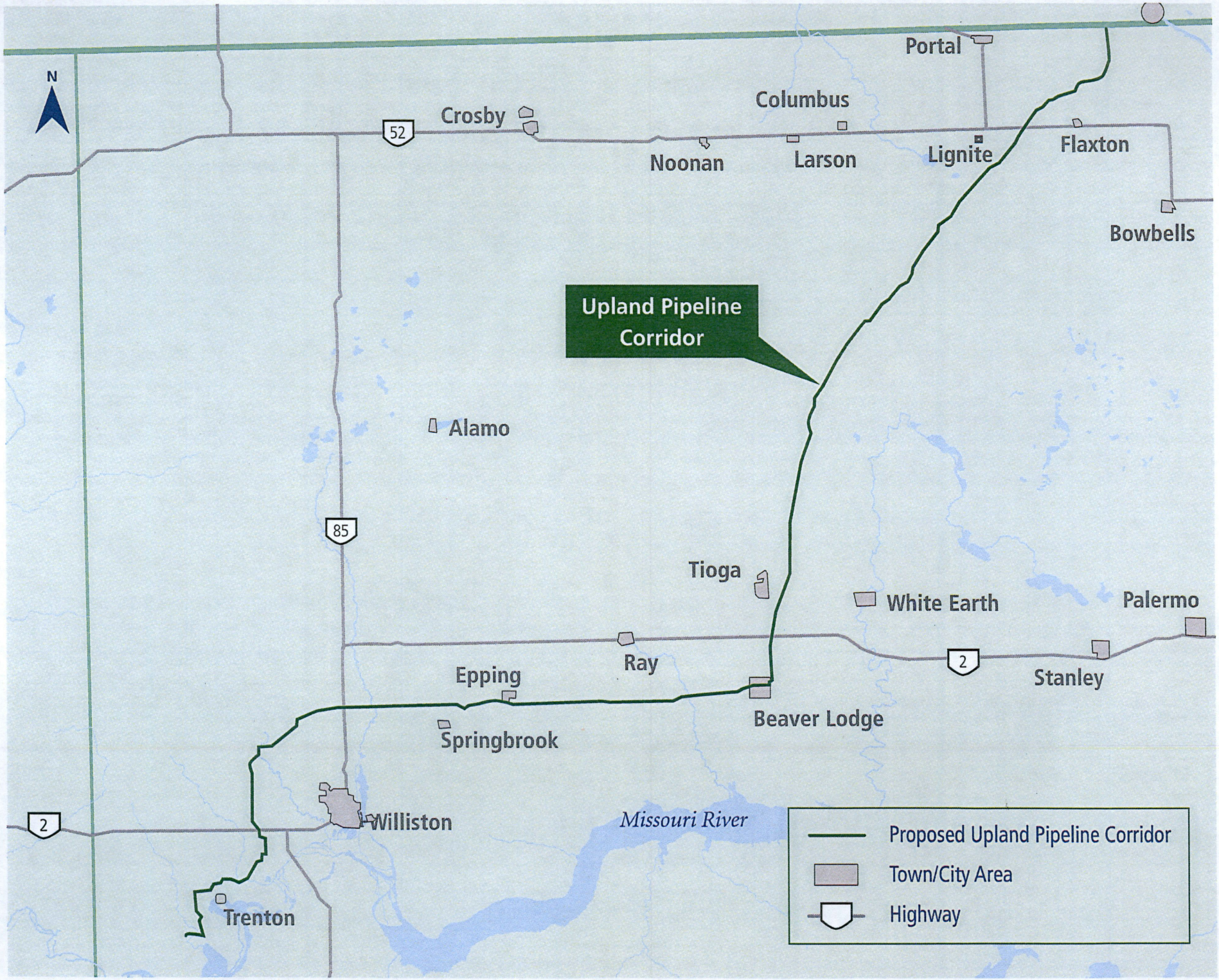
The proposed Project will transport up to 220,000 barrels of crude oil per day initially with an ultimate capacity of 300,000 barrels of crude oil per day.

Williston Basin crude oil has experienced large discounts relative to international benchmark crudes as a result of insufficient pipeline capacity to clear markets. The Project would provide additional pipeline capacity for Williston Basin crude oil to clear the large refining markets in the US East Coast, US Gulf Coast and eastern Canada. It would reduce volume transported by rail and improve producers' netback as a result of lower transportation costs. Refineries in the US East Coast and US Gulf Coast would benefit from increased supply diversity and energy security.

Pipelines continue to be the safest, most efficient, and environmentally preferable method for transportation of fossil fuels (Furchtgott-Roth and Green, 2013 and DOS, 2014).

Section 6 Other Relevant Information

Not applicable


N
Portal
Columbus
Crosby
52
Noonan
Larson
Lignite
Flaxton
Bowbells
Upland Pipeline Corridor
Alamo
85
Tioga
White Earth
Palermo
Ray
2
Stanley
Epping
Beaver Lodge
Springbrook
Williston
Missouri River
2
Trenton
Proposed Upland Pipeline Corridor
Town/City Area
Highway

NOTICE OF FILING

You are hereby notified, pursuant to Section 69-06-02-02(2) of the North Dakota Administrative Code, that Upland Pipeline, LLC has filed with the North Dakota Public Service Commission the Ten Year Plan for 2016 with regard to the Upland Pipeline project.

Dated this 29th day of March, 2016.

TODD D. KRANDA
State Bar ID No. 04512
KELSCH, KELSCH, RUFF & KRANDA
Attorneys for the Upland Pipeline LLC
103 Collins Avenue, P.O. Box 1266
Mandan, North Dakota 58554-7266
Telephone: (701) 663-9818
Facsimile: (701) 663-9810
kranda@kelschlaw.com

AFFIDAVIT OF SERVICE

STATE OF NORTH DAKOTA)
) ss.
COUNTY OF MORTON)

[1] IRENE MERCK, being first duly sworn, on oath, deposes and says: That she is a citizen of the United States, over the age of eighteen and not a party to the above-entitled action.

[2] That on the 29th day of March, 2016, this affiant deposited in the United States Post Office at Mandan, North Dakota, a true and correct copy of the following document(s) in the above captioned action:

a. Upland Pipeline LLC's 2016 Ten Year Plan

[3] That a copy of the above document(s) was securely enclosed in an envelope with postage duly prepaid, and addressed as follows:

BURKE COUNTY AUDITOR
PO BOX 310
BOWBELLS ND 58721

MOUNTRAIL COUNTY AUDITOR
PO BOX 69
STANLEY ND 58784-0069

WILLIAMS COUNTY AUDITOR
205 EAST BROADWAY, PO BOX 2047
WILLISTON ND 58802-2047

[4] That a "Notice of Filing" of the Ten Year Plan document was, with postage prepaid, mailed, directed to the persons to be served at their last known post office address as follows:

KYLE WANNER, DIRECTOR
NORTH DAKOTA STATE AERONAUTICS COMMISSION
BOX 5020
BISMARCK ND 58502-5020

WAYNE STENEHJEM, ATTORNEY GENERAL
OFFICE OF THE ATTORNEY GENERAL
600 E BOULEVARD AVE - DEPT 125
BISMARCK ND 58505

DOUG GOEHRING, COMMISSIONER
DEPARTMENT OF AGRICULTURE
600 E BOULEVARD AVE - DEPT 602
BISMARCK ND 58505-0020

TERRY DWELLE MD, STATE HEALTH OFFICER
NORTH DAKOTA DEPARTMENT OF HEALTH
600 E BOULEVARD AVE
BISMARCK ND 58505-0200

MAGGIE D ANDERSON, EXECUTIVE DIRECTOR
DEPARTMENT OF HUMAN SERVICES
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BISMARCK ND 58505-0250

TROY T SEIBEL, COMMISSIONER
DEPARTMENT OF LABOR
600 E BOULEVARD AVE - DEPT 406
BISMARCK ND 58505-0340

WAYNE KUTZER, STATE DIRECTOR & EXECUTIVE OFFICER
ND DEPT OF CAREER & TECHNICAL EDUC
600 E BOULEVARD AVE - DEPT 270
BISMARCK ND 58505-0610

ALAN ANDERSON, DIRECTOR
DEPARTMENT OF COMMERCE
1600 E CENTURY AVE - STE 2
BISMARCK ND 58503

JEFF ENGLESON, MANAGER
ENERGY DEVELOPMENT IMPACT OFFICE
C/O NORTH DAKOTA STATE LAND DEPT
PO BOX 5523
BISMARCK ND 58506-5523

TERRY STEINWAND, DIRECTOR
GAME & FISH DEPARTMENT
100 N BISMARCK EXPRESSWAY
BISMARCK ND 58501-5095

NORTH DAKOTA INDUSTRIAL COMMISSION
600 E BOULEVARD AVE, DEPT 405
BISMARCK ND 58505-0840

HONORABLE JACK DALRYMPLE
OFFICE OF THE GOVERNOR
600 E BOULEVARD AVE
BISMARCK ND 58505-0001

GRANT LEVI, DIRECTOR
DEPARTMENT OF TRANSPORTATION
608 E BOULEVARD AVE
BISMARCK ND 58505-0700

CLAUDIA BERG, DIRECTOR
STATE HISTORICAL SOCIETY OF NORTH DAKOTA
NORTH DAKOTA HERITAGE CTR - CAPITOL GROUNDS
612 E BOULEVARD AVE
BISMARCK ND 58505-0830

SCOTT DAVIS, EXECUTIVE DIRECTOR
INDIAN AFFAIRS COMMISSION
600 E BOULEVARD AVE - 1ST FL JUDICIAL WING
BISMARCK ND 58505-0300

CHERI GIESEN, EXECUTIVE DIRECTOR
JOB SERVICE NORTH DAKOTA
PO BOX 5507
BISMARCK ND 58506-5507

LANCE GAEBE, LAND COMMISSIONER
NORTH DAKOTA STATE LAND DEPT
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BISMARCK ND 58506-5523

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PARKS AND RECREATION DEPARTMENT
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ND STATE SOIL CONSERVATION COMMITTEE
2718 GATEWAY AVE - UNIT 104
BISMARCK ND 58503

TODD SANDO, STATE ENGINEER
STATE WATER COMMISSION
900 E BOULEVARD AVE
BISMARCK ND 58505-0850

US DEPARTMENT OF DEFENSE
1400 DEFENSE PENTAGON
WASHINGTON, DC 20301-1400

US FISH AND WILDLIFE SERVICE
3425 MIRIAM AVENUE
BISMARCK, ND 58501-7926

US ARMY CORPS OF ENGINEERS
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BISMARCK ND 58504

FEDERAL AVIATION ADMINISTRATION
4620 AMBER VALLEY PKWY S
FARGO, ND 58104

SANDI TABOR, DIRECTOR
NORTH DAKOTA TRANSMISSION AUTHORITY
PO BOX 2277
BISMARCK ND 58502-2277

JUSTIN KRINGSTAD, DIRECTOR
NORTH DAKOTA PIPELINE AUTHORITY
600 E BOULEVARD AVE, DEPT 405
BISMARCK ND 58505-0840

Irene Merck
IRENE MERCK

STATE OF NORTH DAKOTA)
) ss.
COUNTY OF MORTON)

The foregoing instrument was acknowledged before me this 29th day of March, 2016, by IRENE MERCK.

TODD D. KRANDA
Notary Public
State of North Dakota
My Commission Expires Aug. 10, 2019

Todd D Kranda
Notary Public

Prepared by: Todd D. Kranda
ND State Bar #04512
kranda@kelschlaw.com