

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

NST Express, LLC
8-Inch Crude Oil Pipeline – McKenzie County
Siting Application

Case No. PU-16-305

AFFIDAVIT OF SERVICE BY REGULAR AND ELECTRONIC MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

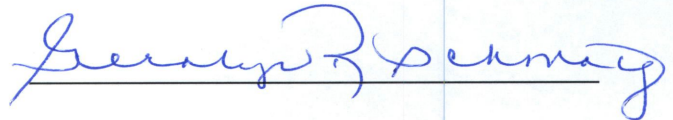
she is over the age of 18 years and not a party to this action and, on the **6th day of October, 2016**, she deposited in the United States Mail, Bismarck, North Dakota, **2** envelopes by first class mail, fully prepaid and **43** addressees electronically mailed a copy of:

Order on Recommended Findings of Fact, Conclusions of Law and Order

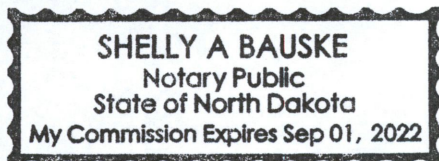
The envelopes and electronic mails respectively were addressed as follows:

See attached list.

Each post office address shown is the respective addressee's last reasonably ascertainable post office address and each email address is the respective addressee's last reasonably ascertainable electronic mailing address.



Subscribed and sworn to before me
this **6th day of October, 2016**.





Notary Public

SEAL

Pu. 16-305

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Pu. 16.305

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**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**NST Express, LLC
8-Inch Crude Oil Pipeline – McKenzie County
Siting Application**

Case No. PU-16-305

**ORDER ON RECOMMENDED FINDINGS OF FACT, CONCLUSIONS OF LAW AND
ORDER**

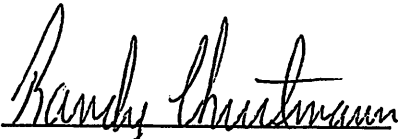
October 5, 2016

The evidence of record has been considered and appraised.

The Commission Orders:

1. The Hearing Officer's September 28, 2016 Recommended Findings of Fact, Conclusions of Law and Proposed Order, a copy of which is attached to and made a part of this Order, is ADOPTED as the Public Service Commission's Findings of Fact, Conclusions of Law and Order.
2. Certificate of Corridor Compatibility No. 193 is issued to NST Express, LLC designating a Corridor for the construction, operation, and maintenance of approximately 3.6 miles of 8.625-inch outside diameter crude oil transmission pipeline and associated facilities in McKenzie County, North Dakota. The Corridor will consist of a 200 to 400-foot-wide area as depicted in Hearing Exhibit 3.
3. Route Permit No. 205 is issued to NST Express, LLC designating a Route for the construction, operation, and maintenance of approximately 3.6 miles of 8.625-inch outside diameter crude oil transmission pipeline and associated facilities in McKenzie County, North Dakota. The designated route for this purpose is depicted in Hearing Exhibit 3.
4. Thirty days prior to commencing construction, the Company shall inform the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration of the intent to start construction.
5. Prior to commencing construction of any portion of the proposed Project, NST Express, LLC shall obtain all other necessary licenses and permits for construction of such portion, and provide copies to the Commission prior to construction of that portion of the Project.

PUBLIC SERVICE COMMISSION



**Randy Christmann
Commissioner**



**Julie Fedorchak
Chairman**



**Brian P. Kalk
Commissioner**

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

Certificate of Corridor Compatibility Number 193

This is to certify that the Commission has designated a transmission facility corridor for NST Express, LLC for the construction, operation, and maintenance of approximately 3.6 miles of 8.625-inch outside diameter crude oil pipeline and associated facilities in McKenzie County, North Dakota.

This certificate is issued in accordance with the Order of the Commission dated October 5, 2016 in Case No. PU-16-305 and is subject to the conditions and limitations noted in the Order.


Bismarck, North Dakota, October 5, 2016.

ATTEST:

PUBLIC SERVICE COMMISSION



Executive Secretary



Commissioner

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

Route Permit Number 205

This is to certify that the Commission has designated a transmission facility route for NST Express, LLC for the construction, operation, and maintenance of approximately 3.6 miles of 8.625-inch outside diameter crude oil pipeline and associated facilities in McKenzie County, North Dakota.


This permit is issued in accordance with the Order of this Commission dated October 5, 2016, in Case No. PU-16-305 and is subject to the conditions and limitations noted in the Order.

Bismarck, North Dakota, October 5, 2016.

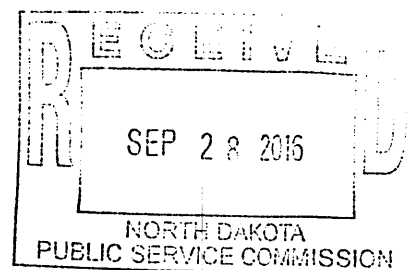
ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION



Case No. PU-16-305

NST Express, LLC
8-Inch Crude Oil Pipeline – McKenzie County
Siting Application

RECOMMENDED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

September 28, 2016

Appearances

Mollie M. Smith, Attorney at Law, Fredrikson & Byron, P.A., 200 South Sixth Street, Suite 4000, Minneapolis, Minnesota 55402, on behalf of NST Express, LLC.

John Schuh, Legal Counsel, North Dakota Public Service Commission.

Patrick J. Ward, Administrative Law Judge, Zuger Kirmis & Smith, PO Box 1695, Bismarck, ND 58502, as Substantive Hearing Officer.

Preliminary Statement

On June 16, 2016, NST Express, LLC (NST Express) filed applications for a certificate of corridor compatibility and a route permit concerning approximately 3.6 miles of 8.625 inch outside diameter steel pipeline and associated facilities for the transmission of crude oil (Project). The Project is to be located in McKenzie County, North Dakota.

Also on June 16, 2016, NST Express filed an application for waiver of procedures and time schedules established under North Dakota Century Code Sections 49-22-07.2, 49-22-08, 49-22-08.1, and 49-22-13, and North Dakota Administrative Code chapter 69-06-06 and section 69-06-01-02, requiring separate filings, separate notices and separate hearings on the certificate of corridor compatibility and route permit application.

On July 20, 2016, the Commission found the applications for a certificate of corridor compatibility and route permit complete and issued a Notice of Filings and Public Hearing (Notice) scheduling a hearing for September 13, 2016, at 11:30 a.m. Central Time at Teddy's Residential Suites, 113 9th Avenue SE, Watford City, North Dakota 58854.

29 PU-16-305 Filed: 9/28/2016 Pages: 10
Recommended Findings of Fact, Conclusions of
Law, and Order

Patrick, Ward, ALJ - Office of Administrative Hearings

The Notice identified the following issues to be considered with respect to the application for waiver of procedures and time schedules:

1. Are the proposed facilities of such length, design, location, or purpose that they will produce minimal adverse effects and that adherence to applicable procedures and time schedules may be waived?
2. Is it appropriate for the Commission to waive any procedures and time schedules as requested in the application?

The Notice identified the following issues to be considered with respect to the applications for certificate of corridor compatibility and route permit:

1. Will the location 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?

On September 13, 2016, the hearing was held.

Having allowed all interested persons an opportunity to be heard, and having heard, reviewed and considered all testimony and evidence presented, the Hearing Officer makes the following:

Findings of Fact

1. NST Express is a Delaware limited liability company authorized to do business in the State of North Dakota since December 17, 2014, as evidenced by the corporate papers filed with the Commission on June 16, 2016 (see Case No. PU-15-282).

Size, Type, and Preferred Location of Facility

2. The Project will consist of approximately 3.6 miles of new, 8.625-inch outside diameter pipeline and associated facilities to be located in McKenzie County, North Dakota. The Project will originate at an existing Tesoro Logistics GP, LLC (Tesoro) break-out tank located approximately 6 miles north of Alexander, North Dakota, and terminate at the NST Express Alexander Facility located approximately 9 miles northwest of Alexander, North Dakota, which is currently under construction. The pipe

will have a wall thickness of 0.250 inches and the bore pipe will have a wall thickness of 0.322 inches.

3. The maximum capacity of the Project will be 40,000 barrels per day. The maximum operating pressure of the pipeline will be 1,440 pounds of pressure per square inch gauge, and the maximum operating temperature will be 100 degrees Fahrenheit.
4. Within the Tesoro site, Project facilities will include a valve, a strainer, a booster pump, a modular pump, a meter, a pig launcher, 16-inch pipe between the Tesoro break-out tank and the booster pump, and supervisory control and data acquisition (SCADA) and communications equipment.
5. Within the NST Express Alexander Facility, Project facilities will include a pig receiver, a meter, piping to reach the interconnection point, and SCADA and communications equipment. The Project will interconnect to the NST Express Alexander Facility via one of the facility's six pipeline interconnections.
6. Outside of the two terminals, the above-ground facilities will consist of pipeline markers at designated locations such as road crossings.
7. The Projects will be designed, constructed, operated, and maintained in compliance with Code of Federal Regulations Title 49 Part 195 Hazardous Liquids Pipeline Safety Regulations.
8. The construction right of way will typically be 50 feet wide, but will be expanded in some areas, such as at road crossings. The permanent right of way will be no more than 30 feet wide.
9. The total cost of the Project is estimated to be approximately \$6.8 million.

Study of Preferred Location

10. NST Express evaluated a 1-mile-wide area extending from the Tesoro break-out tank site to the point of the Project's interconnection with the NST Express Alexander Facility (Study Area). NST Express collected environmental data and information on soils, land use, cultural resources, wetlands, waterbodies, noxious weeds, trees, shrubs, and protected species and habitats in the Study Area.
11. NST Express conducted a Class III cultural resource inventory and various natural resource field surveys from the Tesoro break-out tank site to the point of the Project's interconnection with the NST Express Alexander Facility over an area ranging from approximately 200 to 400 feet wide to include the construction right of way (Survey Area).
12. The following agencies were contacted by NST Express and provided comments regarding the Project: U.S. Army Corps of Engineers (USACE); North Dakota Game

and Fish Department (NDGF); State Historical Society of North Dakota (SHSND); North Dakota State Water Commission (SWC); North Dakota Department of Health (NDDH); North Dakota Department of Commerce (NDDC); North Dakota Department of Transportation (ND DOT); and McKenzie County. Input provided includes the following:

- (a) The USACE stated that a USACE permit may be required, and noted where potentially applicable permit application forms could be obtained.
- (b) The NDGF stated that it did not believe the Project will have significant adverse effects on wildlife or wildlife habitat, provided certain recommendations are implemented where appropriate. The NDGF also stated that no known eagle or other raptor nests, or other sensitive species, are located within one mile of the Project.
- (c) The SHSND concurred with the determination set forth in the Class III cultural resources inventory report that no significant sites will be affected by the Project, provided the report's monitoring, avoidance, and fencing recommendations for the unevaluated cultural resource sites identified are followed. In addition, SHSND found the Unanticipated Discovery Plan acceptable.
- (d) The NDDH stated that it believed environmental impacts from the Project will be minor and can be controlled by proper construction methods, and provided its construction comments and construction and environmental disturbance requirements.
- (e) The SWC stated that no floodplains were identified/mapped in the Project area, the Project takes place in a "No Special Flood Hazard Area," and no floodplain permits are necessary from McKenzie County; recommended contacting the Western Area Water Supply Authority (WAWSA) regarding infrastructure that may be in the Project area; noted it is NST Express's responsibility to contact local, state, and federal agencies regarding any required approvals, permits, and easements; and stated all waste materials must be disposed of properly. As a follow-up to SWC's comments, NST Express contacted WAWSA, which provided a shapefile showing the location of its water transmission line crossed by the Project.
- (f) The NDDC stated that the Project consultation letter had been reviewed through the North Dakota Federal Program Review Process and clearance had been given.
- (g) The ND DOT stated that the Project should have no adverse effect on the ND DOT highways, and permits and risk management documents will need to be obtained from the District Engineer for any work on highway right of way.

- (h) McKenzie County issued a Conditional Use Permit to NST Express for the Project.

Siting Criteria

13. The Commission has established criteria pursuant to North Dakota Century Code Section 49-22-05.1 to guide the Commission in evaluating the suitability of granting a certificate of corridor compatibility and route permit. The criteria, as set forth in North Dakota Administrative Code Section 69-06-08-02, are classified as Exclusion Areas, Avoidance Areas, Selection Criteria, and Policy Criteria.

14. NST Express evaluated the Project with respect to the Exclusion, Avoidance, Selection, and Policy Criteria of the Commission.

15. A transmission facility route must not be sited within an Exclusion Area. Exclusion areas may be located within a corridor, but at no given point may such an area or areas encompass more than fifty percent of the corridor unless there is no reasonable alternative. No Exclusion Areas are present within the Survey Area.

16. An Avoidance Area is a geographic area that may not be considered in the routing of a transmission facility unless the applicant shows that, under the circumstances, there is no reasonable alternative. In determining whether an Avoidance Area should be designated for a transmission facility, the Commission may consider, among other things, the proposed management of adverse impacts, the orderly siting of facilities, system reliability and integrity, the efficient use of resources, and alternative routes. Economic considerations alone are not sufficient to establish no reasonable alternative.

17. Pursuant to North Dakota Century Code Section 49-22-05.1, areas within five hundred feet of an inhabited rural residence must be designated avoidance areas. The five hundred foot avoidance area criteria for an inhabited rural residence may be waived by the owner of the inhabited rural residence in writing. The Project will be located within five hundred feet of four mobile home units. NST Express has obtained waivers of the avoidance area criteria from the owner of the mobile home units and from the landowner (see Hearing Exhibit No. 6).

18. Two cultural resource sites that remain unevaluated for National Register of Historic Places (NRHP) eligibility are present within the Project's corridor, but the sites are avoided by the route and are less than fifty percent of the corridor. NST Express will fence the site boundaries during construction and a qualified archaeological monitor will be present for ground-disturbing activities within 100 feet of the boundary of each site.

19. Accordingly, no Avoidance Areas will be impacted by the Project.

20. In accordance with the Commission's Selection Criteria, a transmission facility route shall be designated if it is demonstrated that any significant adverse effects that will result from the location, construction, and operation of the transmission facility will be at an acceptable minimum, or will be managed and maintained at an acceptable minimum.

21. NST Express has analyzed the impacts of the Project in relation to all of the relevant Selection Criteria. No significant adverse impact will result from the location, construction, and operation of the Project.

22. In accordance with the Commission's Policy Criteria, preference may be given to an applicant demonstrating certain benefits of the transmission facility. NST Express has analyzed the relevant Policy Criteria and has committed to: designing and constructing the pipeline in accordance with all applicable federal, state, and local laws and regulations; energy conservation through the facility's location, process, and design; training and utilizing available labor in the state; constructing the Project to take advantage of economies of scale; achieving transmission capacity in the most minimally intrusive and most efficient way possible; and coordinating with state and local officials. NST Express submitted evidence to demonstrate its commitment to maximize the benefits of the proposed transmission facility to the extent possible so as to meet the policy criteria.

Measures to Minimize Impact

23. NST Express testified that a SCADA system will be installed as part of the Project, which will monitor pressure, flow, and temperature 24 hours per day, 7 days per week at a control center, and the control center will have the ability to remotely shut down the Project.

24. NST Express has agreed to a number of steps to mitigate the impact of the Project, as indicated by the Certification Relating to Order Provisions – Transmission Facility Siting, dated September 12, 2016, with accompanying Tree and Shrub Mitigation Specifications, which is incorporated by reference and attached to this Order.

25. NST Express testified that it plans to cross wetlands using horizontal directional drilling to avoid wetlands, and no permanent impacts to wetlands are anticipated.

26. NST Express testified that it will retain inspectors to ensure compliance with environmental and safety requirements during Project construction.

27. NST Express testified that it will participate in the North Dakota One-Call Excavation System.

28. NST Express testified that the design, construction, and operation of the Project will be in accordance with the United States Department of Transportation regulations governing the transportation of crude oil, including those set forth in 49 C.F.R. Part 195.

From the foregoing Findings of Fact, the Hearing Officer now makes the following:

Conclusions of Law

1. The Commission has jurisdiction over NST Express and the subject matter of these applications under Chapter 49-22 of the North Dakota Century Code.
2. NST Express is a utility as defined in Section 49-22-03(13) of the North Dakota Century Code.
3. The Project proposed by NST Express is a transmission facility as defined in Section 49-22-03(12) of the North Dakota Century Code.
4. The location, construction, and operation of the Project will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.
5. The location, construction, and operation of the Project are compatible with environmental preservation and the efficient use of resources.
6. The Project 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.
7. The Project is of such design and location that it will produce minimal adverse effects, in accordance with Section 49-22-07.2 of the North Dakota Century Code.
8. It is appropriate for the Commission to waive those certain procedures and time schedules as requested in the waiver application and pursuant to North Dakota Century Code Section 49-22-07.2.

From the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer now issues the following:

Recommended Order

1. NST Express's application for waiver of procedures and time schedules is granted.
2. A Certificate of Corridor Compatibility shall be issued to NST Express, LLC designating a corridor for the construction, operation, and maintenance of an approximately 3.6-mile long, 8.625-inch outside diameter crude oil pipeline and associated facilities in McKenzie County, North Dakota. For purposes of the Certificate, the designated corridor is the corridor depicted in Hearing Exhibit No. 3.

3. A Route Permit shall be issued to NST Express, designating a route for the construction, operation, and maintenance of an approximately 3.6-mile-long, 8.625-inch outside diameter crude oil pipeline and associated facilities in McKenzie County, North Dakota. For purposes of the Permit, the designated route is the route depicted in Hearing Exhibit No. 3.

4. The September 12, 2016 Certification Relating to Order Provisions – Transmission Facility Siting (Certification), with accompanying Tree and Shrub Mitigation Specifications, shall be incorporated by reference and attached to the Order.

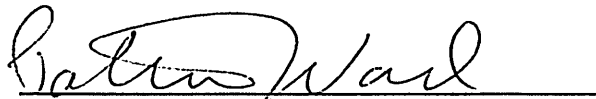
5. To the extent there are any conflicts or inconsistencies between NST Express's Application and the Certification, the Certification provisions control.

6. One year after the Project is placed in service, NST Express shall file with the Commission a summary of the status of restoration activities related to the Project, including any restoration-related issues raised by landowners or identified by NST Express.

7. If a spill by NST Express requires notification to any other state or federal agency, NST Express will also inform the Commission of such spill within 24 hours of occurrence by leaving a message at the Commission's Toll Free Number, with a follow-up email to the Commission's Executive Secretary.

8. NST Express is required to comply with all applicable laws, rules, and/or regulations in the event it desires to construct another or a different transmission facility than was specified in the application within the corridor granted in this proceeding.

Dated at Bismarck, North Dakota this 25th day of September, 2016.



Patrick J. Ward
Administrative Law Judge
Office of Administrative Hearings

Val Lapaloff

Subscribed and sworn to before me, today, September 28, 2016.

Betty Hertz
NOTARY PUBLIC

BETTY H. MERTZ
Notary Public
State of North Dakota
My Commission Expires November 7, 2020

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**NST Express, LLC
8-Inch Crude Oil Pipeline – McKenzie County
Siting Application**

Case No. PU-16-305

**CERTIFICATION RELATING TO ORDER PROVISIONS
TRANSMISSION FACILITY SITING**

I am Timothy J. Casey, a representative of NST Express, LLC ("Company") with authority to bind NST Express, LLC to requirements to be set forth by the Commission in its Order and I certify the following:

1. Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission will be subject to the conditions and criteria set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code, and that Company shall be responsible for compliance with this order and conditions and criteria set forth in the applicable laws and rules.
2. Company agrees to comply with the rules and regulations of all other agencies having jurisdiction over any phase of the transmission facility including all city, township, and county zoning regulations.
3. Company understands and agrees that it shall obtain all other necessary licenses and permits, and shall provide copies of all licenses and permits to the Commission prior to construction activity associated with the transmission facility that requires said license or permit.
4. Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission is subject to suspension or revocation and may, in an appropriate and proper case, be suspended or revoked for failure to comply with the Commission's order, the conditions and criteria of the certificate or subsequent modification, or failure to comply with the applicable statutes, rules, regulations, standards, and permits of other state or federal agencies.
5. Company agrees to maintain records that will demonstrate that it has complied with the requirements of the Commission's order issuing a Certificate of Corridor Compatibility or Route Permit, and that it will preserve these records for Commission inspection at any reasonable time upon reasonable notice.
6. Company understands and agrees that the authorizations granted by any Certificate of Corridor Compatibility or Route Permit issued by the Commission for

the transmission facility are subject to modification by order of the Commission if deemed necessary to protect further the public or the environment.

Construction:

7. Company agrees to hold a preconstruction conference prior to commencement of any construction, which must include a Company representative, its construction supervisor, and a representative of Commission Staff, to ensure that Company fully understands the conditions set forth in the Commission's order.
8. Company understands and agrees that all cultural resource mitigation plans must be submitted to the North Dakota State Historic Preservation Office and approved prior to the start of any fieldwork and construction activity in the affected area.
9. Company understands and agrees that topsoil removal will begin when the Commission's third-party construction inspector is present at the Project site to observe that topsoil is properly removed and kept segregated from subsoil until replacement occurs. Company shall establish the date and time for the Commission's third-party construction inspector's topsoil removal oversight in the preconstruction conference.
10. Company agrees to inform the Commission and the Commission's third-party construction inspector of its intent to start construction on the transmission facility prior to the commencement of construction. Once construction has started, Company shall keep the Commission and the Commission's third-party construction inspector updated on construction activities on a monthly basis.
11. Company understands and agrees that the pipeline will be buried to a minimum depth from the ground surface to the top of the pipe of 48 inches in range land, 48 inches for cultivated land, 48 inches at the bottom of the ditch for road crossings, and 72 inches across undeveloped section lines.
12. Company understands and agrees that all topsoil, up to 12 inches, or topsoil to the depth of cultivation, whichever is greater, over and along trench areas where cuts will be made, must be carefully stripped and segregated from the subsoil. Any area on which excavated subsoil will be placed must also be stripped of topsoil. The stripped topsoil must not be stockpiled in natural drainages, and must be protected from water erosion. Care must be taken to protect topsoil from unnecessary compaction by heavy machinery. Unless otherwise approved by the Commission, topsoil must be removed before topsoil freezes in the late fall/ early winter to the point that frost inhibits proper soil segregation. After backfilling with subsoil is completed, any excess subsoil must be placed over the excavation area, blending the grade into existing topography. Topsoil must be replaced over areas from which it was stripped only after the subsoil is replaced.

13. Company understands and agrees that all buried facility crossings of graded roads must be bored unless the responsible governing agency specifically permits Company to open cut the road.
14. Company understands and agrees that staging areas or equipment shall not be located on land owned by a person other than Company unless otherwise negotiated with landowners.
15. Company understands and agrees that if any cultural resource, paleontological site, archeological site, historical site, or grave site is discovered during construction, it must be marked, preserved and protected from further disturbances until a professional examination can be made and a report of such examination is filed with the Commission and the State Historical Society.
16. Company understands and agrees that construction must be suspended when weather conditions are such that construction activities will cause irreparable damage to roads or land, unless adequate protection measures are taken by Company.
17. Company understands and agrees that the Commission has authority to stop Project construction activities in the event of a probable violation of the siting laws, siting rules, or applicable Commission Orders if, in the opinion of the Commission, construction activities are likely to result in irreparable or significant harm.

Restoration and Maintenance:

18. Company understands and agrees that it shall, as soon as practicable upon the completion of the construction of the transmission facility, restore the area affected by the activities to as near as is practicable to the condition as it existed prior to the beginning of construction.
19. Company understands and agrees that all pre-existing township and county roads and lanes used during construction must be repaired or restored to a condition that is equal to or better than the condition prior to the construction of the transmission facility and that will accommodate their previous use, and that areas used as temporary roads or working areas during construction must be restored to their original condition.
20. Company understands and agrees that reclamation, fertilization, and reseeding is to be done according to the Natural Resources Conservation Service recommendations, unless otherwise specified by the landowner and approved by the Commission.

21. Company will fulfill its obligation for reclamation and maintenance of the approved transmission facility right-of-way, transmission facility, and associated facilities continuing throughout the life of the transmission facility.
22. Company will repair all fences and gates removed or damaged during all phases of construction and operation of the transmission facility.
23. Company will repair or replace all drainage tile broken or damaged as a result of construction and operation of the transmission facility.
24. Company agrees to comply with the Tree and Shrub Mitigation Specifications, attached.
25. Company understands and agrees that it shall remove all waste that is a product of construction and operation, restoration, and maintenance of the site, and properly dispose of it on a regular basis.
26. Company understands and agrees that it shall provide any necessary safety measures for traffic control or to restrict public access to the transmission facility.

Communication with Landowners and PSC:

27. Company understands and agrees that, prior to beginning construction of the transmission facility at a location, it shall send a letter to each landowner with whom an easement was executed for that location specifying the name and phone number of the company representative who is responsible for receiving and resolving landowner issues for the life of the easement.
28. Company understands and agrees that it will file with the commission the name and phone number of the current company representative who is responsible for receiving and resolving landowner issues for the transmission facility. The company will update this information whenever there is a change to the current company representative for the life of all easements for the transmission facility.
29. Upon request, Company agrees to provide the Commission with engineering design drawings of the transmission facility prior to construction.
30. Company understands and agrees that it shall advise the Commission as soon as reasonably possible of any extraordinary events which take place at the site of the transmission facility, including injuries to any person.
31. Company agrees to report to the Commission, as soon as reasonably possible, the presence in the permit area of any critical habitat or threatened or endangered species of which Company becomes aware and which were not previously reported to the Commission.

32. Company understands and agrees that it shall inform the Commission in writing of any plans to modify the transmission facility or of any plans to modify the site plan for the transmission facility.
33. Company agrees to provide the Commission with both an electronic and a paper copy of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built, and will provide this information within 3 months of the completion of the construction. Company also agrees to provide an electronic version of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built that can be imported into ESRI GIS mapping software within 3 months of the completion of the construction. This electronic map data must be referenced to the North Dakota coordinate system of 1983, North and/or South zones US Survey feet (NAD 83) UTM Zone 13N or 14N feet (NAD 83), or geographic coordinate system (WGS 84) feet. The vertical data must be in the appropriate vertical datum for the coordinate system used. All submissions must specify the datum in which the data was developed.
34. Company shall notify the Commission as soon as reasonably possible if any damage, as defined by North Dakota Century Code Chapter 49-23, occurs to underground facilities during construction conducted under the certificate or permit issued in this proceeding. In the event of any damage to underground facilities, Company shall suspend construction in the vicinity of the damage until compliance with One-Call Excavation Notice System requirements under North Dakota Century Code Chapter 49-23 has been determined.

Route Adjustments Before or During Construction:

35. Company agrees to utilize the following procedures if Company seeks a route adjustment before or during construction of the pipeline, pursuant under N.D.C.C. §49-22-16.3:
36. Company will specifically identify which subsection of NDCC 49-22-16.3 it is requesting the adjustment under. Company will file the name and contact information for a key contact person for the purposes of notice and communication during the adjustment application.
37. **ROUTE ADJUSTMENT WITHIN DESIGNATED CORRIDOR, NO AVOIDANCE AREA AFFECTED:** Before conducting any construction activities for any adjustment to the designated route within the designated corridor under NDCC 49-22-16.3(1), the Company will file:

- a. Certification and supporting documentation affirming that construction activities will be within the designated corridor, will not affect any known exclusion or avoidance areas within the designated corridor;
- b. Certification and supporting documentation, including a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying the designated corridor, route and the route adjustment;
- c. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

38. **ROUTE ADJUSTMENT WITHIN DESIGNATED CORRIDOR, AVOIDANCE AREA AFFECTED:** Before adjusting the route of a gas or liquid transmission line under NDCC 49-22-16.3(2), within the designated corridor that may affect an avoidance area, and before conducting any construction activities for any adjustment to the designated route within the designated corridor, the Company will file:

- a. A specific description of the avoidance area expected to be impacted, including a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying:
 - i. the designated corridor, route and the route adjustment;
 - ii. all exclusion and avoidance areas within the portion of the designated corridor containing the route adjustment
- b. Certification and supporting documentation affirming:
 - i. That construction activities will be within the designated corridor
 - ii. That construction activities will not affect any known exclusion area
- c. All field studies performed on the portion of the designated corridor containing the route adjustment;
- d. Specific information about any mitigation measures Company will take within the adjustment area;
- e. Certification that each owner of real property on which the adjustment is to be located and any applicable governmental entity with an interest in the same adjustment area do not oppose the adjustment;
- f. Certification that unless the Commission previously authorized the impact to the same avoidance area, that the utility has good cause and a specific reason to impact the avoidance area and a reasonable alternative does not exist;
- g. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

Company acknowledges and agrees that:

1. Written authorization from the Commission for impacting the avoidance area is necessary prior to commencement of construction activity unless the Commission fails to act within ten working days of receipt of filing a complete adjustment application, in which case the adjustment is deemed approved.
2. The initiation of the ten working days begins upon receipt of a complete filing, to include Company's certifications, supporting documentation and maps. However, Commission may extend the ten working day provision if Company, in the person of the key contact referenced above, is informed of the reason additional time is necessary for extension and has no objection to an extension.

39. **ROUTE ADJUSTMENT OUTSIDE DESIGNATED CORRIDOR, NO AVOIDANCE AREA AFFECTED:** Before adjusting the route of a gas or liquid transmission line under NDCC 49-22-16.3(3), outside the designated corridor and not affecting any exclusion and avoidance area, before conducting any construction activities for any adjustment to the designated route outside the designated corridor, the Company will file:

- a. Certification and supporting documentation affirming that construction activities will not affect any known exclusion or avoidance areas,
- b. Certification and supporting documents stating the length of the proposed route outside of the corridor and a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying the designated corridor, corridor adjustment, designated route and the route adjustment;
- c. Certification that each owner of real property on which the adjustment is to be located and any applicable governmental entity with an interest in the same adjustment area do not oppose the adjustment; and
- d. Detailed field studies indicating exclusion and avoidance areas for the proposed adjustment area; and
- e. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

40. **ROUTE ADJUSTMENT OUTSIDE DESIGNATED CORRIDOR, AVOIDANCE AREA AFFECTED:** Before adjusting the route of a gas or liquid transmission line under NDCC 49-22-16.3(4), outside the designated corridor that may affect an avoidance area, and before conducting any construction activities for any adjustment to the designated route outside the designated corridor, the Company will file:

- a. A specific description of the avoidance area expected to be impacted, including a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying:

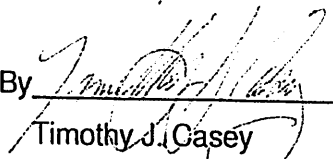
- i. the designated corridor, corridor adjustment, route and the route adjustment;
- ii. all exclusion and avoidance areas within the adjustment area
- b. Certification that construction activities will not affect any known exclusion area;
- c. Certification that the utility has good cause and a specific reason to impact the avoidance area and a reasonable alternative does not exist within the designated corridor and route;
- d. Certification that each owner of real property on which the adjustment is to be located and any applicable governmental entity with an interest in the same adjustment area do not oppose the adjustment;
- e. Provide specific information about any mitigation measures Company will take within the adjustment area;
- f. Detailed field studies indicating exclusion and avoidance areas for the proposed adjustment area; and
- g. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

Company acknowledges and agrees that:

- 1. Written authorization from the Commission for impacting the avoidance area is necessary prior to commencement of construction activity unless the Commission fails to act within ten working days of receipt of filing a complete adjustment application, in which case the adjustment is deemed approved.
 - 2. The initiation of the ten working days begins upon receipt of a complete filing, to include Company's certifications, supporting documentation and maps. However, Commission may extend the ten working day provision if the Company, in the person of the key contact referenced above, is informed of the reason additional time is necessary for extension and has no objection to an extension.
41. When applicable, Company may submit the field studies from the original application for the corridor and route provided they cover the adjustment area.

Dated this 12th day of September, 2016.

COMPANY NAME - ~~AT&T~~
 NIS Express, LLC

By 
 Timothy J. Casey
 Its Chief Executive Officer

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

NST Express, LLC
8-Inch Crude Oil Pipeline – McKenzie County
Siting Application

Case No. PU-16-305

Tree and Shrub Mitigation Specifications

Inventory

1. Trees and shrubs anticipated to be cleared, including those that are considered invasive species or noxious weeds (e.g., *Caragana arborescens*, *Elaeagnus angustifolia*, *Rhamnus cathartica*, *Tamarix chinensis*, *T. parviflora*, *T. ramosissima*, *Ulmus pumila*), must be inventoried before cutting. The inventory must record the location, number, and species of trees and shrubs.
2. In windbreaks, shelterbelts and other planted areas, trees or shrubs anticipated to be cleared, regardless of size, must be inventoried for replacement.
3. In native growth areas, trees anticipated to be cleared that are 1 inch diameter at breast height (dbh) or greater must be inventoried for replacement.
4. In native growth areas, shrubs anticipated to be cleared in the permanent right-of-way must be inventoried for replacement.
5. In native growth areas outside the permanent right-of-way, shrubs must be cut flush with the surface of the ground, taking care to leave the naturally occurring seed bank and root stock intact. If soil disturbance is necessary, the native topsoil must be preserved and replaced after construction. Shrubs must be allowed to regenerate naturally where native topsoil is preserved and replaced. Where native topsoil is not preserved and replaced, shrubs anticipated to be cleared must be inventoried for replacement.
6. In native growth areas, trees and shrubs may be inventoried by actual count or by a sampling method that will properly represent the woody vegetation

population. A sampling plan developed by the company, filed with the North Dakota Public Service Commission (Commission) and approved prior to the start of construction must define the sampling method to be used for trees, for tall shrubs and for low shrubs. The data from the sample plots must be extrapolated to the total acreage of the wooded area to be cleared to determine the species and quantity of trees and shrubs to be replaced.

Clearing for Construction

7. Trees and shrubs must be selectively cleared, leaving mature trees and shrubs intact where practical.
8. The maximum width of clear cuts through windbreaks, shelterbelts and all other wooded areas is 50 feet, unless otherwise approved by the Commission.
9. If the area of trees or shrubs actually cleared differs from the area inventoried, the difference in number of trees and shrubs to be replaced must be noted on the inventory.

Replacement

10. Prior to tree and shrub replacement, documentation identifying the number and variety of trees and shrubs removed, as well as the mitigation plan for the proposed number, variety, type, location and date of replacement plantings, must be filed with the Commission for approval.
11. Two 2-year-old saplings must be planted for every one tree removed. Two shrubs (stem cuttings) must be planted for every one shrub removed.
12. Except in the case of invasive or noxious species, trees and shrubs must be replaced by the same species or similar species, suitable for North Dakota growing conditions as recommended by the North Dakota Forest Service. Invasive or noxious species must be replaced by similar non-invasive or non-

noxious species suitable for North Dakota growing conditions as recommended by the North Dakota Forest Service.

13. Tree and shrub replacement must not be conducted within a 20 to 30 foot wide path over the pipeline to facilitate visual inspections of the right-of-way in accordance with U.S. Department of Transportation safety regulations.
14. Landowners must be given the option of having replacement trees and shrubs planted on the landowner's property, either on or off the right-of-way. The landowner must also be given the opportunity to waive those options in writing in order to have replacement trees and shrubs planted off the landowner's property.
15. At the conclusion of the project, documentation identifying the actual number, variety, type, location and date of the replacement plantings must be filed with the Commission.
16. Tree and shrub replacements must be inspected annually, in September, for three years. The first annual inspection must be at least one year from the anniversary date of the original plantings. A report of each annual inspection must be submitted to the Commission by October 1 of each year, documenting the condition of plantings and any woodlands work completed as of September of each year. If after the third annual report the survival rate is less than 75%, the Commission may order additional planting(s).