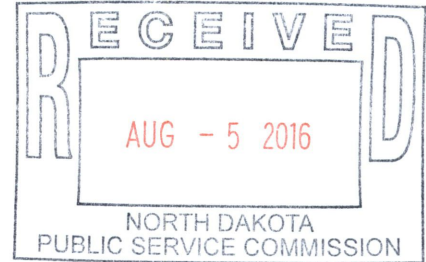


August 4, 2016

**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  
main 701.221.8700  
fax 701.221.8750  
fredlaw.com

3 PU-16-582 Filed 08/05/2016 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.

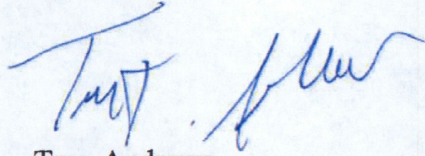
Following the anonymous call, PHMSA requested information from SPC in order to conduct an investigation into the allegations. SPC has complied with PHMSA’s request and has submitted the information for review. SPC is currently awaiting the results of the PHMSA investigation into the allegations.

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", written in a cursive style.

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