

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Andeavor Field Services LLC
8" & 6" NGL Pipelines – McKenzie, Billings, Stark
Siting Application**

Case No. PU-18-72

ORDER ON CONSENT AGREEMENT

December 14, 2022

Preliminary Statement

On June 13, 2018, the Commission issued its Findings of Fact, Conclusions of Law and Order (Order) in Case No. PU-18-72 issued Certificate of Corridor Compatibility Nos. 205, 206 and 207, and Route Permit Nos. 215, 216, and 217 to Andeavor Field Services LLC (Andeavor) for the location of a natural gas liquids pipeline approximately 17-miles long in McKenzie County (North Segment); for a natural gas liquids pipeline approximately 22-miles long in Billings and Stark Counties (South Segment), and for four liquids product pipelines, each approximately 5 miles long, in Stark and Billings Counties (Transfer Segments), North Dakota (Project).

On or about November 1, 2018, construction of the Project was completed.

On January 13, 2020, Commission Staff issued a Notice of Noncompliance (NN1).

On January 28, 2020, Andeavor filed copies of other licenses and permits necessary for construction with the Commission.

On May 13, 2020, Andeavor filed as-built maps of the Project.

On September 25, 2020, Commission Staff issued a supplemental Notice of Noncompliance (NN2).

On October 28, 2021, Commission Staff issued a letter requesting Andeavor to file an application to amend the Commission's June 13, 2018, Order in Case No. PU-18-72.

On November 19, 2021, Andeavor filed with the Commission a combined application requesting that the Commission amend its June 13, 2018, Order and issue amended Route Permit Nos. 215, 216, and 217 that designate the routes for the pipelines in the locations where the pipelines were physically constructed (As-Built Routes). Andeavor's application also requests that the Commission amend its June 13, 2018, Order and issue amended Certificate of Corridor Compatibility Nos. 205, 206 and 207, designating a corridor that is 200 feet wide for the lengths of the pipeline segments, and centered on the As-Built Routes. Andeavor also requested a waiver of the hearing

requirement and proceed by virtue of the Commission's notice of opportunity for hearing procedure.

On December 1, 2021, the Commission issued a Notice of Opportunity for Hearing (Notice) that provided until January 6, 2022, for receiving written comments and hearing requests. No response was received.

The Notice identified the issues in the application for waiver of procedures and time schedules are:

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 issues in the consolidated combined application for amended certificates of corridor compatibility and amended route permits are:

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's 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 March 15, 2022, the Commission discussed this matter with Andeavor and Staff during an Informal Hearing

On November 15, 2022, a Consent Agreement between Public Service Commission Advocacy Staff and Andeavor was filed for resolution of NN1 and NN2.

Discussion

The Commission's June 13, 2018, Order issued Certificates of Corridor Compatibility Nos. 205, 206 and 207 and Route Permit Nos. 215, 216 and 217 for the Project.

The North Dakota Public Service Commission retained Wenck Associates, Inc. (Wenck) as a third-party vendor to provide construction inspection services in the above-referenced case.

On October 29, 2019, Wenck filed an As-Built Inspection Report (Report) regarding the Andeavor NGL Pipeline Project. Wenck determined that as-built pipeline alignment deviated from the route designated by the Commission at four locations: (1) S 22, T 149N, R 98W, (2) S 34, T 141N, R 99W, (3) S 06, T 140N, R 99W, and (4) S 10 and S 11, T 139N, R 100W. (Report paragraph 3.3.3).

The January 13, 2020, NN1 noted the following concerns:

- Andeavor failed to file with the Commission, certifications and supporting documentation, required under North Dakota Century Code (NDCC) Section 49-22.1-15, for the four route adjustments.
- Andeavor failed to file a copy of its McKenzie County Conditional Use permit with the Commission.
- Andeavor failed to file a copy of its North Dakota Department of Health Permit to Discharge Hydrostatic Test Water.
- Andeavor failed to file a copy of its permits from the North Dakota Department of Transportation (NDDOT) and the Federal Highway Administration to cross federal-aid highways.
- Andeavor failed to file a copy of its Utility Occupancy Permit from the NDDOT.
- Andeavor failed to file a copy of its Billings County Conditional Use/Pipeline Permit.
- Andeavor failed to keep the Commission and the Commission's third-party construction inspector updated on construction activities on a monthly basis.

The September 25, 2020, NN2 noted the following concerns:

- Andeavor failed to provide the Commission with as-built maps within three months of completion of construction of the Project.
- Of the 17-mile (89,760 feet) North Segment, approximately 2,951.5 feet are on the designated route.
- Of the 22-mile (116,160 feet) South Segment, approximately 268 feet are on the designated route.
- Of the 5-mile (26,400 feet) Transfer Segments, the majority are on the designated route. However, all four lines extend approximately 50 feet off the designated route at the east end, and 3,593 feet off the designated route at the west end.

The Commission has jurisdiction over the applicant, Andeavor Field Services LLC, and over the subject matter of the consolidated application under NDCC Section 49-22.1 of the North Dakota Century Code.

Andeavor is a utility as defined in North Dakota Century Code Section 49-22.1-01(12).

The Project is a gas or liquid transmission facility as defined in North Dakota Century Code Section 49-22.1-01(7).

The as-built Project route and corridor do not coincide with the route and corridor set forth in Andeavor's February 5, 2018, application.

Andeavor has filed with the Commission field surveys which cover all portions of the as-built 200-foot wide corridor which were not covered by the field surveys conducted prior to construction of the Project.

The Commission has determined that it is advisable to reduce the width of the as-built corridor to 100 feet, centered on the as-built Project route, to ensure that the field surveys conducted prior to construction of the Project cover the as-built corridor for the Project.

The Project is completed and there will be no further disturbance through additional construction activity.

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.

The location, construction, and operation of the Project is compatible with the environmental preservation and the efficient use of resources.

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.

Having allowed all interested persons an opportunity to be heard, and having considered this matter, the Commission makes the following:

Order

The Commission orders:

1. Andeavor's application for a waiver of procedures and time schedules is granted.
2. The Consent Agreement between Andeavor Field Services LLC and Public Service Commission Advocacy Staff filed with the Commission on November 15, 2022, is approved. A copy of the Consent Agreement is attached to and made a part of this Order on Consent Agreement.

3. Andeavor is assessed a civil penalty of \$50,000 for violations of NDCC section 49-22.1-15.4(3) and for failing to provide the required permits, monthly progress reports and as-built maps.
4. Andeavor shall remit the \$50,000 penalty, payable to the North Dakota Public Service Commission within ten business days of service of this Order on Consent Agreement.
5. First Amended Certificate of Corridor Compatibility No. 205 is issued to Andeavor Field Services LLC designating a corridor for the construction, operation, and maintenance of approximately 17 miles of 8-inch pipeline in McKenzie County, North Dakota, for the transportation of natural gas liquids. For the purposes of this Certificate, the designated corridor is 100-foot wide centered on the pipeline as-constructed.
6. First Amended Route Permit No. 215 is issued to Andeavor Field Services LLC designating a route for the construction, operation, and maintenance of approximately 17 miles of 8-inch pipeline in McKenzie County, North Dakota, for the transportation of natural gas liquids. For the purposes of this Permit, the designated route is depicted in the as-built maps of the Project on file with the Commission.
7. First Amended Certificate of Corridor Compatibility No. 206 is issued to Andeavor Field Services LLC designating a corridor for the construction, operation, and maintenance of approximately 22 miles of 8-inch pipeline in Billings and Stark Counties, North Dakota, for the transportation of natural gas liquids. For the purposes of this Certificate, the designated corridor is 100-foot wide centered on the pipeline as-constructed.
8. First Amended Route Permit No. 216 is issued to Andeavor Field Services LLC designating a route for the construction, operation, and maintenance of approximately 22 miles of 8-inch pipeline in Billings and Stark Counties, North Dakota, for the transportation of natural gas liquids. For the purposes of this Permit, the designated route is depicted in the as-built maps of the Project on file with the Commission.
9. First Amended Certificate of Corridor Compatibility No. 207 is issued to Andeavor Field Services LLC designating a corridor for the construction, operation, and maintenance of approximately 5 miles of four (4) separate 6-inch pipelines in Billings and Stark Counties, North Dakota, for the transportation of ethane, propane, butane, and natural gasoline. For the purposes of this Certificate, the designated corridor is 100-foot wide centered on the pipeline as-constructed.
10. First Amended Route Permit No. 217 is issued to Andeavor Field Services LLC designating a route for the construction, operation, and maintenance of approximately 5 miles of four (4) separate 6-inch pipelines in Billings and Stark Counties, North Dakota, for the transportation of ethane, propane, butane, and natural gasoline. For the purposes

of this Permit, the designated route is depicted in the as-built maps of the Project on file with the Commission.

11. All applicable provisions and requirements in the Commission's June 13, 2018, Findings of Fact, Conclusions of Law and Order in Case No. PU-18-72 continue to apply except where altered by this Order.

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chair


Sheri Haugen-Hoffart
Commissioner

PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA

First Amended
Certificate of Corridor Compatibility Number 205

This is to certify that the Commission has designated a transmission facility corridor for Andeavor Field Services LLC for the construction, operation, and maintenance of approximately 17 miles of 8-inch diameter pipeline and associated facilities in McKenzie County, North Dakota, for the transportation of natural gas liquids. For the purposes of this Certificate, the designated corridor is 100-foot wide centered on the pipeline as-constructed.

This certificate is issued in accordance with the Orders of the Commission dated June 13, 2018, and December 14, 2022, in Case No. PU-18-72 and is subject to the conditions and limitations noted in the Orders.

Bismarck, North Dakota, December 14, 2022.

ATTEST:

PUBLIC SERVICE COMMISSION



Executive Secretary



Commissioner

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

**First Amended
Certificate of Corridor Compatibility Number 206**

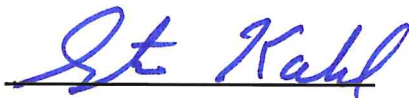
This is to certify that the Commission has designated a transmission facility corridor for Andeavor Field Services LLC for the construction, operation, and maintenance of approximately 22 miles of 8-inch diameter pipeline and associated facilities in Billings and Stark Counties, North Dakota, for the transportation of natural gas liquids. For the purposes of this Certificate, the designated corridor is 100-foot wide centered on the pipeline as-constructed.

This certificate is issued in accordance with the Orders of the Commission dated June 13, 2018, and December 14, 2022, in Case No. PU-18-72 and is subject to the conditions and limitations noted in the Orders.

Bismarck, North Dakota, December 14, 2022.

ATTEST:

PUBLIC SERVICE COMMISSION



Executive Secretary



Commissioner

PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA

First Amended
Certificate of Corridor Compatibility Number 207

This is to certify that the Commission has designated a transmission facility corridor for Andeavor Field Services LLC for the construction, operation, and maintenance of approximately 5 miles of four (4) separate 6-inch pipelines and associated facilities in Billings and Stark Counties, North Dakota, for the transportation of ethane, propane, butane and natural gasoline. For the purposes of this Certificate, the designated corridor is 100-foot wide centered on the pipeline as-constructed.

This certificate is issued in accordance with the Orders of the Commission dated June 13, 2018, and December 14, 2022, in Case No. PU-18-72 and is subject to the conditions and limitations noted in the Orders.


Bismarck, North Dakota, December 14, 2022.

ATTEST:

PUBLIC SERVICE COMMISSION



Executive Secretary



Commissioner

PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA

First Amended
Route Permit Number 215

This is to certify that the Commission has designated a transmission facility route for Andeavor Field Services LLC for the construction, operation, and maintenance of approximately 17 miles of 8-inch diameter pipeline and associated facilities in McKenzie County, North Dakota, for the transportation of natural gas liquids. For the purposes of this Permit, the designated route is depicted in the as-built maps of the Project on file with the Commission.

This permit is issued in accordance with the Orders of the Commission dated June 13, 2018, and December 14, 2022, in Case No. PU-18-72 and is subject to the conditions and limitations noted in the Orders.

Bismarck, North Dakota, December 14, 2022.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner

PUBLIC SERVICE COMMISSION

STATE OF NORTH DAKOTA

First Amended Route Permit Number 216

This is to certify that the Commission has designated a transmission facility route for Andeavor Field Services LLC for the construction, operation, and maintenance of approximately 22 miles of 8-inch diameter pipeline and associated facilities in Billings and Stark Counties, North Dakota, for the transportation of natural gas liquids. For the purposes of this Permit, the designated route is depicted in the as-built maps of the Project on file with the Commission.

This permit is issued in accordance with the Orders of the Commission dated June 13, 2018, and December 14, 2022, in Case No. PU-18-72 and is subject to the conditions and limitations noted in the Orders.

Bismarck, North Dakota, December 14, 2022.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner

**BEFORE THE NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Andeavor Field Services LLC
8" & 6" NGL Pipeline - McKenzie, Billings, Stark
Siting Application**

Case No. PU-18-72

Preliminary Statement

This Consent Agreement is entered into by and between Andeavor Field Services LLC ("Andeavor") and the Public Service Commission Advocacy Staff ("Staff") (together, the "Parties") for resolution of Staff's January 13, 2020 Notice of Noncompliance and September 25, 2020 Notice of Noncompliance Supplement issued to Andeavor in Case No. PU-18-72 (the "Matter") concerning pipeline construction violations and failure to file construction progress reports.

Route Adjustment Statute

North Dakota Century Code ("N.D.C.C.") Section 49-22.1-15.4(3) states:

4. Before or during construction, a utility may adjust the route of a gas or liquid transmission line outside the designated corridor that may affect an avoidance area if, before conducting any construction activities associated with the adjustment, the utility:
 - a. Files with the commission certification and supporting documentation that:
 - (1) The construction activities will not affect any known exclusion areas;
 - (2) The construction activities are expected to impact an avoidance area with a specific description of the avoidance area expected to be impacted;
 - (3) The utility has good cause and a specific reason to impact the avoidance area, and a reasonable alternative does not exist;
 - (4) The route outside the corridor is no longer than one and one-half miles [2.41 kilometers];

- (5) The utility will comply with the commission's order, laws, and rules designating the corridor and designating the route; and
 - (6) 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.
- b. Files detailed field studies indicating exclusion and avoidance areas for an area encompassing the route outside the designated corridor equal to the length of the adjustment of the proposed corridor.

Certificate of Site Compatibility - Y- Grade Pipeline

On June 13, 2018, the Commission issued its Findings of Fact, Conclusions of Law and Order (Order) in Case No. PU-18-72 and issued Certificate of Corridor Compatibility Nos. 205, 206 and 207, and Route Permit Nos. 215, 216 and 217 to Andeavor for the location of a natural gas liquids pipeline approximately 17-miles long in McKenzie County; for a natural gas liquids pipeline approximately 22-miles long in Billings and Stark Counties, and for four liquids product pipelines, each approximately 5-miles long, in Stark and Billings Counties, North Dakota (the Project).

On October 29, 2019, following completion of the construction of the Project, Wenck Associates, Inc., the Commission's third-party construction inspector, filed an As- Built Inspection Report determining that the Project deviated from the route designated by the Commission at four locations. In addition, the report stated that Andeavor did not file with the Commission certificates and supporting documents required under NDCC 49- 22.1-15 for the four route adjustments and as well as certain permits prior to construction. Finally, Andeavor did not keep the Commission and the Commission's third-party construction inspector updated on construction activities of the Project on a monthly basis.

On January 13, 2020, Commission staff issued a Notice of Noncompliance

to Andeavor Field Services LLC based on Wenck Associates, Inc.'s report referenced above.

On September 25, 2020, Commission staff issued a Notice of Noncompliance- Supplement to Andeavor Field Services LLC after receiving late filings of as-built maps as well as GIS versions. Commission staff affirmed that the as-built route does not coincide with the route designated by the Commission's June 13, 2018 Findings of Fact, Conclusions of Law and Order. Commission staff also affirmed that Andeavor failed to file with the Commission certifications and supporting documentation required under North Dakota Century Code section 49-22.1-15 before conducting construction activities associated with the route adjustments.

On November 19, 2021, Andeavor filed with the Commission a consolidated combined application requesting that the Commission amend its June 13, 2018, Order and issue amended Certificate of Corridor Compatibility Nos. 205, 206 and 207, and Route Permit Nos. 215, 216 and 217 to Andeavor designating the corridors and route for the Project to match the corridors and routes for the Project as it was ultimately constructed.

On June 6, 2022, The Commission issued an order amending the Certificate of Corridor Compatibility Nos. 205, 206, and 207 and Route Permits Nos. 215, 216 and 217.

Terms of Consent Agreement

Andeavor and Staff engaged in good faith settlement discussions regarding this Matter resulting in this Consent Agreement. Having agreed that settlement of this Matter will avoid further administrative proceedings or litigation and that entry

of this Consent Agreement is the most appropriate means of resolving this Matter, the Staff and Andeavor agree on the following terms, subject to the approval and acceptance of the Commission:

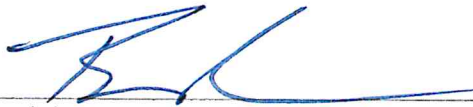
Staff and Andeavor agree to settle the Matter on the following terms:

1. Subject to the provisions of this Agreement, Andeavor agrees to a civil penalty, payable to the North Dakota Public Service Commission, of \$50,000 for not complying with the route adjustment statute as well as failure to provide the required permits and monthly progress reports.
2. There are no covenants, promises, undertakings, or understandings related to the resolution of the Matter other than those specifically set forth in this Agreement and Order.
3. This agreement may be executed in counterparts and duplicate copies, each which shall be deemed to be an original, and which, when taken together, shall constitute one and the same instrument.
4. The undersigned on behalf of Andeavor is authorized to act on behalf of Andeavor and bind Andeavor for purposes of this Consent Agreement and knows and fully understands the content and effect of this Consent Agreement.



Edward Cimaroli
Vice President, G&P West Operating Region
Marathon Petroleum Company LP

Dated this 3RD day of NOVEMBER, 2022.



Brian Johnson
Special Assistant Attorney General Bar ID 07397
North Dakota Public Service Commission

Dated this 14th day of November, 2022.