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April 6, 2020

Via E-mail Only

Mr. Steve Kahl
Executive Director
North Dakota Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0480

ndpsc@nd.gov

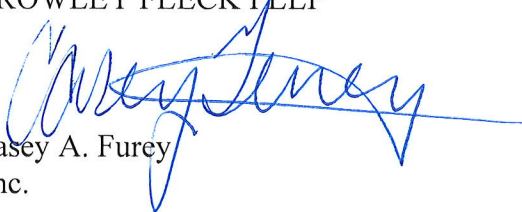
Re: Belle Fourche Pipeline Company
8-inch Wilson to Bowline Pipeline Conversion Project
Case No. PU-18-404
Our File No. 013084-000013

Dear Mr. Kahl:

Enclosed for filing in Case No. PU-18-404 is an electronic copy of the Affidavit of Robert Stamp, Engineering Director of Belle Fourche Pipeline Company and Bridger Pipeline LLC. The enclosed Affidavit is provided to set forth the timeline of operations of the Wilson to Bowline pipeline and the Kermit to Wilson gathering pipeline in response to ongoing discussions with Commission staff regarding the operations history of the above-referenced systems.

Respectfully,

CROWLEY FLECK PLLP


Casey A. Furey
Enc.

cc: Wade C. Mann (via email)
Kevin Cook (via email)
John Schuh (via email)
Brian Johnson (via email)
Patrick Fahn (via email)
Adam Renfandt (via email)

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Belle Fourche Pipeline Company
8-inch Wilson-Bowline Pipeline Conversion Project
McKenzie County
Siting Application

Case No. PU-18-404

STATE OF WYOMING)
) **ss.** **AFFIDAVIT OF ROBERT STAMP**
COUNTY OF NATRONA)

I, Robert Stamp being first duly sworn, state as follows:

1. I am the Engineering Director of Belle Fourche Pipeline Company (“Belle Fourche”) and Bridger Pipeline, LLC (“Bridger”) and affirm the following facts are true and correct to the best of my knowledge and belief.
2. I provide this affidavit to set forth the history and timeline of operations of the Wilson to Bowline and Kermit to Wilson pipeline systems located in McKenzie County, North Dakota as more particularly described herein.
3. On December 17, 2018, Belle Fourche filed with the North Dakota Public Service Commission (“Commission”), a consolidated application for a certificate of corridor compatibility and a route permit concerning the location of an approximate 20-mile existing eight-inch crude oil pipeline and associated facilities located in McKenzie County, North Dakota that has been converted from a gathering pipeline to a dual use gathering and transmission pipeline (“Wilson to Bowline”).
4. On September 4, 2019, the Commission adopted Findings of Fact, Conclusions of Law and Order issuing Belle Fourche Certificate of Corridor Compatibility No. 212 and Route Permit No. 222 for Wilson to Bowline.
5. Wilson to Bowline was constructed in two segments. In 1978, Belle Fourche constructed a four-mile segment, which extends from Bowline Junction to Red Wing Creek, as part of a gathering line from the Red Wind Creek Unit, to connect markets in Baker, Montana and further south. In 2012, Belle Fourche constructed the remaining approximate 16-mile segment of the gathering pipeline which extends from Red Wing Creek northeast to gather production from additional wells, and to connect to a truck unload facility (Wilson Truck Station) located approximately six miles south of Watford City.
6. Wilson to Bowline was constructed, in accordance with construction standards that comply with Pipeline Hazardous Materials Safety Administrative (“PHMSA”) regulations and was

operated, and maintained as gathering system in accordance with PHMSA and Commission definitions.

7. The Wilson Truck Station included a tank to store barrels of crude unloaded from trucks until the barrels entered the system and a pump to move the trucked barrels from the tank into the gathering line. However, the tank did not constitute a “pipeline storage site” under N.D.C.C. ch. 49-22.1 (the, “Siting Act”) and Wilson to Bowline was not subject to the Commission’s jurisdiction because it did not meet the definition of a “liquid transmission facility” pursuant to N.D.C.C. § 49-22.1-01(7).

8. In March 2018, Bridger started construction of the Kermit to Wilson gathering system which extended Belle Fourche’s gathering system further upstream of the Wilson Truck Station to the Johnson Corner area to support continuing growth of production in the area. The Commission’s jurisdiction does not extend to gathering systems. *See*, N.D.C.C. § 49-22.1-01(7) (the term “gas or liquid transmission facility” does not apply to “an oil or gas gathering pipeline system”).

9. After construction of the Kermit to Wilson gathering system and the start of operations (the system began gathering volumes of crude on or around October 15, 2018), the tank at the Wilson Truck Station continued to be used primarily for the unloading of trucked barrels of crude. However, because the Kermit to Wilson gathering system was connected to the Wilson Truck Station, volumes gathered through the Kermit to Wilson gathering system entered the tank in connection with further gathering activities at the Wilson Truck Station and were routed to downstream locations via Wilson to Bowline.

10. The Commission’s regulations do not expressly reference the “conversion” of existing gathering systems to transmission facilities. However, because the existing tank at the Wilson Truck Station was also capable of accepting volumes from the Kermit to Wilson gathering system as a result of the interconnection of the two facilities, a question arose regarding Wilson to Bowline’s ability to meet the technical definition of a “liquid transmission facility” under the Siting Act.

11. North Dakota Century Code § 49-22.1-04 requires a route permit before a company may “begin construction of a ... gas or liquid transmission facility.” “Construction” includes the “clearing of land, excavation, or other action affecting the environment of the site.” N.D.C.C. § 49-22.1-01(3).

12. No new construction occurred with respect to Wilson to Bowline. Wilson to Bowline continues to operate exactly as it did prior to the Kermit to Wilson interconnection by accepting volumes routed from the existing tank at the Wilson Truck Station.

13. Both the Wilson to Bowline and the Kermit to Wilson segments continue to operate as separate gathering systems under the PHMSA regulations.

14. During discussions with Commission staff regarding Belle Fourche's operated systems, Commission staff was informed that after approximately January 2019, the Kermit to Wilson gathering system had been utilized to shift volumes off of Bridger's 12-inch Four Bears pipeline (sited in Case No. PU-09-750) via a system interconnection when the Four Bears system was constrained and could not take additional volumes. In these limited instances, the redirected volumes off of Four Bears comprised only a small fraction of the Kermit to Wilson gathering system's total gathered volumes.

15. On January 24, 2020, the connection between the Kermit gathering system and the Four Bears pipeline was blinded off to prevent the Kermit gathering system from accepting redirected flows from the Four Bears pipeline.

16. On March 27, 2020, Bridger notified the Commission of extenuating circumstances regarding capacity constraints on the Four Bears pipeline and requested interim authorization to remove the blind between the Kermit to Wilson and Four Bears systems.

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