

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA**

ONEOK Bakken Pipeline, L.L.C.
8-inch NGL Pipeline – McKenzie
and Dunn Counties
Siting Application

Case No. PU-15-801

COMBINED APPLICATION OF ONEOK BAKKEN PIPELINE, L.L.C.,
FOR A WAIVER OR REDUCTION OF PROCEDURES AND
TIME SCHEDULES AND FOR AN AMENDED ORDER,
AMENDED CORRIDOR CERTIFICATE AND AMENDED ROUTE PERMIT

Applicant ONEOK Bakken Pipeline, L.L.C. (“ONEOK” or “Applicant”), pursuant to the Energy Conversion and Transmission Facility Siting Act, codified at North Dakota Century Code Chapter 49-22.1 (“Act”), hereby submits this Combined Application For a Waiver or Reduction of Procedures and Time Schedules and For an Amended Order, Amended Corridor Certificate and Amended Route Permit (“Combined Application”).

On December 29, 2015, ONEOK filed with the Public Service Commission (“Commission”) a Consolidated Application for Corridor Compatibility Certificate and Route Permit for a 8-inch pipeline project in McKenzie and Dunn Counties, North Dakota.

By Findings of Fact, Conclusions of Law and Order dated March 23, 2016, the Commission approved this pipeline project and issued Certificate of Corridor Compatibility No. 184 and Route Permit No. 196 to ONEOK authorizing the construction of approximately 36.7 miles of 8-inch outside diameter pipeline and associated facilities in McKenzie and Dunn Counties, North Dakota, for the transportation of natural gas liquids. The pipeline was constructed in 2016. As a result of continued activity in the Bakken oil fields in North Dakota, additional capacity is now needed in the pipeline, and ONEOK intends to construct additional associated facilities consisting of two

pump stations along the existing pipeline which will increase the capacity of the pipeline by an additional 65,000 barrels per day.

ONEOK files this Combined Application pursuant to N.D.C.C. § 49-22.1-08, and requests that the Commission waive and/or reduce procedures and time schedules required by the Act or in the Commission's regulations set forth in Article 69-06 of the North Dakota Administrative Code, to accomplish the purposes as requested herein. These include, but are not limited to: (1) waive pursuant to North Dakota Century Code §§ 49-22.1-05, 49-22.1-06(4), 49-22.1-07(4), and North Dakota Administrative Code §§ 69-06-01-02(4), 69-02-04-05 and Chapter 69-06-06, those provisions of North Dakota Century Code Chapter 49-22.1 and North Dakota Administrative Code Article 69-06 which require certain procedures and time schedules as set forth in said statutes and rules; (2) waive the public hearing requirement and publish a notice of opportunity for a public hearing; (3) find that the proposed pump stations are of such design, location and purpose that they will produce minimal adverse effects; and (4) designate and approve the expansion of the Corridor and the revision of the route permit as identified in this Combined Application and issue the appropriate amended order, amended corridor certificate and amended route permit.

The Commission's application guidelines for waiver of procedures and time schedules require the description of the facility, the need for the facility, the cost of the facility and separate justification for each provision of the Act for which the Applicant is requesting a waiver, together with evidence that the project will produce minimal adverse effects or that a demonstrable emergency exists. As demonstrated in this Combined Application, and summarized below, Applicant's requests for waivers and/or reductions of procedures and time schedules and the issuance of an amended order, amended corridor certificate and amended route permit are justified. The proposed reroutes are of such design, location, and purpose that they will produce minimal

adverse effects, and the proposed pump stations are essential to increase pipeline capacity for the transport of natural gas liquids from the Bear Creek Gas Plant to a connection with the ONOEK Targa pipeline.

DESCRIPTION

The approved Bear Creek NGL Pipeline (“Project”) consists of approximately 36.7 miles of 8-inch diameter pipeline originating at the ONOEK Rockies Midstream Bear Creek Gas Plant in Dunn County, North Dakota and terminating at an intersection with the Targa NGL Pipeline in McKenzie County, North Dakota. The capacity of the Project as approved in 2016 is approximately 14,000 barrels of NGLs per day.

As described in more detail in the Application for Amendment to Corridor Certificate No. 184 and Route Permit No. 196 (the “Application”) filed herewith, ONEOK now proposes to construct the Big Gulch Pump Station at a location in Dunn County, North Dakota on a 7-acre parcel leased by ONOEK and the Stony Johnny Butte Pump Station at a location in McKenzie County, North Dakota on a 5-acre parcel leased by ONEOK (collectively the “Pump Stations”). The Big Gulch Pump Station is located adjacent to the existing pipeline but the location extends approximately 375 feet outside the corridor certificated by Certificate No. 184 (the “Certificated Corridor”) and Stony Johnny Butte Pump Station is adjacent to the existing pipeline but extends approximately 200 feet outside the Certificated Corridor. As demonstrated in the Application for Amendment, there are no exclusion or avoidance areas within the sites for the Pump Stations.

NEED

Continued increases in the production of oil and associated natural gas from the Bakken Formation in the Dunn County area has increased the need for gas processing in Dunn County. As a result, in 2019, ONEOK Rockies Midstream, L.L.C. filed a certification pursuant to Section 49-

22.1-01(3) of the North Dakota Century Code to increase the capacity of the Bear Creek Gas Plant by 200 million cubic feet of gas per day and the additional gas processing facilities are currently being constructed (PU-19-283). The anticipated increase in gas processing capacity will result in the need for additional capacity to transport NGLs to various markets. Expansion of the Bear Creek NGL Pipeline will allow those additional volumes to be transported to an existing interconnection with the Targa NGL pipeline.

COST

The anticipated cost of the facilities is approximately \$10 million per pump station, or a total of approximately \$20 million.

JUSTIFICATION

The environmental and cultural resource studies and reports conducted for the Project as supplemented by the studies and reports described in the Application for Amendment demonstrate that there will be minimal adverse effects by construction of the Pump Stations. Additionally, to minimize delays in increasing gas processing capacity in the area, it is critical that construction activities commence as soon as possible, preferably by March 2020.

As a result, Applicant hereby submits that there is substantial justification set forth above for the requested waivers and/or reduction of time schedules and procedures, as the proposed reroutes will produce minimal adverse effects.

Applicant respectfully requests the Commission to (1) grant the requested waivers and/or reduction of procedures and time schedules, and (2) render an expeditious decision approving an amended order, amended corridor certificate and amended route permit for the Pump Stations.

