

December 22, 2020

Via Electronic Mail

Mr. Steve Kahl
Executive Director
North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480
ndpsc@nd.gov

In re: ONEOK Bakken Pipeline, L.L.C.
Pump Station Additions
Dunn & McKenzie Counties
Case No. PU-20-018
Our File No. 072591-000006

Dear Mr. Kahl:

I am writing to follow up on the status of property acquisition for the respective pump station locations that make up the above-referenced project. ONEOK secured a lease agreement for the location of the Big Gulch pump station, but due to the previous suspension of the projects, has not yet secured a lease for the Stony Johnny Butte location. Before ONEOK opted to suspend the project, negotiations for the Stony Johnny pump station lease were nearly finalized with the owner of a neighboring, existing midstream facility. We do not anticipate any issues with acquiring the lease from the landowner. If ONEOK is unable to secure the lease for the Stony Johnny location it will have no impact on the Big Gulch pump station.

Questions arose at the December 11, 2020 informal hearing with respect to granting siting approval for the entire project prior to having both locations leased. ONEOK understands and appreciates the concerns of the Commission with respect to siting a project when right-of-way for the entire project has not been secured. However, the typical concerns associated with approval prior to 100% right-of-way is largely absent in this case. Unlike pipeline projects where the applicant must obtain easements from multiple landowners to allow for a continuous right-of-way to connect two points on a map, this project requires ONEOK to secure only two leases from two landowners. And, unlike the typical pipeline where an easement at milepost 1 is equally as important as the easement at the termination of the pipeline, the Big Gulch pump station and Stony Johnny pump stations can, and will, be constructed independent of each other and are not otherwise reliant on the other for start-up and operation.

Receipt of Commission approval for the entire project prior to closing on the Stony Johnny location will not prejudice the remaining landowner. The two pump stations both service the Bear Creek NGL line, but are essentially two distinct and separate projects independent of each other. ONEOK has conducted the necessary environmental review for both locations. The informal hearing was properly noticed and a notice of opportunity for hearing was published. All interested persons have been given an opportunity to appear and be heard and it has been demonstrated that neither site impacts any exclusion or avoidance areas.

The Bear Creek NGL pipeline is a PSC sited pipeline with 100% of right of way in place. It has been operational since 2016. This project simply seeks to slightly expand the existing corridor in two locations to facilitate construction of the Big Gulch and Stony Johnny pump stations to expand the capacity of the existing line. ONEOK respects and appreciates the Commission's valuable time and in the interest of efficiency, respectfully requests that the Commission approve the full project, with the Stony Johnny approval contingent on final acquisition of the lease, at this time in order to avoid a second duplicate hearing on matters already addressed.

Please feel free to contact me if you have any questions. Thank you.

Sincerely,



Wade C. Mann

WCM/lh

cc: Michael Dailey (via email)
Victor Schock (via email)
Brian Johnson (via email)