



Public Service Commission State of North Dakota

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July 8, 2020

Sheldon Tullos
Director of Engineering
820 Gessner Rd. Suite 1450
Houston TX 77024

RE: Request for Jurisdictional Determination
Case No. PU-20-257

Mr. Tullos:

Thank you for your letter on behalf of Bayou Midstream LLC, requesting a jurisdictional determination regarding the applicability of N.D.C.C. Ch. 49-22.1 (Siting Act) to a proposed pipeline intending to transport oil from the Crane Creek Crude Facility to the Dakota Access Pipeline.

On July 8, 2020, the Public Service Commission discussed your request at the administrative matters portion of its regular meeting and asked me to respond to you. The Commission concluded that, based on the information that you provided, the 10.5 mile long 8 inch carbon steel pipeline originating at Crane Creek Crude Facility is a transmission pipeline for the purposes of the Siting Act.

As specified in your letter, the 10.5 mile long 8 inch carbon steel pipeline originating at Crane Creek Crude Facility will transport crude oil to the Dakota Access Pipeline for transmission to market.

Under the Siting Act, a gas or liquid transmission facility means, "A gas or liquid transmission line and associated facilities designed for or capable of transporting coal, gas, liquid hydrocarbons, liquid hydrocarbon products, or carbon dioxide." Distribution lines are non-jurisdictional.

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Response to request for jurisdictional determination

Public Service Commission

Brian Johnson, Legal Counsel

Under 49-22.1-01(7)(a)(3):

A Pipeline is less than one mile [1.61Kilometers] long. For purposes of this chapter, a gathering system includes the pipelines and associated facilities used to collect oil from the lease site to the first pipeline storage site where pressure is increased for further transport, . . .

As described in your letter Oil is produced at the Cree, Double Eagle, Bud North, Bud South and Bigfoot well pads and flows via 4 and 6 inch crude lines to the Crane Creek Crude Facility. At the Crane Creek Crude Facility the oil enters four 1000 barrel storage tanks. Oil then flows from the tanks to a pump where pressure is increased to transport crude oil via the proposed 8 inch carbon steel pipeline to the Dakota Access Pipeline for further transport.

Returning to the Definition of a Gas or Liquid transmission Facility under 49-22.1-01 and applying the definition under (a)(3) for a gathering line the 8 inch carbon steel line leaving the Crane Creek Crude Facility would not be a gathering line and would be a transmission line. Gathering ends where the crude enters the storage tanks at the Crane Creek Crude Facility. These tanks represent the first pipeline storage site where pressure is increased for further transport.

This determination does not set precedent, or apply to other State or Federal laws, regulations or orders beyond the Siting Act. If there are changes to your proposed plan of construction that may cause the pipeline to fall within the jurisdiction of the Siting Act, please contact the Public Service Commission for further guidance. We thank you again for your request. If we can provide further assistance, please do not hesitate to contact us.

Best Regards,

A handwritten signature in blue ink, appearing to read "B. Johnson", with a long horizontal flourish extending to the right.

Brian L. Johnson
Special Assistant Attorney General