

June 7, 2022

Via Hand Delivery & Electronic Mail

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

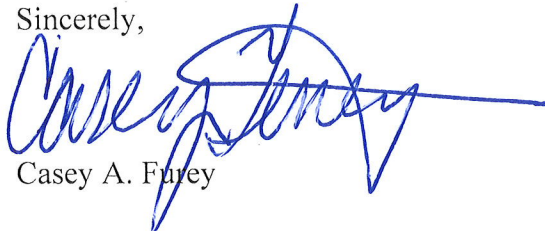
**In re: ONEOK Bakken Pipeline, L.L.C.
Spring Creek II Pump Station
Case No. PU-22-164
Our File No. 072591-000010**

Dear Mr. Kahl:

Enclosed for filing in the above-referenced matter, please find five copies of ONEOK Bakken Pipeline, L.L.C.'s Proposed Findings of Fact, Conclusions of Law and Order.

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

Sincerely,



Casey A. Furey

CAF/lh

Enc.

cc: Wade C. Mann (via email)
Adam Renfandt (via email)
Brian Johnson (via email)
Michael Dailey (via email)
Andrew Hackler (via email)
Paul Hartzheim (via email)

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

ONEOK Bakken Pipeline, L.L.C.
Spring Creek II Pump Station
Amend Cert. No. 209, Permit No. 219
Siting Application

Case No. PU-22-164

PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

June ____, 2022

Preliminary Statement

On May 1, 2019, in Case No. PU-18-399, the North Dakota Public Service Commission (the “Commission”) issued Findings of Fact, Conclusions of Law and Order granting Certificate of Corridor Compatibility No. 209 and Route Permit No. 219 to ONEOK Bakken Pipeline, L.L.C., (“ONEOK”) for the Demicks Lake Pipeline. Construction of the pipeline was completed in January 2020.

On April 6, 2022, ONEOK filed an Application for Waiver or Reduction of Procedures and Time Schedules and for an Amended Order, Amended Corridor Certificate, and Amended Route Permit (the “Application”). The Application sought an Amendment to Corridor Compatibility Certificate No. 209 and Route Permit No. 219 for the Demicks Lake Pipeline to allow for the addition of a pump station facility adjacent to the existing pipeline. The Application also sought a waiver of procedures and time schedules established under North Dakota Century Code sections 49-22.1-05, 49-22.1-06(4), and 49-22.1-07(4), and North Dakota Administrative Code section 69-06-01-02 and Chapter 69-06-06.

On April 22, 2022, the Commission requested additional information from ONEOK. Between April 26, 2022 and May 6, 2022, ONEOK filed supplemental information with the Commission.

On May 4, 2022, the Commission deemed the Application complete and issued a Notice of Opportunity for Hearing (“Notice”) that provided until June 3, 2022, for comments or requests for hearing.

The Notice identified the following issues to be considered in ONEOK’s request for a waiver of procedures and time schedules:

1. Is the proposed facility of such length, design, location, or purpose that it will produce minimal adverse effects such that adherence to the 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 following issues to be considered in ONEOK's application for amended certificate of corridor compatibility and amended route permit:

1. Will the location and operation of the proposed facility produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota?
2. Is the proposed facility compatible with the environmental preservation and the efficient use of resources?
3. Will the proposed facility location 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?

No comments or requests for hearing were docketed in response to the Notice.

Findings of Fact

1. ONEOK intends to construct an additional pump station and associated facilities along the existing Demicks Lake Pipeline in McKenzie County, North Dakota known as the Spring Creek II Pump Station (the "Project"). The purpose of the Project is to add additional natural gas liquid (NGL) throughput to the Demicks Lake Pipeline because of continued activity in the Bakken oil fields in North Dakota.

Size, Type and Preferred Location of Facility

2. The Project consists of the addition of a pump station and associated facilities consisting of three 5,000 horsepower electrically driven pumps located adjacent to the existing Demicks Lake Pipeline.

3. The Project will add approximately 50,000 barrels per day ("bpd") of incremental throughput to the Demicks Lake Pipeline, increasing the pipeline's throughput up to 300,000 bpd of NGLs. The maximum design capacity of the Demicks Lake Pipeline is up to 400,000 bpd.

4. The preferred location for the Project is an approximately 8.3-acre parcel in the SW¹/₄ of Section 3, Township 148 North, Range 102 West, McKenzie County, approximately 12 miles south of the city of Alexander (the "Project Site").

5. The Project is located adjacent to the Demicks Lake Pipeline and the Project Site overlaps with portions of the pipeline's corridor certificated by Certificate No. 209. Approximately six acres of the Project Site extends outside of the Certificated Corridor; however, the Project Site falls entirely within the Demicks Lake Pipeline's original study area.

6. ONEOK has acquired a long-term lease agreement for the Project's construction and operation.

7. The anticipated cost of the Project is approximately \$23 million.

8. The estimated in-service date of the Project is 2023.

Study of Preferred Location

9. The Project Site is located entirely within the existing one-mile-wide study area previously analyzed for the existing Demicks Lake Pipeline in Case No. PU-18-399.

10. ONEOK conducted a Class I cultural resource literature review, a Class III cultural resource inventory, and natural resource field surveys for an aquatic resource delineation, biological and threatened/endangered species and habitat survey, a tree and shrub inventory, and a noxious weeds review for the Project on an approximately 44-acre survey area ("Survey Area"). The 8.3-acre Project Site falls wholly within the 44-acre Survey Area.

11. ONEOK conducted a Class III cultural resource inventory of the Survey Area. A determination of no effect was recommended for the location. In correspondence dated December 21, 2021, the North Dakota State Historical Preservation Office concurred with a "No Historic Properties Affected" determination.

12. No wetlands or waterbodies were observed during the aquatic resource delineation of the Survey Area. The 2021 Wetland Delineation and Habitat Assessment confirmed that the current land use at the Project Site is agricultural pastureland utilized for crop production and/or grazing. No trees or shrubs were documented within the Survey Area. As such, the inventory and replacement requirements designated in the Tree and Shrub Migration Specifications required by the Order issued for the Demicks Lake Pipeline are not applicable to this Project.

13. No designated critical habitat is present within the Survey Area. No federally designated threatened or endangered species or North Dakota species of conservation priority were observed during field surveys of the Survey Area.

14. ONEOK initiated correspondence seeking comments from the following federal, state, and local agencies and entities regarding the Project:

Case No. PU-22-164

Proposed Findings of Fact, Conclusions of Law and Order

Page - 3 - of 8

- a. Federal: (1) Federal Aviation Administration; (2) U.S. Army Corps of Engineers; (3) U.S. Department of Defense; (4) U.S. Department of Agriculture Natural Resources Conservation Service; (5) U.S. Fish and Wildlife Service North Dakota Ecological Services Office; (6) U.S. Forest Service; (7) U.S. Dept. of Agriculture North Dakota Farm Service Agency; (8) Bureau of Land Management; (9) Military Aviation and Installation Assurance Siting Clearinghouse; (10) Minot Air Force Base; and (11) Grand Forks Air Force Base Public Affairs Services.
- b. State: (1) North Dakota Attorney General; (2) North Dakota Department of Career and Technical Education; (3) North Dakota Department of Commerce; (4) North Dakota Department of Environmental Quality; (5) North Dakota Department of Human Services; (6) North Dakota Department of Transportation-Williston District; (7) North Dakota Department of Trust Lands (Surface and Minerals); (8) North Dakota Energy Infrastructure and Impact Office; (9) North Dakota Game and Fish Department; (10) North Dakota Indian Affairs Commission; (11) North Dakota Industrial Commission-Transmission Authority; (12) North Dakota Labor Department; (13) North Dakota Parks and Recreation Department; (14) North Dakota Department of Water Resources (15) Job Service of North Dakota; (16) North Dakota State Historic Preservation Office; (17) North Dakota Office of the Governor; (18) North Dakota Geologic Survey; (19) North Dakota Aeronautics Commission; (20) North Dakota Department of Agriculture; (21) North Dakota Forest Service; (22) North Dakota Industrial Commission-Pipeline Authority; and (23) North Dakota Department of Health.
- c. Local: (1) McKenzie County Board of Commissioners; (2) McKenzie County Water Resource District; (3) McKenzie County Weed Control Board; and (4) Western Area Water Supply Authority.

Siting Criteria

15. The Commission has established criteria pursuant to North Dakota Century Code section 49-22.1-03 to guide the corridor and route suitability evaluation and designation process. The criteria set forth in North Dakota Administrative Code section 69-06-08-02 include Exclusion Areas, Avoidance Areas, Selection Criteria, and Policy Criteria.

16. ONEOK evaluated the Project with respect to the Exclusion Areas, Avoidance Areas, Selection Criteria, and Policy Criteria.

17. An Exclusion Area is a geographic area that must be excluded in the consideration of a route for a transmission facility. An Exclusion Area may be located

within a corridor, but at no given point may such an area or areas encompass more than fifty percent of the corridor unless there is no reasonable alternative. A transmission facility route must not be sited within an Exclusion Area.

18. No known Exclusion Areas will be impacted by the Project.

19. An Avoidance Area is a geographical area that may not be considered in the routing of a transmission facility unless the applicant demonstrates that under the circumstances, there is no reasonable alternative. In determining whether an Avoidance Area should be designated for a facility, the Commission may consider, among other things, the proposed management of adverse impacts, the orderly siting of facilities, system reliability and integrity, the efficient use of resources and alternative routes.

20. No known Avoidance Areas will be impacted by the Project.

21. In accordance with the Commission's Selection Criteria, a transmission facility shall be approved only if it is determined that any significant adverse effects that will result from the location, construction, and operation of the facility as they relate to the Selection Criteria will be at an acceptable minimum or will be managed and maintained at an acceptable minimum.

22. ONEOK has analyzed the impacts of the Project in relation to all relevant Selection Criteria. No significant adverse impact will result from the location, construction, and operation of the Project.

23. In accordance with the Commission's Policy Criteria, the Commission may give preference to an applicant that will maximize the benefits that result from the adoption of certain policies and practices. ONEOK has sited the Project in a manner as to utilize and coordinate with existing facilities and the Project overlaps with an existing transmission corridor.

Mitigation to Minimize Impact

24. The Project will be co-located with existing infrastructure.

25. ONEOK has several project control plans in place for the existing Demicks Lake Pipeline that will encompass the Project. ONEOK submitted a copy of its Emergency Response Action Plan and Spill Prevention, Control, and Countermeasure Plan (Docket No. 7). To minimize and mitigate any potential impacts to environmental resources during construction and operation, ONEOK will implement these plans.

26. The supervisory control and data acquisition system covering the Demicks Lake Pipeline will continue to monitor pressure and temperature 24 hours per day, 7 days per week, and 365 days per year by trained controls personnel.

27. ONEOK will continue to conduct inspections, including aerial inspections and inline inspections, in accordance with the requirements of the Department of Transportation Pipeline and Hazardous Materials Safety Administration.

28. ONEOK will employ an environmental inspector during Project construction to monitor construction activities to comply with all applicable permits.

29. ONEOK will continue to participate in the North Dakota One-Call notification system.

30. ONEOK will continue to use best management practices to minimize the potential introduction and/or spread of invasive species and noxious weeds within the Project Site. ONEOK's Weed Management Plan has been submitted to the McKenzie County Weed Control Board and approved (Docket No. 18).

From the foregoing Findings of Fact, the Commission makes the following:

Conclusions of Law

1. The Commission has jurisdiction over this proceeding under North Dakota Century Code Chapter 49-22.1.

2. ONEOK is a utility as defined in North Dakota Century Code Section 49-22.1-01(13).

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

4. The location, construction, operation, and maintenance of the Project will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.

5. The Project is compatible with the environmental preservation and the efficient use of resources.

6. The construction, operation, and maintenance of 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.

7. The Project is of such design and location that it will produce minimal adverse effects, as defined under North Dakota Century Code Section 49-22.1-05 and it is appropriate for the Commission to waive those certain procedures and time schedules

as requested in the Application pursuant to North Dakota Century Code Section 49-22.1-05.

Therefore, the Commission issues its:

Order

The Commission orders:

1. ONEOK's application for waiver of procedures and time schedules is granted.
2. First Amended Certificate of Corridor Compatibility No. 209 is issued to ONEOK designating an expanded corridor for the construction, operation, and maintenance of the Spring Creek II Pump Station along the existing Demicks Lake Pipeline. For purposes of the Certificate, the expanded Corridor is identified as the "Project Site" and illustrated in the map marked as Exhibit B.2 of ONEOK's Application (Docket No. 1).
3. First Amended Route Permit No. 219 is issued to ONEOK designating a route in McKenzie County, North Dakota, for the construction, operation, and maintenance of the Spring Creek II Pump Station along the existing Demicks Lake Pipeline. The designated route for this purpose is identified and illustrated in the map marked as Exhibit B.2 of ONEOK's Application (Docket No. 1).
4. The Certification Relating to Order Provisions – Transmission Facility Siting ("Certification") executed March 28, 2019, and attached to the Commission's Findings of Fact, Conclusions of Law and Order dated May 1, 2019, in Case No. PU-18-399 (Docket No. 57), is incorporated by reference and attached to this Order.
5. To the extent there are any conflicts or inconsistencies between ONEOK's Application and the Certification, the Certification provisions control.
6. ONEOK is required to comply with the applicable laws, rules, and/or regulations in the event it desires to construct another or a different transmission facility than was specified in the Application within the corridor granted in this proceeding.
7. ONEOK shall comply with all the rules and regulations of all other agencies having jurisdiction over any phase of the proposed Project.

PUBLIC SERVICE COMMISSION

**Randy Christmann
Commissioner**

**Julie Fedorchak
Chair**

**Sheri Haugen-Hoffart
Commissioner**