

January 12, 2023

Via Electronic Mail & Hand Delivery

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 Rockies Midstream, L.L.C.
Siting Application - Amendment
Cherry Creek Lateral Pipeline Project
McKenzie County
Case No. PU-23-015
Our File No. 072530-000018

Dear Mr. Kahl:

Enclosed for filing are eight copies of ONEOK Rockies Midstream, L.L.C.'s Application for Waiver or Reduction of Procedures and Time Schedules and for an Amended Order, Amended Corridor Certificate, and Amended Route Permit.

Please feel free to call should you have any questions. Thank you.

Sincerely,



Casey A. Furey

CAF/lh
enc.

cc: Wade Mann (via email)
Michael Dailey (via email) 5
Rachel Grant (via email) PU-23-15 Filed 01/12/2023 Pages: 7
Victor Schock (via email) Application for Waiver or Reduction of Procedures and Time Schedules
Robert Frank (via email) ONEOK Rockies Midstream, L.L.C.
Casey Furey, Crowley Fleck, PLLP

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

**ONEOK Rockies Midstream, L.L.C.
12-inch NGL Pipeline – McKenzie County
Siting Application – Amendment**

Case No. PU-23-015

**APPLICATION OF ONEOK ROCKIES MIDSTREAM, L.L.C.,
FOR WAIVER OR REDUCTION OF PROCEDURES AND
TIME SCHEDULES AND FOR AN AMENDED ORDER,
AMENDED CORRIDOR CERTIFICATE, AND AMENDED ROUTE PERMIT**

Applicant ONEOK Rockies Midstream, L.L.C. (“ONEOK” or “Applicant”), hereby submits to the North Dakota Public Service Commission (“Commission”) this Application for Waiver or Reduction of Procedures and Time Schedules in connection with its Application for Amendment to Corridor Certificate No. 203 and Route Permit No. 213 filed on January 3, 2023 in Case No. PU-23-015 as Docket No. 1 (the “Amendment”) for the proposed four-mile natural gas liquids (“NGL”) pipeline extension. This Application seeks waiver or reduction of certain procedures and time schedules set forth in North Dakota Century Code Chapter 49-22.1 (“Siting Act”) and North Dakota Administrative Code Article 69-06 (“Commission Rules”).

REQUEST

ONEOK files this Application pursuant to North Dakota Century Code Section 49-22.1-05 and North Dakota Administrative Code Chapter 69-06-06 and requests the Commission waive and/or reduce certain procedures and time schedules set forth in the Siting Act and Commission Rules as outlined below. Specifically, ONEOK requests the Commission:

1. Publish a notice of opportunity for a public hearing on this Application in lieu of setting the matter for public hearing. In accordance with North Dakota Century Code Section 49-22.1-10(2), the Commission “is not required to hold a public hearing ... on an application

for a waiver of procedures and time schedules, but shall publish a notice of opportunity for public hearing”

2. Waive any applicable hearing requirements set forth in the Siting Act and Commission Rules for the Amendment and instead proceed by issuing notice of opportunity for hearing on the Amendment.
3. Find that the proposed pipeline is of such design, location, and purpose that it will produce minimal adverse effects.
4. Designate and approve the route and corridor revision identified in this Application and the Amendment, and issue ONEOK the appropriate amended order, amended corridor certificate, and amended route permit as requested.

BACKGROUND

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 Siting Act for which the applicant is requesting a waiver, together with evidence that the project will produce minimal adverse effects. As demonstrated in this Application and the Amendment, Applicant’s request for waivers and/or reductions of procedures and time schedules and the issuance of amended siting authorizations are justified. The proposed pipeline extension is of such design, location, and purpose that it will produce minimal adverse effects. The proposed pipeline extension is essential to increase pipeline capacity for the transport of natural gas liquids from ONEOK’s Lonesome Creek Gas Plant to tie into ONEOK affiliate ONEOK Bakken Pipeline, L.L.C.’s existing pipeline system.

On December 14, 2017, ONEOK filed with the Commission a Consolidated Application for Certificate of Corridor Compatibility and Route Permit for an approximately 45-mile long, 12-

inch, NGL pipeline project and associated facilities in McKenzie and Williams Counties, North Dakota (the “Cherry Creek Pipeline”).¹ The Cherry Creek Pipeline originates at ONEOK’s Lonesome Creek Gas Plant and terminates at ONEOK’s Stateline Gas Plant. On April 30, 2018, the Commission issued Findings of Fact, Conclusions of Law and Order approving the Cherry Creek Pipeline and issued ONEOK Certificate of Corridor Compatibility No. 203 and Route Permit No. 213 for the project.² Continued activity in the Bakken oil fields in North Dakota has created a need for additional take-away capacity from the Lonesome Creek Gas Plant. The Amendment proposes to extend the existing Cherry Creek Pipeline four miles from ONEOK’s existing Lonesome Creek Gas Plant to an existing pipeline junction.

DESCRIPTION

The proposed Amendment is for a four-mile extension of the Cherry Creek Pipeline originating at the Lonesome Creek Gas Plant and terminating at the Antelope Creek Junction (“Pipeline Extension”) in McKenzie County, North Dakota, where the project will tie into the pipeline system of ONEOK affiliate ONEOK Bakken Pipeline, L.L.C. (“ONEOK Bakken”). The entire Pipeline Extension proposed by ONEOK is co-located with ONEOK Bakken’s Lonesome Creek Pipeline sited by the Commission in Case No. PU-15-137. ONEOK seeks a proposed corridor for the Pipeline Extension that is generally 170 feet wide. Select portions of the Pipeline Extension’s proposed corridor extend beyond the Lonesome Creek Pipeline corridor to account for needed temporary construction workspace, however, the Pipeline Extension itself remains entirely within the sited corridor of the Lonesome Creek Pipeline. The Amendment also includes minor work to facilitate connection and operation of the Pipeline Extension within the sited footprint of ONEOK’s Lonesome Creek Gas Plant sited in Case. No. PU-14-218.

¹ Case No. PU-17-483, Docket No. 1.

² Case No. PU-17-483, Docket No. 80.

As demonstrated in the Amendment, ONEOK conducted additional agency consultation and environmental and cultural studies and surveys for the proposed corridor. One residence was identified within 500 feet of the proposed route, however, a waiver has been obtained.³ The studies and surveys concluded there are no additional Commission Exclusion or Avoidance Areas within the proposed Pipeline Extension corridor.

NEED

As a result of continued activity in the Bakken oil fields in North Dakota, additional NGL take-away capacity is needed. Initially, the Pipeline Extension would increase the throughput of the Cherry Creek Pipeline from 50,000 barrels per day (“bpd”) to an anticipated 70,000 bpd, with the ability to carry a maximum of 160,000 bpd of NGLs.

COST

The anticipated cost of the Project is approximately \$12 million.

JUSTIFICATION

The environmental and cultural resource studies and reports conducted for the Pipeline Extension demonstrate there will be minimal adverse effects by construction and operation of the project. The Pipeline Extension is co-located with existing infrastructure and wholly located within the sited corridor of ONEOK affiliate ONEOK Bakken. For these reasons, ONEOK’s request to waive a formal hearing on the Amendment and instead issue a notice of opportunity for hearing is appropriate.

Commission precedent and the Siting Act recognize certain instances where modified processes and procedures are appropriate for construction of new facilities or facility improvements. For example, the certification process outlined in N.D.C.C. § 49-22.1-01(3)(a)

³ See Case No. PU-23-015, Docket No. 1, Exhibit E.

provides that new infrastructure may be installed within an existing sited corridor without notice or formal hearing by filing a certification document certifying as to specific information. Although the Pipeline Extension is located in the existing corridor of the Lonesome Creek Pipeline, separate ONEOK affiliates own each project. For this reason, ONEOK believes an amendment to its original underlying Cherry Creek Pipeline siting certificate and permit is the appropriate procedural filing in this particular case. Nonetheless, for the reasons previously discussed, substantial justification remains to waive a hearing on the Amendment and proceed by issuing a notice of opportunity for hearing on the filing. Waiver of hearing is further supported by Commission precedent. The Commission has previously waived a hearing and instead issued a notice of opportunity for hearing on amendment filings where the proposed new infrastructure was adjacent to or overlapped with previously sited infrastructure.⁴

CONCLUSION

To minimize delays in increasing gas processing capacity in the area, it is critical that construction activities commence as soon as possible, and preferably by no later than April 1, 2023. Applicant hereby submits that there is substantial justification set forth above for the requested waiver and/or reduction of time schedules and procedures, as the proposed Pipeline Extension will produce minimal adverse effects.

Applicant respectfully requests the Commission: (1) grant the requested waivers and/or reduction of procedures and time schedules, (2) publish a notice of opportunity for public hearing on this Application and the Amendment in lieu of scheduling the matter for hearing, and (3) render an expeditious decision approving an amended order, amended corridor certificate, and amended route permit for the Pipeline Extension.

⁴ See, e.g., ONEOK Bakken Pipeline, L.L.C., Case Nos. PU-22-164 & PU-20-018 (waiving hearing and issuing notice of opportunity for hearing on amendment applications).

