

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**Beverly Jones Heydinger
Dr. David C. Boyd
Nancy Lange
J. Dennis O'Brien
Betsy Wergin**

**Chair
Commissioner
Commissioner
Commissioner
Commissioner**

**In the Matter of the Application of
Enbridge Pipelines (North Dakota) LLC
For a Pipeline Routing Permit for the
Sandpiper Pipeline Project**

MPUC Docket No. PL-6668/PPL-13-474

APPLICATION SUMMARY

Enbridge Pipelines (North Dakota) LLC (“EPND”)¹ is proposing to construct a new 612-mile 24-inch and 30-inch diameter crude oil pipeline as part of its ongoing efforts to meet North America’s needs for reliable and secure transportation of petroleum energy supplies. EPND is submitting an application for a pipeline routing permit from the Minnesota Public Utilities Commission pursuant to Minnesota Rule 7852.0800.

The project, known as the Sandpiper Pipeline Project (“Project” or “Sandpiper”), will transport Bakken and Three Forks crude oil from growing production regions in the Williston Basin² of eastern Montana and western North Dakota. The Project begins at EPND’s Beaver Lodge Station, south of Tioga, North Dakota and extends to a new terminal facility to be constructed at Clearbrook, Minnesota, and then on to an Enbridge affiliate’s terminal and tank farm facility in Superior, Wisconsin. From the Superior terminal, the crude oil volumes will be transported to other refining markets via the Enbridge Mainline System. Approximately 299 miles of the Project will cross Minnesota. The preferred route for the Project is co-located, to the extent practicable, with EPND’s existing right-of-way or other third-party rights-of-way in Minnesota. The preferred route in Minnesota will traverse Polk, Red Lake, Clearwater, Hubbard, Cass, Crow Wing, Aitkin, and Carlton counties.

In addition to the new pipeline, the Project involves adding a new terminal with two 150,000 barrel tanks and a new pump station near Clearbrook, Minnesota; mainline valves at major waterbody crossings and over the length of the preferred route; and Pipeline Inspection Gauge launcher and receiver traps along with one of the mainline valves at a site near Pine River, Minnesota.

¹ Enbridge Pipelines (North Dakota) LLC, is a limited liability company duly organized under the laws of the State of Delaware and is referred to as “EPND” in this document. EPND is a wholly owned subsidiary of Enbridge Energy Partners, L.P. (“EEP”) which is a Delaware master limited partnership. Enbridge Energy, Limited Partnership, a wholly owned subsidiary of EEP and an affiliate of Enbridge Inc., owns and operates the U.S. portion of the existing Enbridge Mainline System. Collectively, the affiliated entities excluding EPND are referred to as “Enbridge” in this document.

² The Bakken formation is currently the largest contributor to the total crude oil production in the Williston Basin, the oil industry refers to all of the crude oil production in the Williston Basin as “Bakken crude oil”.

The Project's purpose is to transport growing supplies of oil produced in North Dakota to the terminals in Clearbrook, Minnesota and Superior, Wisconsin. From these terminals, the crude oil can be shipped on various other pipelines, ultimately providing refineries in Minnesota, other states in the Midwest and the East Coast with crude oil. The Project will provide up to 225,000 barrels per day of new crude oil capacity from North Dakota to meet the demand for safe and economical transportation capacity.³

Pending regulatory approval by the Minnesota Public Utilities Commission, the Project would be in service in the first quarter of 2016. The Project is in the public interest because it provides the timely addition of incremental capacity necessary to connect the increasing Bakken production to refining centers in the Midwest and beyond. The Project's additional pipeline capacity will help alleviate the lack of crude oil pipeline infrastructure from the Williston Basin to premium refinery and marketing hubs, thereby serving the public interest by providing improved refinery access to an abundant, secure, and reliable source of crude oil supply.

³ The Project will have a capacity of 375,000 bpd between Clearbrook, Minnesota and Superior, Wisconsin. Total new capacity, however, is 225,000 bpd as the 150,000 bpd that will enter Sandpiper at Clearbrook is currently transported to Clearbrook on EPND's existing Line 81 and to Superior, Wisconsin on the Enbridge Mainline System.