

For Immediate Release
June 5, 2015

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MINNESOTA PUBLIC UTILITIES COMMISSION GRANTS CERTIFICATE OF NEED FOR SANDPIPER PIPELINE PROJECT

St. Paul, Minnesota - The Minnesota Public Utilities Commission (“Commission”) today granted a Certificate of Need to the North Dakota Pipeline Company, LLC (“NDPC”) for its proposed Sandpiper Pipeline project.

As set forth in Minnesota law, the Commission evaluated the need for the project by considering four primary criteria:

- The impact on future adequacy, reliability, or efficiency to the applicant and its customers and to the people of Minnesota and neighboring States;
- Whether it has been established that there are more reasonable and prudent alternatives to the proposal;
- The consequences to society of granting the certificate; and
- Whether the design, construction, and operation of the proposed facility will comply with relevant policies, rules, and regulations of other State and Federal agencies as well as local governments.

The Commission's actions today are a determination that the project is needed and is in the public interest. The Commission has made no determination of a specific route for a pipeline. The Commission directed the Office of Administrative Hearings (“OAH”) to restart the Route Permit proceedings and reaffirmed the Commission's earlier finding that a modified system alternative should also be considered in the routing proceedings.

That consideration of a specific route for the pipeline will again involve multiple informational and public hearings, including in the proposed project area. An Administrative Law Judge (“ALJ”) assigned to this portion of the filing will conduct those hearings, take comments, and issue a Report with findings and recommendations to the Commission. As part of today’s proceedings, the Commission asked the ALJ, in consultation with the parties, to hold at least one hearing at a location that facilitates participation by members of the tribal communities.

Leading up to today’s decisions on the question of need, the Commission and the Minnesota Department of Commerce conducted seven public meetings in six different counties along the proposed route in March of 2014. The ALJ assigned to hear this part of the matter held a series of public hearings in St. Paul and in northern and central Minnesota during the first week of January, 2015. These public hearings were attended by more than 1,000 people. The ALJ also presided over an evidentiary hearing on January 27-30, 2015 during which witnesses for the

formal parties to the case testified and were cross-examined. During the course of these proceedings, the Commission has received thousands of public comments into the record.

The ALJ issued his report with recommendations to the Commission on April 13, 2015, recommending that the Certificate of Need be granted with certain conditions.

The Sandpiper project, as proposed by NDPC, would be a new 612 mile pipeline to transport crude oil from the company's Beaver Lodge Station south of Tioga, North Dakota to an NDPC affiliate terminal in Superior, Wisconsin. Approximately 299 miles of this new pipeline would be located in Minnesota, running from the North Dakota border to Clearbrook, Minnesota and then to Superior, Wisconsin. The route, as proposed, from North Dakota to Clearbrook, Minnesota would consist of 75 miles of 24-inch diameter pipeline with a capacity of 225,000 barrels per day (bpd); and from Clearbrook, Minnesota to Superior, Wisconsin consisting of 224 miles of a 30-inch diameter pipeline with a capacity of 375,000 bpd.

Written orders formally documenting the Commission's decisions will be issued in several weeks. Those orders will be filed in dockets PL6668/CN-13-473 (Certificate of Need) and PL6668/PPL-13-474 (Pipeline Routing Permit), which are available on the Commission's website via the Commission's e-Dockets system.