



NEWS RELEASE
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PSC Approves Siting Permit for Sacagawea Pipeline Project

BISMARCK, N.D. – The North Dakota Public Service Commission (PSC) today approved a siting permit for a crude oil pipeline that will be built in McKenzie and Mountrail Counties.

Sacagawea Pipeline Company, LLC, is planning to construct and operate the “Sacagawea Pipeline Project,” a new 70-mile long, 16-inch diameter crude oil pipeline and associated facilities. The pipeline will have a maximum capacity of 200,000 barrels per day with a normal throughput of 140,000 barrels per day. Estimated cost of the project is \$125 million.

“This is significant new and important infrastructure in a part of the state where truck traffic has been intense,” said Commission Chairman Julie Fedorchak. “We reviewed this project very closely, and the company committed to high standards of construction, operation and reclamation including and especially in regard to the crossing of Lake Sakakawea.”

Above ground facilities will include nine block valves, two mainline check valves and in-line inspection tool launcher and receiver sites. At the recommendation of the Commission, the company agreed to install an additional block valve on the pipeline at a location east of Lake Sakakawea.

As part of the order approved today, the company has agreed to nearly 50 measures to mitigate the impacts of the project, including the following:

- The design, construction and operation of the pipeline will be in accordance with the U.S. Department of Transportation regulations governing the transportation of crude oil.
- The pipeline will be buried at least 100 feet below the bed of Lake Sakakawea and the length of the bore was minimized by selecting a location where the width of the lake is narrow.
- The company will be installing a supervisory control and data acquisition system (SCADA) and operations will be continuously monitored by a control center located in Bartlesville, Okla.
- The company has contracted with a private contractor to provide emergency spill response and trained emergency response personnel will be stationed at the Palermo terminal and trailers containing emergency spill response equipment will be stationed at both the Keene and Palermo terminals.
- The company agreed to follow best practices outlined by the NDSU Extension Service for reclamation during and after construction. The company has no plans for winter construction.

“The use of horizontal diagonal drilling techniques to place this pipeline over 100 feet below the bed of Lake Sakakawea makes this the safest possible alternative for moving oil from one side of that important water body to the other,” said Commissioner Randy Christmann.

The pipeline will originate at Paradigm Midstream Service’s Keene Crude Oil Terminal located approximately 2.5 miles south of Keene and will end at the Phillips 66 Partners Palermo Rail Terminal Facility located west of Palermo. (A map showing the pipeline location is provided below.)

“Despite declining oil prices, it’s nice to see companies continuing to invest in long-term infrastructure like pipelines,” said Commissioner Brian Kalk.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

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