



INDUSTRIAL COMMISSION OF NORTH DAKOTA

NORTH DAKOTA PIPELINE AUTHORITY

Governor **John Hoeven**

Attorney General **Wayne Stenehjem**

Agriculture Commissioner **Roger Johnson**

Director **Justin J. Kringstad**

# The Pipeline Publication

*Keeping North Dakota Connected*

Volume I Issue I

## Inaugural Issue

Greetings from the North Dakota Pipeline Authority! This newsletter is the first in a series of quarterly publications designed to keep North Dakota policy makers and involved parties informed on current issues in the pipeline industry. Some of the topics to be covered in the upcoming quarterly newsletters will include crude oil pipeline capacity challenges, natural gas pipelines and processing, refining, refined product pipelines, carbon dioxide pipelines, and various other industry topics. White papers published during the last year on some of these topics are currently available on the Pipeline Authority website at [www.nd.gov/ndic/pipeline.htm](http://www.nd.gov/ndic/pipeline.htm).

On August 1, 2008, Justin J. Kringstad was named the new director of the North Dakota Pipeline Authority. Kringstad is a geological engineering graduate from the University of North Dakota and has worked for Terra Utilities Co., the ND Oil & Gas Division, the Energy & Environmental Research Center, and the North Dakota Geological Survey. He and his wife Katie live in Bismarck and are expecting their first child in February.

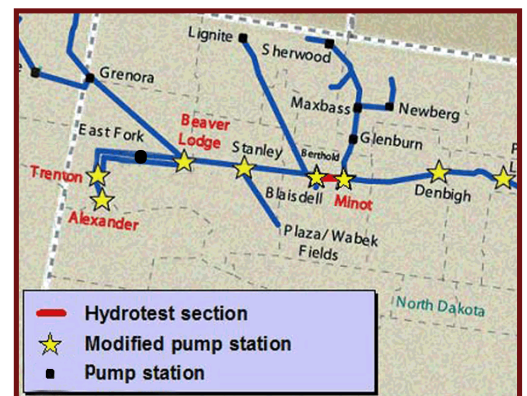
## About the Pipeline Authority

North Dakota's Pipeline Authority was established by the Legislature in 2007. The North Dakota Industrial Commission is the North Dakota Pipeline Authority. The Authority was created for the purpose of diversifying and expanding the North Dakota economy by facilitating development of pipeline facilities to support the production, transportation, and utilization of North Dakota energy-related commodities.

## Enbridge Hydrotesting a Success

In preparation for Enbridge's Phase VI expansion, hydrotesting of a 16" crude oil pipeline between Berthold, ND and Minot, ND took place from August 19-22. Enbridge conducted the hydrotest by filling the pipeline segment with water and pressurizing the system to determine if there are leaks or weakness. Enbridge experienced no problems during the test and the pipeline resumed shipments on August 23. Enbridge conducted the hydrotest to ensure safe operation at the higher pressures necessary for increased volumes after completion of the Phase VI expansion.

The Enbridge North Dakota Phase VI expansion, scheduled for early 2010, will increase the pipeline capacity from 110,000 barrels per day to approximately 161,600 barrels per day. The expansion will be made possible by modifying existing pump stations along the main pipeline to Enbridge's Clearbrook, MN terminal.



Western portion of the Enbridge ND Phase VI expansion. Source: Enbridge Pipelines LLC - [www.enbridge-expansion.com](http://www.enbridge-expansion.com)

# ND Crude Hits the Rails

Due to the success ND producers have had in the Bakken Formation, existing pipelines are at or near capacity forcing shippers to look to alternative methods of transport to move their product. While not as efficient as pipelines, railroad tank cars are the next best option for moving large amounts of oil over long distances. The Pipeline Authority is currently aware of tank cars being loaded in North Dakota at Stampede (near Columbus), Ryder, and Dore (on Highway 58 north of Fairview). Once loaded, the tank cars have been moving south to markets in Oklahoma and Texas. It is estimated that 11,000 to 17,000 barrels per day were being loaded into tank cars in August. An average tank car holds approximately 660 barrels, which is equivalent to 17 to 26 tank cars being loaded every day.

## Major Crude Oil Pipelines

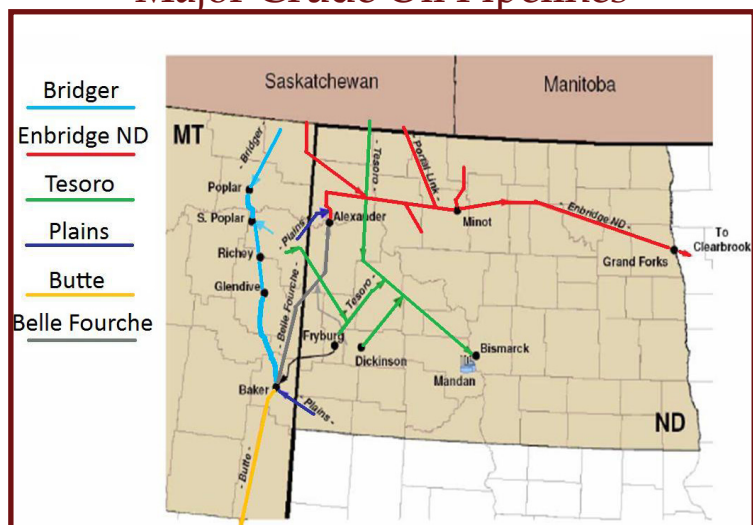


Image modified from ND Oil & Gas Division

## Major Natural Gas Pipelines

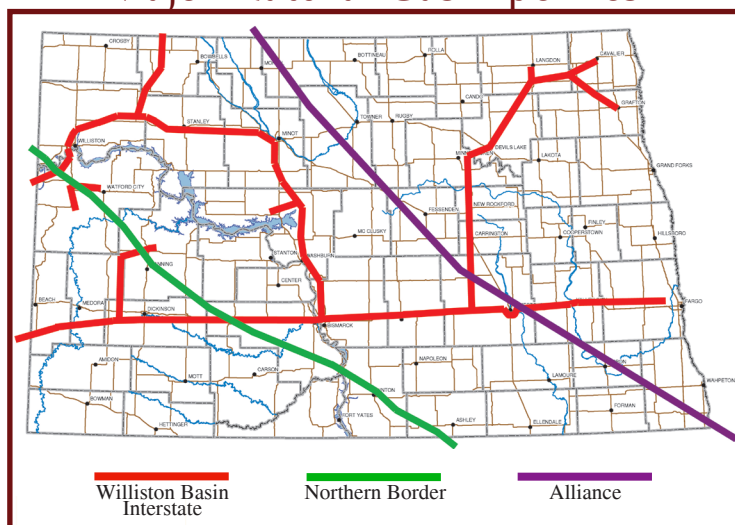
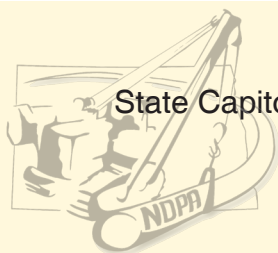


Image modified from ND Oil & Gas Division



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