



INDUSTRIAL COMMISSION OF NORTH DAKOTA  
NORTH DAKOTA PIPELINE AUTHORITY

Governor  
**Jack Dalrymple**  
Attorney General  
**Wayne Stenehjem**  
Agriculture Commissioner  
**Doug Goehring**

November 19, 2012

The Honorable Jon Wellinghoff  
Federal Energy Regulatory Commission  
8BB First Street, NE  
Washington, DC 20126

**RE: Enbridge Pipelines (North Dakota) LLC Docket No. OR13-6-000**

Dear Chairman Wellinghoff:


The purpose of this letter is to express our support of Enbridge's proposed expansion and extension of the Enbridge North Dakota pipeline system known as the Sandpiper Project (Sandpiper). Sandpiper would increase Enbridge's ability to move 225,000 barrels of oil per day (BOPD) to key downstream markets and is a major step in increasing take away capacity for North Dakota crude oil production.


Thanks to the Bakken and Three Forks formations, the State of North Dakota is currently the second largest producer of crude oil in the United States. North Dakota has been setting new production records nearly every month, with current oil production at more than 728,000 BOPD. Forecast modeling has shown that North Dakota's crude oil production could rise as high as 1.6 million BOPD over the next ten years. While this statistic is impressive and brings value to our state, it also brings many challenges in getting this crude oil to market.

Pipeline capacity has been unable to keep up with the rapid pace of North Dakota crude oil production, resulting in increased rail transportation as an alternative. North Dakota has experienced significant price differentials for Bakken crude oil thus resulting in lower payment to royalty owners, producers and to our State. Projects like Sandpiper will help to relieve the current transportation bottleneck by affording access to diverse downstream markets, thus resulting in better crude oil prices and increased revenues to all parties.

Commenting exclusively on Sandpiper's ability to enhance North Dakota crude oil transportation, the North Dakota Industrial Commission, acting as the North Dakota Pipeline Authority, respectfully recommends the timely and favorable consideration of the Sandpiper application in order to support the best interests of our state.

Sincerely,

  
Jack Dalrymple, Chairman  
Governor

  
Wayne Stenehjem  
Attorney General

  
Doug Goehring  
Agriculture Commissioner