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Bismarck, ND 58506-5601  
(701) 530-1600

February 14, 2020

Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E., Room 1A  
Washington, D.C. 20426

Re: WBI Energy Transmission, Inc.  
Abbreviated Application for a Certificate of Public Convenience and  
Necessity Docket No. CP20-52-000  
North Bakken Expansion Project

Dear Ms. Bose:

WBI Energy Transmission, Inc. (WBI Energy), pursuant to Section 7(c) of the Natural Gas Act, as amended, and Part 157 of the regulations of the Federal Energy Regulatory Commission (Commission), respectively submits for filing this Abbreviated Application for a Certificate of Public Convenience and Necessity (Application) authorizing WBI Energy to construct, modify, operate and maintain natural gas transmission facilities in Burke, McKenzie, Mountrail and Williams Counties, collectively known as the North Bakken Expansion Project (Project).

The filing includes the following volumes:

Volume I - Consists of the Application, Form of Notice and related Exhibits. The information contained in Volume I is public.

Volume II - Consists of Exhibit F-I, Environmental Report and all associated Appendices, with the exception of the Appendices described below. The information contained in Volume II is public.

Volume III - Consists of Exhibits G and G-I, Flow Diagrams, to the Application, and Appendix 1E to Resource Report 1, Plot Plans for Aboveground Facility Sites. The information contained in Volume III is considered Critical Energy Infrastructure Information (CEII) and could be useful to any persons planning an attack on the infrastructures pursuant to 18 CFR §388.113. WBI Energy requests privileged and confidential treatment of this information, which is labeled: "CUI//CEII – DO NOT RELEASE," and that such information retain the CEII designation for a period of five years, subject to re-designation at that time.

Volume IV - Consists of Exhibits I-1 to I-6, Precedent Agreements, to the Application. Volume IV also includes Resource Report 1, Appendix 1G-2, Sensitive Agency Correspondences and Appendix 1H, Landowner List; Resource Report 3, Appendix 3A, Biological Assessment and Appendix 3B, Biological Evaluation, evaluating potential Project impacts on endangered and threatened species and critical habitats; Resource Report 4, Appendices 4A-1, 4A-2, and 4C, Class III Archaeology Reports and Aerial Maps depicting Archaeological Survey Areas and Results. Pursuant to 18 CFR §388.112, and consistent with the Commission's precedent, and other applicable regulations with respect to sensitive information, WBI Energy requests privileged and confidential treatment of this information, which is labeled: "CUI//PRIV – DO NOT RELEASE."

Pursuant to the Commission's guidelines for eFiling,<sup>1</sup> WBI Energy is hereby eFiling the Application and will provide two complete copies of the Application to the Office of Energy Projects (OEP) Room 62-46 and one complete copy to the Office of General Council – Energy Projects (OGC-EP) Room 101-56.

Should you have any questions or comments regarding this filing, please call the undersigned at (701) 530-1563.

Sincerely,

/s/ Lori Myerchin

Lori Myerchin  
Director, Regulatory Affairs and  
Transportation Services

Attachments

Courtesy Copies:

OEP Room 62-46 (2 copies)

OGC-EP Room 101-56 (1 copy)

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<sup>1</sup> Federal Energy Regulatory Commission Filing Guide/Qualified Documents List (February 14, 2017).

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

WBI Energy Transmission, Inc.

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Docket No. CP20-52-000

ABBREVIATED APPLICATION FOR A CERTIFICATE  
OF PUBLIC CONVENIENCE AND NECESSITY

WBI Energy Transmission, Inc. (WBI Energy), pursuant to Section 7(c) of the Natural Gas Act (NGA), as amended,<sup>1</sup> and Part 157 of the Federal Energy Regulatory Commission's (Commission or FERC) regulations,<sup>2</sup> herewith respectfully submits this Abbreviated Application for a Certificate of Public Convenience and Necessity (Application) authorizing WBI Energy to construct, modify, operate and maintain the facilities described herein for its North Bakken Expansion Project (Project).

The Project includes: (i) approximately 61.9 miles of new 24-inch-diameter natural gas pipeline from WBI Energy's Tioga Compressor Station in Williams County, North Dakota to the proposed Elkhorn Creek Compressor Station in McKenzie County, North Dakota; (ii) approximately 0.3 mile of new 24-inch-diameter natural gas pipeline from the proposed Elkhorn Creek Compressor Station to a new interconnect with Northern Border Pipeline Company (Northern Border) in McKenzie County; (iii) approximately 20.4 miles of new 12-inch-diameter natural gas pipeline looping along WBI Energy's Line Section 25 in Mountrail and Burke Counties, North Dakota; (iv) approximately 9.4 miles of new 12-inch-diameter natural gas pipeline looping along WBI Energy's Line Section 30 in Williams County; (v) approximately 0.5 mile of new 20-inch-diameter receipt lateral to the Tioga Compressor Station; (vi) uprating WBI Energy's Line Section 25; (vii) installing additional horsepower at the Tioga Compressor Station; (viii)

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<sup>1</sup> 15 U.S.C. §717(f) (2019).

<sup>2</sup> 18 C.F.R. §157.5 (2019).

constructing a new compressor station, the Elkhorn Creek Compressor Station, in McKenzie County; and (ix) installing new, and modifying, existing delivery, receipt, and transfer stations along the pipeline routes, replacing small segments of pipeline facilities and installing block valves, pig<sup>3</sup> launcher/receiver stations and other associated appurtenances, all as more fully explained below.

The purpose of the Project is to provide incremental firm transportation capacity from natural gas processing plants to a proposed interconnect with Northern Border. New pipeline infrastructure in the Williston Basin of northwest North Dakota is of critical importance to support the transportation of increasing levels of associated natural gas production and to aid in the reduction of natural gas flaring.

WBI Energy respectfully requests that the Commission issue the requisite authorization for the Project no later than January 2021. This will enable WBI Energy to meet the November 1, 2021 in-service date requested by its Project shippers. WBI Energy participated in the Commission's National Environmental Policy Act (NEPA) pre-filing review process for the Project in Docket No. PF19-7-000. In support of this Application and in accordance with the Commission's regulations, WBI Energy respectfully states the following:

I.  
IDENTIFICATION OF APPLICANT AND  
DESCRIPTION OF APPLICANT'S EXISTING OPERATIONS

The exact legal name of WBI Energy is WBI Energy Transmission, Inc. WBI Energy is a corporation organized and existing under the laws of the state of Delaware, with its principal place of business located at 1250 West Century Avenue, Bismarck, North Dakota 58503. WBI Energy

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<sup>3</sup> A pipeline "pig" is a device used to clean or inspect the pipeline. A pig launcher/receiver is an aboveground facility where pigs are inserted or retrieved from the pipeline.

is authorized to conduct, and is conducting, business in the states of Minnesota, Montana, North Dakota, South Dakota, and Wyoming.

WBI Energy is a natural gas company engaged in the transportation, storage and gathering of natural gas. WBI Energy's system consists of approximately 4,000 miles of underground natural gas transmission, storage, and gathering pipelines spanning portions of Minnesota, Montana, North Dakota, South Dakota, and Wyoming. WBI Energy also operates three underground storage reservoirs; the Baker Field, Montana; the Elk Basin Field, Montana and Wyoming, and the Billy Creek Field, Wyoming to serve its natural gas system.

## II. CORRESPONDENCE

The names, titles, mailing addresses and phone numbers of the persons who should be served with communications concerning the request are: <sup>4</sup>

Lori Myerchin  
Director, Regulatory Affairs and  
Transportation Services  
WBI Energy Transmission, Inc.  
P.O. Box 5601  
Bismarck, North Dakota 58506-5601  
(701) 530-1563  
[lori.myerchin@wbienenergy.com](mailto:lori.myerchin@wbienenergy.com)

Brian D. O'Neill  
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1050 Thomas Jefferson Street NW  
Seventh Floor  
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(202) 298-1983  
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and

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<sup>4</sup> WBI Energy respectfully requests waiver of 18 CFR § 385.203(b)(3) to allow each person listed to be included on the Commission's official service list for this filing.

Adrienne Riehl  
Senior Attorney  
MDU Resources Group, Inc.  
P.O. Box 5650  
Bismarck, ND 58506-5650  
(701) 530-1091  
[adrienne.riehl@mduresources.com](mailto:adrienne.riehl@mduresources.com)

### III. EXECUTIVE SUMMARY

By this Application, WBI Energy requests authorization to construct, modify, operate and maintain the following natural gas transmission facilities in Burke, McKenzie, Mountrail and Williams Counties, all in North Dakota:

- The Tioga-Elkhorn Creek pipeline consists of approximately 61.9 miles of new 24-inch-diameter natural gas pipeline from new facilities at WBI Energy's Tioga Compressor Station in Williams County to the proposed Elkhorn Creek Compressor Station in McKenzie County.
- The Elkhorn Creek-Northern Border pipeline consists of approximately 0.3 mile of new 24-inch-diameter natural gas pipeline between the proposed Elkhorn Creek Compressor Station and Northern Border in McKenzie County.
- The Line Section 25 Loop includes approximately 20.4 miles of new 12-inch-diameter natural gas pipeline looping along WBI Energy's Line Section 25 between the Tioga Compressor Station and the proposed Norse Transfer Station in Burke County.
- In conjunction with the Line Section 25 Loop, the existing 0.1 mile 6-inch-diameter Stoneview-Conoco Lateral will be replaced with 0.1 mile of 8-inch-diameter natural gas pipeline from Line Section 25 to the proposed Norse Transfer Station in Burke County.
- The Line Section 30 Loop includes approximately 9.4 miles of new 12-inch-diameter natural gas pipeline looping along WBI Energy's Line Section 30 between the Nesson Valve Setting and the Tioga Compressor Station in Williams County.
- The Tioga Compressor Lateral consists of approximately 0.5 mile of new 20-inch-diameter natural gas pipeline between the new Tioga Plant Receipt Station and new facilities to be constructed at the Tioga Compressor Station in Williams County.

- The replacement of four county road crossings and one state highway crossing to allow for the uprate of approximately 28.3 miles of Line Section 25 from a Maximum Allowable Operating Pressure (MAOP) of 700 pounds per square inch gauge (psig) to an MAOP of 1,098 psig. The uprating will require replacing and rerouting approximately 0.1 mile of 8-inch-diameter pipeline from the first county road crossing east to the proposed Norse Transfer Station in Burke County. An approximately 9.6-mile segment of Line Section 25 in Burke County will require an uprate hydrotest as part of the Project.
- The new Elkhorn Creek Compressor Station will include 3,750 horsepower (hp) of natural gas-fired compression and associated equipment/facilities in McKenzie County.
- WBI Energy's Tioga Compressor Station will be modified with the installation of 22,500 hp of natural gas-fired compression and new equipment/facilities to meet the design specifications of the Project.
- The replacement of the Lignite Plant Receipt Station and the Lignite Town Border Station in Burke County and the Tioga Plant Receipt Station in Williams County. Upgrades to the Norse Plant Receipt Station in Burke County, the Robinson Lake Plant Receipt Station in Mountrail County and the Springbrook Plant Receipt Station in Williams County.
- The construction of the Norse Transfer Station in Burke County.
- The construction of a new interconnect with Northern Border west of the proposed Elkhorn Creek Compressor Station in McKenzie County.
- The installation of pig launcher/receivers, one at each end of the proposed Tioga-Elkhorn Creek pipeline and at MP 6.1, one at each end of the proposed Line Section 25 Loop, one at each end of the proposed Line Section 30 Loop, one at each end of the proposed Tioga Compressor Lateral as well as two at the proposed Norse Transfer Station and one at the new Lignite Plant Receipt Station. WBI Energy will also install six mainline block valves, with four block valves installed along the length of the Tioga-Elkhorn Creek pipeline in McKenzie and Williams Counties and two block valves along the length of the Line Section 25 Loop in Mountrail and Burke Counties.

As proposed, the Project will allow WBI Energy to provide an additional 350,000 mcf per day of incremental firm transportation capacity from the Williston Basin in northwest North Dakota to a new interconnect with Northern Border's existing mainline. The estimated capital cost of the Project is \$300 million with a target in-service date of November 1, 2021.

WBI Energy has entered into six binding Precedent Agreements with Project shippers to provide a total of 243,000 equivalent dekatherms (dkt) per day of incremental firm natural gas transportation service. As discussed in Section IX below, WBI Energy seeks to establish an incremental recourse reservation rate for firm transportation service on the Project. Additionally, WBI Energy seeks to apply its applicable surcharges and fuel use, lost and unaccounted for gas percentages and electric power charges as provided in its FERC Gas Tariff, Third Revised Volume No. 1 (Tariff).

The environmental impacts of the Project along with proposed mitigation measures are addressed in the Environmental Report, Exhibit F-I, located in Volume II to this Application.

WBI Energy requests authorization for the Project by January 2021. An Order by this date is needed to allow WBI Energy to conduct any necessary post-certificate, pre-construction environmental and/or cultural surveys with enough time to initiate construction and have the Project in service by November 1, 2021 in accordance with its contractual commitments to Project shippers.

#### IV. CONTRACTUAL COMMITMENTS

From June 4, 2018 through July 31, 2018, WBI Energy conducted a binding open season for the sale of up to 200,000 equivalent dkt per day of new long term, firm natural gas transportation capacity for delivery of natural gas from new or existing receipt locations on WBI Energy's Line Sections 7, 25 and 30 to a new delivery location on Northern Border in northwest North Dakota. Based on the results of the open season, the Project could be further expanded with additional compression facilities. Subsequently, the Project was expanded to a design capacity of 350,000 equivalent dkt per day. Potential shippers had the option of requesting to pay either a



project recourse rate or a mutually agreeable negotiated rate for firm transportation capacity.

As a result of the open season, WBI Energy secured firm commitments of 158,000 equivalent dkt per day for ten years from three shippers. Following the open season, WBI Energy received three additional solicitations for firm capacity totaling 85,000 equivalent dkt per day for ten years. Each precedent agreement is included in Market Data, Exhibit I, located in Volume IV to this Application. Table 1 provides a summary of the contractual commitments.

**Table 1 – Contractual Commitments**

<i><b>Project Shipper</b></i>	<i><b>Agreement Quantity (equivalent dkt per day)</b></i>	<i><b>Term</b></i>	<i><b>Primary Receipt Location</b></i>	<i><b>Primary Delivery Location</b></i>
Andeavor Field Services, LLC	28,000	10 Years	Robinson Lake Plant	Northern Border
Continental Resources, Inc.	20,000	10 Years	Norse Plant	Northern Border
Harvester Field Services, LLC	30,000	10 Years	Lignite Plant	Northern Border
Hess Trading Corporation	100,000	10 Years	Tioga Plant	Northern Border
Nesson Gathering System, LLC	50,000	10 Years	Nesson Plant	Northern Border
Zavanna, LLC	15,000	10 Years	Springbrook Plant	Northern Border
<b>Total</b>	<b>243,000</b>			

WBI Energy continues to actively market the Project and has had substantive discussions and negotiations with additional prospective shippers for the remaining unsubscribed capacity. In accordance with the open season, the remaining unsubscribed capacity will be sold on a first-come first-served basis, until the Project is placed into service. After the Project is placed into service, any remaining unsold capacity will be made available pursuant to WBI Energy's Tariff.

## V.

### DESCRIPTION AND LOCATION OF FACILITIES

WBI Energy requests authorization to construct, modify, operate and maintain the following facilities:

## **Pipeline**

WBI Energy proposes to construct in total approximately 92.5 miles of new pipeline, pipeline looping and pipeline replacement, as well as replace an additional 0.5 mile of pipeline along a 28.3-mile segment of an existing pipeline in order to increase the MAOP of the pipeline segment. Table 2 below provides a summary of the proposed pipeline facilities for the Project.

**Table 2 – Pipeline Facilities**

<i>Pipeline Facility</i>	<i>County</i>	<i>Description</i>	<i>MAOP (psig)</i>
Tioga-Elkhorn Creek	Williams, McKenzie	Construction of 61.9 miles of 24-inch-diameter pipeline	1,480
Elkhorn Creek – Northern Border	McKenzie	Construction of 0.3 mile (about 1,558 feet) of 24-inch-diameter pipeline	1,480
Line Section 25 Loop	Williams, Mountrail, Burke	Construction of 20.4 miles of 12-inch-diameter pipeline looping <sup>a/</sup>	1,098
Line Section 30 Loop	Williams	Construction of 9.4 miles of 12-inch-diameter pipeline looping	700
Tioga Compressor Lateral	Williams	Construction of 0.5 mile (about 2,495 feet) of 20-inch-diameter pipeline	1,480
Uprate to existing Line Section 25 <sup>b/</sup>	Burke	Uprate 28.3 miles of existing pipeline from an MAOP of 700 psig to an MAOP of 1,098 psig	1,098
<sup>a/</sup> Includes the mileage of the replacement of 676 feet of 6-inch-diameter lateral pipeline with 665 feet of 8-inch-diameter pipeline in Burke County.			
<sup>b/</sup> Includes the replacement of approximately 0.4 mile of existing pipeline at road crossings and replacing and rerouting about 0.1 mile of existing 8-inch-diameter pipeline from the 86th Street N.W. bore to the proposed Norse Transfer Station.			

### **Tioga – Elkhorn Creek Pipeline**

WBI Energy will construct approximately 61.9 miles of new 24-inch-diameter natural gas pipeline originating from new facilities installed at WBI Energy's existing Tioga Compressor Station near Tioga, North Dakota in Williams County and terminating southeast of Watford City, North Dakota in McKenzie County at the proposed Elkhorn Creek Compressor Station near MP 61.9. The new pipeline will have bi-directional flow capabilities with an MAOP of 1,480 psig. A pig launcher/receiver will be installed at each end of the new pipeline and at MP 6.1. Four mainline

block valve settings will be spaced throughout the length of the pipeline. The valve settings will consist of valve operators, risers and blowdown valves.

#### Elkhorn Creek – Northern Border Pipeline

WBI Energy will construct 0.3 mile (approximately 1,558 feet) of new 24-inch-diameter natural gas pipeline between the proposed Elkhorn Creek Compressor Station and the new interconnect with Northern Border. The new pipeline will have an MAOP of 1,480 psig.

#### Line Section 25 Loop Pipeline

WBI Energy will construct approximately 20.4 miles of new 12-inch-diameter natural gas pipeline looping along WBI Energy's existing Line Section 25 in Williams, Mountrail and Burke Counties. The new pipeline will originate at WBI Energy's Tioga Compressor Station and terminate at the proposed Norse Transfer Station (MP 20.4) in Burke County. The new pipeline will have bi-directional flow capabilities with an MAOP of 1,098 psig. The new pipeline will serve to loop WBI Energy's existing 8-inch-diameter Line Section 25 that has an MAOP of 700 psig. A pig launcher/receiver will be installed at each end of the new pipeline with two mainline block valve settings spaced throughout the length of the pipeline. The valve settings will consist of valve operators, risers and blowdown valves.

In conjunction with the Line Section 25 Loop, WBI Energy will remove approximately 0.1 mile (about 676 feet) of the existing 6-inch-diameter Stoneview-Conoco Lateral that originates at WBI Energy's existing 8-inch-diameter Line Section 25 and traverses north to the existing Norse Plant Receipt Station in Burke County. WBI Energy will construct approximately 665 feet of new 8-inch-diameter natural gas pipeline to parallel the proposed Line Section 25 Loop at about MP 20.2 and terminate at the proposed Norse Transfer Station. The new pipeline will become a continuation of the existing Line Section 25 and will be operated at the current Line Section 25

MAOP of 700 psig. The proposed Norse Transfer Station will provide the proper overpressure protection for the facilities operated at a MAOP of 700 psig from the uprated Line Section 25 MAOP of 1,098 psig north of the Norse Transfer Station.

#### Line Section 30 Loop Pipeline

WBI Energy will construct approximately 9.4 miles of new 12-inch-diameter natural gas pipeline looping. The Line Section 30 Loop will originate and diverge from WBI Energy's existing 12-inch-diameter Line Section 30 at the existing Nesson Valve Setting in Williams County. The new pipeline will traverse east to approximately MP 4.5, then north and northeast to approximately MP 5.8 and continue east until paralleling the proposed Tioga-Elkhorn Creek pipeline (approximately MPs 6.9 to 9.4), ending at the Tioga Compressor Station. The new pipeline will have bi-directional flow capabilities with an MAOP of 700 psig. Two pig launcher/receivers will be installed, one at each end of the new pipeline.

#### Tioga Compressor Lateral

WBI Energy will construct approximately 0.5 mile (about 2,495 feet) of new 20-inch-diameter natural gas pipeline between the Tioga Plant Receipt Station and the new facilities to be constructed at the Tioga Compressor Station in Williams County. The new pipeline will have an MAOP of 1,480 psig. Two pig launcher/receivers will be installed, one at each end of the new pipeline.

#### Uprate to Line Section 25

WBI Energy will uprate approximately 28.3 miles of its existing 8-inch-diameter Line Section 25 from an MAOP of 700 psig to an MAOP of 1,098 psig by replacing four county road crossings and one state highway crossing (totaling approximately 0.4 mile). Currently, the MAOP of Line Section 25 (from the Tioga Compressor Station to WBI Energy's MIPL – Portal

interconnect in Burke County) is 700 psig. The uprate will increase the MAOP to 1,098 psig from the proposed Norse Transfer Station to the MIPL-Portal interconnect. The uprating will also require replacing and re-routing 0.1 mile (approximately 700 feet) of the existing Line Section 25 from the 86th Street N.W. bore to the proposed Norse Transfer Station. WBI Energy will hydrotest a 9.6-mile segment of the uprated pipeline to establish the MAOP design of 1,098 psig from the Norse Transfer Station to the last guided bore road crossing. Two pig launcher/receivers will be installed at the Norse Transfer Station (one northbound and one southbound) and one at the new Lignite Plant Receipt Station, all in association with the uprate to Line Section 25.

### **Compression**

#### **Elkhorn Creek Compressor Station**

WBI Energy will construct a 3,750 hp greenfield compressor station with associated equipment and facilities. The Elkhorn Creek Compressor Station will be located on 10.9 acres in the SE ¼ of Section 33, Township 149 North, Range 98 West and approximately 8 miles southeast of Watford City, North Dakota in McKenzie County. WBI Energy has signed a purchase agreement to acquire the compressor station property in fee. The new station will be tied into WBI Energy's proposed Tioga-Elkhorn Creek pipeline near MP 61.9 and the proposed Elkhorn Creek-Northern Border pipeline.

The compressor station will include a skid mounted 3,750 hp natural gas-fired Caterpillar G3612 engine coupled to a KBZ-4 compressor unit within a new compressor building. A gas cooler and an auxiliary cooler will be installed for the compressor unit. Appurtenant facilities include gas cleaning equipment, gas measurement and regulation equipment, associated piping and valves and a septic system. Additional appurtenant facilities include a 1.69 million British thermal unit (Btu) per hour boiler for building heating, a 2.08 million Btu per hour water heater, a

0.25 million Btu per hour building unit heater, and a pipeline liquids storage tank, a waste oil storage tank and a floor drain tank for wastewater, each underground and 2,000 gallons in capacity. A 24-inch pig launcher/receiver will be installed within the compressor station site. A transfer building will house the transfer grid piping, gas cleaning equipment and gas measurement and regulation equipment. An auxiliary building will house the motor control center, the station programmable logic controller (PLC) and human-machine interface (HMI), and an office/shop area. An access road will be constructed from County Road 34 to provide access to the facility. Approximately 7.2 acres will be fenced and maintained for the operation of the new station.

#### Tioga Compressor Station

WBI Energy will modify its existing Tioga Compressor Station with the installation of an additional 22,500 hp of compression as well as new equipment and facilities to meet the design specifications of the Project. The station is located in the SW ¼ of Section 24, T157N, R95W approximately 0.5 mile east of Tioga, North Dakota in Williams County. The proposed modifications will increase the station capacity to 23,250 hp. A new transfer grid will be constructed and will tie-in WBI Energy's existing Line Sections 7, 25, and 30 as well as the new Tioga-Elkhorn Creek pipeline, the Line Sections 25 and 30 Loop pipeline and the Tioga Compressor Lateral.

Specifically, WBI Energy will install six new compressor units (Units 2-7), each consisting of a skid mounted 3,750 hp natural gas-fired Caterpillar G3612 engine coupled to a KBZ-4 compressor unit. Three new compressor buildings will house two units each. A gas cooler and an auxiliary cooler will be installed for each new compressor unit. Additional appurtenant facilities include a 980 kilowatt backup power generator driven by a natural gas-fired 1,380 hp Waukesha L5794GSI engine, two 2.47 million Btu per hour boilers for building heating, a 0.25 million Btu

per hour building unit heater, and a pipeline liquids storage tank, a waste oil storage tank and a floor drain tank for wastewater, each underground and 3,000 gallons in capacity. The existing stormwater retention pond will be relocated. A new transfer building, a new auxiliary building, and a new scrubber building will be erected to house new equipment. Four pig launcher/receivers will be installed within the boundary of the Tioga Compressor Station and include a 24-inch pig launcher/receiver for the new Tioga-Elkhorn Creek pipeline, a 20-inch pig launcher/receiver for the new Tioga Compressor Lateral, and two 12-inch pig launcher/receivers, one each for the new Line Sections 25 and 30 Loop pipeline. The existing station fencing will be extended to accommodate the station expansion. A new permanent access road will be built in the northwest corner of the existing station.

### **Delivery, Receipt and Transfer Stations**

#### **Replacement or Upgrades to Existing Station Facilities**

To accommodate the additional volumes associated with the Project, WBI Energy will replace two and upgrade three receipt station facilities as well as replace a town border station (TBS).

The existing Lignite Plant Receipt Station along WBI Energy's Line Section 25 will be rebuilt to accommodate incremental volumes associated with the Project. The new station will include a new building with telemetry and gas quality instruments and a second building with high pressure metering, an odorant system and station piping with over pressure protection equipment. An 8-inch pig launcher/receiver will be installed within the station site for Line Section 25.

The existing Lignite Town Border Station will be rebuilt to meet the uprated Line Section 25 MAOP design of 1,098 psig. The new TBS will include a new building with regulation, overpressure protection and measurement equipment. Filtration equipment as well as new valves,

aboveground piping and fittings will also be installed. The new receipt and town border stations will remain at their existing location in Section 7, Township 162 North, Range 91 West in Burke County. Access will be obtained via the existing access road at the station.

In addition, WBI Energy proposes to upgrade the meter, station piping and associated facilities at the existing Norse Plant, Robinson Lake Plant and Springbrook Plant Receipt Stations to accommodate incremental volumes associated with the Project. The Norse Plant Receipt Station is located at approximately MP 20.4 of the proposed Line Section 25 Loop in Section 26, Township 160 North, Range 94 West in Burke County. No additional land will be required for the upgrade to the Norse Plant Receipt Station facilities. The Robinson Lake Receipt Station is located along WBI Energy's Line Section 7 southeast of Stanley, North Dakota in Section 26, Township 156 North, Range 91 West in Mountrail County. WBI Energy previously obtained an easement for the existing station and plans to purchase an adjoining easement. The Springbrook Plant Receipt Station is located along WBI Energy's Line Section 30 approximately 25 miles west-southwest of Tioga, North Dakota in Section 22, Township 155 North, Range 100 West in Williams County. WBI Energy plans to expand its current easement for the existing station.

The existing Tioga Plant Receipt Station will be removed, and a new station will be constructed at a new location at MP 0.0 of the Tioga Compressor Lateral to accommodate incremental volumes associated with the Project. The new station will be located on 1.1 acres in Section 23, Township 157 North, Range 95 West in Williams County. WBI Energy has acquired an easement and executed a surface facility agreement with Hess Bakken Investments II, LLC to construct the new station. The new station will include a new building with telemetry and gas quality instruments and a second building with high pressure metering, an odorant system, and station piping with over pressure protection equipment. A new access road will be constructed to



the new receipt station.

### New Station Facilities

New facilities to interconnect with Northern Border west of the proposed Elkhorn Creek Compressor Station will be constructed to accommodate incremental transportation volumes associated with the Project. The facilities will be constructed on an approximately 1.0- acre parcel of land in the SE ¼ of Section 33, Township 149 North, Range 98 West in McKenzie County. WBI Energy has signed a purchase agreement with a third-party landowner for the Northern Border facilities. The facilities WBI Energy will construct, own and operate include a new building with telemetry and gas quality instruments and a second building with high pressure metering, an odorant system, and station piping with over pressure protection equipment. WBI Energy will reimburse Northern Border for the cost of a tap and measurement facilities it will construct, own and operate.

In addition, WBI Energy proposes to construct a new transfer station on a new tract adjacent to and south of the Norse Plant Receipt Station near MP 20.4 on the proposed Line Section 25 Loop. The new station will be built on a 0.3-acre parcel of land located in Section 26, Township 160 North, Range 94 West in Burke County. The new station will include a new building with regulation and overpressure protection equipment to provide over pressure protection to facilities operated at an MAOP of 700 psig. The transfer station's telemetry equipment will be housed in the Norse Plant Receipt Station. WBI Energy will purchase the required land. Three pig launcher/receivers will be installed within the boundary of the proposed Norse Transfer Station and include a 12-inch pig launcher/receiver for the proposed Line Section 25 Loop and two 8-inch pig launcher/receivers for Line Section 25 (one northbound and one southbound).

Exhibit F illustrates the specific location of the Project facilities. The flow diagrams and

data that demonstrate the proposed operational capabilities and conditions of the Project are included in Exhibits G and G-I, located in Volume III to this Application. As demonstrated in these exhibits, the Project facilities are designed to create approximately 350,000 mcf per day of new natural gas transportation capacity.

VI.  
FACTS RELIED ON TO SHOW THAT THE  
PROPOSED CONSTRUCTION AND OPERATION OF FACILITIES  
IS REQUIRED BY THE PRESENT AND FUTURE PUBLIC  
CONVENIENCE AND NECESSITY

The facilities proposed herein are designed to provide up to 350,000 mcf per day of incremental firm transportation capacity to meet the transportation needs of Project shippers from natural gas processing plants located on WBI Energy's Line Sections 7, 25 and 30 the proposed interconnect with Northern Border. Construction of the Project facilities represents approximately \$300 million of capital investment in much-needed pipeline infrastructure that: i) responds to the market demand for additional firm take-away capacity for increasing levels of associated natural gas production from the Bakken and Three Forks Formations in the Williston Basin, as evidenced by the significant long-term ten-year contractual commitments of the Project shippers; ii) connects associated natural gas production from the Bakken and Three Forks Formations to Midwest markets via a new interconnect with Northern Border;<sup>5</sup> iii) assists in the reduction of flaring of natural gas in the region to meet established state mandated natural gas capture targets; and iv) creates an additional outlet for the increasing volume of natural gas production in northwest North

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<sup>5</sup> "Northern Border is a major natural gas pipeline system that links market demand in the Midwestern United States with natural gas production in the Western Canadian Sedimentary Basin. In addition to transporting Canadian sourced supply, [Northern Border] receives and transports natural gas produced in the Williston and Powder River Basins in the United States. . . ." NORTHERN BORDER PIPELINE COMPANY, <http://www.northernborder.com/> (last visited Feb. 11, 2020).

Dakota which has resulted in increased transportation constraints on WBI Energy's Line Sections 7, 25, and 30 over the past few years.

The Project is located within the Williston Basin which spans parts of North Dakota, South Dakota, Montana, Manitoba and Saskatchewan, in Canada. The Williston Basin is one of the most prolific oil and associated natural gas production areas within the United States, due to the presence of the Bakken and Three Forks Formations.<sup>6</sup> Conventional hydrocarbon production began in the Bakken Formation when oil was first produced there in 1955.<sup>7</sup> With the advent of horizontal drilling techniques and continued advancements in horizontal drilling technologies,<sup>8</sup> resurgence of drilling activity targeting the Bakken and Three Forks Formations has resulted in significant oil and associated natural gas growth in the last 20 years. The Bakken and Three Forks Formations are primarily targeted for oil production;<sup>9</sup> however, there are significant volumes of associated rich natural gas produced in conjunction with the oil.<sup>10</sup> Rich natural gas generally needs to be processed by the appropriate natural gas processing infrastructure before it can be delivered to market.<sup>11</sup>

Oil production from the Bakken and Three Forks Formations has driven North Dakota's oil production to levels nine times higher than previous peaks in the 1980's.<sup>12</sup> This oil production

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<sup>6</sup> ENERGY OF NORTH DAKOTA, <https://energyofnorthdakota.com/home-menu/how-oil-is-produced/about-the-resource/> (last visited Feb. 11, 2020).

<sup>7</sup> *Bakken Formation Development History*, UNIVERSITY OF NORTH DAKOTA, ENERGY & ENVIRONMENTAL RESEARCH CENTER, <https://undeerc.org/bakken/developmenthistory.aspx> (last visited Feb. 11, 2020).

<sup>8</sup> *Id.* In 2000, the first horizontal pilot well was drilled in the middle member of the Bakken Formation. It was demonstrated five years later that "horizontal drilling combined with hydraulic fracturing can recover significant oil from Mountrail County, North Dakota."

<sup>9</sup> ENERGY OF NORTH DAKOTA, <https://energyofnorthdakota.com/home-menu/how-oil-is-produced/about-the-resource/> (last visited Feb. 11, 2020).

<sup>10</sup> *Natural Gas Production in Bakken Region Increases at a Faster Rate Than Oil Production*, EIA, <https://www.eia.gov/todayinenergy/detail.php?id=33892> (last visited Feb. 11, 2020).

<sup>11</sup> ENERGY OF NORTH DAKOTA, <https://energyofnorthdakota.com/home-menu/impacts-solutions/flaring/> (last visited Feb. 11, 2020).

<sup>12</sup> Lynn Helms, ND DEPT. OF MINERAL RESOURCES DIRECTOR, PRESENTATION (Jul. 18, 2019),

growth has also led to tremendous growth in associated natural gas production.<sup>13</sup> The growth in natural gas production has not been without its challenges from an infrastructure standpoint. “In previous years, insufficient infrastructures to collect, gather and transport North Dakota’s increasing natural gas production meant more than 35% of North Dakota’s gross production of natural gas was flared rather than marketed.”<sup>14</sup> On July 1, 2014, the North Dakota Industrial Commission (NDIC) issued Order No. 24665 which established limits on the amount of natural gas that could be flared by oil and natural gas production companies.<sup>15</sup> On November 20, 2018, the NDIC amended Order No. 24665 with updated policy goals to “increase the volume of captured gas and reduce the percentage of flared gas, in addition to encouraging investment in gas capture infrastructure.”<sup>16</sup> The current gas capture policy requires production companies to limit flaring to 12 percent.<sup>17</sup> The flaring limit drops to nine percent on November 1, 2020.<sup>18</sup>

In November 2019, natural gas production from the Bakken and Three Forks Formations was approximately 3.134 billion cubic feet per day (Bcf) per day; of this amount, approximately 2.591 Bcf per day was captured and processed.<sup>19</sup> Conversely, approximately 0.543 Bcf per day, or approximately 17%, was flared due to limited or insufficient field gathering facilities, inadequate natural gas processing capacity and/or pipeline infrastructure.<sup>20</sup> According to the North Dakota Pipeline Authority (NDPA), natural gas production in North Dakota is forecasted to

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[https://www.dmr.nd.gov/oilgas/presentations/Oil\\_and\\_Gas\\_Update-CookFest\\_Van\\_Hook.pdf](https://www.dmr.nd.gov/oilgas/presentations/Oil_and_Gas_Update-CookFest_Van_Hook.pdf).

<sup>13</sup> *Id.*

<sup>14</sup> EIA, *supra* note 10.

<sup>15</sup> Indus. Comm’n of the State of N. D., Order No. 24665 (2014).

<sup>16</sup> Press Release, Indus. Comm’n of N. D., Indus. Comm’n Amends Gas Capture Policy (Nov. 20, 2018), [https://www.ndenergy.org/usrfiles/news/NDIC-Gas\\_Capture\\_Policy.pdf](https://www.ndenergy.org/usrfiles/news/NDIC-Gas_Capture_Policy.pdf).

<sup>17</sup> Lynn Helms, *Director’s Cut*, NDIC DEPT. OF MINERAL RESOURCES (Jan. 17, 2020), p. 3, <https://www.dmr.nd.gov/oilgas/directorscut/directorscut-2020-01-17.pdf>.

<sup>18</sup> *Id.* at 3.

<sup>19</sup> *Id.* at 1.

<sup>20</sup> *Id.* at 3.

continue to increase from 3.0 Bcf per day to 3.1 to 3.7 Bcf per day by 2022 and to nearly 4.5 to 5.5 Bcf per day by 2037.<sup>21</sup>

Companies have responded to the significant growth (and expected growth) in associated natural gas production and to the NDIC's Order No. 24665 by building out natural gas infrastructure at a rapid pace. In 2006, North Dakota had seven natural gas processing plants with a processing capacity of approximately 0.222 Bcf per day and total natural gas production of approximately 0.190 Bcf per day.<sup>22</sup> By the end of 2017, North Dakota had 28 natural gas processing plants with a total processing capacity of approximately 2.137 Bcf per day,<sup>23</sup> and total record natural gas production of approximately 2.096 Bcf per day.<sup>24</sup> With the continued expansion of natural gas processing capacity to 2.452 Bcf per day in 2018,<sup>25</sup> the Bakken and Three Forks Formations produced a new record natural gas level of 2.650 Bcf per day.<sup>26</sup> Today, nearly 3.2 Bcf per day of processing capacity is available, due to the construction of two additional plants in 2019 and the continued expansions of existing plants.<sup>27</sup> By the end of 2021, total processing capacity is expected to be nearly 4.0 Bcf per day.<sup>28</sup> The proposed natural gas processing capacity may be sufficient to meet the estimated level of natural gas production, but sufficient pipeline infrastructure, such as that proposed in this Application, will be of critical importance to allow the processed natural gas to be transported to market.

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<sup>21</sup> Justin J. Kringstad, Director, N. D. Pipeline Auth., Energy Dev. and Transmission Interim Comm. Presentation (Nov. 14, 2019), <https://ndpipelines.files.wordpress.com/2019/11/kringstad-edt-11-14-19-full-page.pdf>.

<sup>22</sup> NORTH DAKOTA PIPELINE AUTHORITY, <https://northdakotapipelines.com/gas-plants/> (last visited Feb. 11, 2020).

<sup>23</sup> *Id.*

<sup>24</sup> Lynn Helms, *Director's Cut*, NDIC DEPT. OF MINERAL RESOURCES (Feb. 15, 2018), <https://www.dmr.nd.gov/oilgas/directorscut/directorscut-2018-02-15.pdf>.

<sup>25</sup> NORTH DAKOTA PIPELINE AUTHORITY, *supra* note 22.

<sup>26</sup> Helms, *supra* note 24.

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*

The purpose of the Project is to provide firm transportation capacity for incremental natural gas volumes, and natural gas that is currently being flared. However, to the extent that there is available capacity, the Project may be able to further assist producers/operators in meeting the gas capture targets established by Order No. 24665 by providing an additional outlet for natural gas volumes which otherwise may be flared in the absence of the transportation capacity provided by the Project. There are multiple factors associated with oil and natural gas production in the region, which interact with and contribute to the flaring of natural gas. These factors include the lower economic value of natural gas to producers compared to the higher economic value of oil and limited or insufficient gathering facilities and gas processing capacity. The six processing plants associated with this Project represent approximately 17% of the nearly 3.2 Bcf per day of total natural gas processing capacity available in North Dakota today.<sup>29</sup> Although the capacity requested under these Precedent Agreements is targeting incremental natural gas volumes as well as gas currently being flared, the availability of this capacity may help to further mitigate natural gas flaring over time due to the proximate location of the Project to an additional 10 processing plants and the most prolific production areas in the region.

WBI Energy's existing pipeline infrastructure is at capacity within the region due to the increase in associated natural gas production over the past few years. The Project will provide an opportunity to reduce current capacity allocations on WBI Energy's Line Sections 7, 25 and 30 and provide an additional outlet to bring the natural gas production to market. Capacity allocations can occur on WBI Energy's system when requests for the transportation of natural gas exceed the available capacity. The Project will enable WBI Energy's shippers, who are currently

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<sup>29</sup> *Id.*

experiencing capacity allocations on the affected line sections, with alternatives to transport their natural gas and meet their downstream market commitments.

For the reasons set forth herein, the public benefits of the Project exceed any adverse effects. Therefore, the public convenience and necessity requires the issuance of the requested authorizations.

## VII.

### COMPLIANCE WITH POLICY STATEMENT

On September 15, 1999, the Commission issued its *Certification of New Interstate Natural Gas Pipeline Facilities Statement of Policy* (Policy Statement).<sup>30</sup> The Commission stated that it would apply three steps to balance the public benefits of a project against its potential adverse impacts. The threshold question is whether a project can proceed without subsidies from existing customers. The Commission will then determine whether an applicant has made efforts to eliminate or minimize any adverse effects the project might have on its existing customers, existing pipelines in the market and their captive customers, or landowners and communities affected by the construction. If residual adverse effects on these interest groups are identified after efforts have been made to minimize them, the Commission will evaluate the project by balancing the evidence of public benefits to be achieved against the residual adverse effects to determine if the facilities should be approved.

As demonstrated below, the Project satisfies the threshold requirement of no financial subsidies from existing customers, and the Project's benefits outweigh any adverse impacts on affected interests. Therefore, the Project is consistent with the Commission's Policy Statement.

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<sup>30</sup> *Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (1999), *Order on clarification*, 90 FERC ¶ 61,128 (2000), *Order on clarification*, 92 FERC ¶ 61,094 (2000).

## 1. No Subsidies from Existing Customers

As described herein, the Project is supported by binding long-term firm transportation commitments by six Project shippers. During the open season for the Project, potential shippers had the option of requesting a project recourse rate or a mutually agreeable negotiated rate for firm transportation capacity. WBI Energy is proposing an incremental recourse reservation rate designed to recover the incremental cost of service attributable to the Project. The commodity rate WBI Energy is proposing to charge is equal to the maximum Rate Schedule FT-1 commodity rate as set forth in WBI Energy's Tariff, as explained below. Therefore, the Project satisfies the Commission's threshold requirement under the Policy Statement that there is no subsidy from existing customers. Exhibit P to the Application details the estimated cost of service for the Project and the calculation of the incremental recourse reservation rate.

Also, to further the Policy Statement directive, the compression that will be added as part of the Project is not anticipated to have an impact on WBI Energy's fuel use reimbursement percentage for transportation services. WBI Energy has evaluated the potential effect of the additional compression at the Tioga Compression Station (Units 2-7) and the proposed compression at the Elkhorn Creek Compressor Station on the overall system fuel consumption and has determined that existing shippers will not be subsidizing fuel use attributable to the Project. Based on the analysis in Exhibit G, the estimated incremental fuel use reimbursement percentage is below the current Tariff fuel use reimbursement percentage and supports the use of the current fuel use reimbursement percentage. Exhibit Z to the Application provides fuel use information. There is no subsidization from WBI Energy's existing shippers; therefore, the Project satisfies the Commission's threshold requirement under the Policy Statement.

## 2. No Adverse Impacts on Existing Customers and Pipelines



The Project will not result in any detriment or degradation of service to WBI Energy's existing customers or any other existing pipeline and its customers. The Project will provide additional take-away capacity for the increasing volume of natural gas production from the Bakken and Three Forks Formations. The Project will not adversely affect WBI Energy's existing customers because it has been designed to provide firm transportation service while maintaining WBI Energy's current obligations. The flow diagrams and data that demonstrate the existing and proposed operational capabilities and conditions of the Project are included in Exhibits G and G-I hereto. These exhibits demonstrate that there will be no adverse operational impact on service provided to WBI Energy's existing customers as a result of the Project. In addition, the Project is not designed to bypass an existing pipeline or to provide service that is already provided by an existing pipeline. Therefore, the Commission need only consider the residual effects on landowners and affected communities.

### 3. Effects on Affected Landowners and Communities

The Project is designed to minimize impacts on landowners, communities and the environment, and to ensure safety. Although there will be temporary impacts during the construction of the Project and permanent impacts once the Project facilities are placed into service, environmental mitigation measures, as set forth in the Environmental Report in Exhibit F-I, will minimize those impacts. WBI Energy's pre-filing activities in Docket No. PF19-7-000 included landowner and stakeholder outreach to identify and resolve issues prior to filing the Application, and WBI Energy has incorporated comments received during pre-filing activities into the applicable Environmental Reports in Exhibit F-I. WBI Energy will continue to work with landowners and stakeholders, in cooperation with Commission Staff, to resolve any issues.

WBI Energy considered and analyzed alternatives for the proposed Project including taking

no action, alternative energy sources, energy conservation, system alternatives, facility alternatives, route alternatives and route variations, and compressor station alternatives. WBI Energy evaluated the alternatives to the extent they could meet the Project purpose and need; were technically and economically feasible and practical; and provided a significant environmental advantage. Such alternatives are described in Resource Report 10, located in Volume II to the Application.

Based on these analyses, WBI Energy has determined that the Project will optimize constructability, minimize environmental impacts, minimize impacts to landowners and communities, and minimize cost of construction. Accordingly, WBI Energy submits that the Project's public benefits outweigh any adverse impacts that may result. As such, the Project proposal is consistent with the Commission's Policy Statement.

#### VIII. COST OF FACILITIES

WBI Energy estimates the proposed facilities will cost approximately \$300 million as detailed in Exhibit K hereto. The Project will be financed both during construction and permanently utilizing internally generated funds and/or a combination of debt and equity.

#### IX. RATES

As explained above, the Project will have no detrimental financial impact on WBI Energy's existing customers. WBI Energy is proposing an incremental recourse reservation rate under WBI Energy's existing Rate Schedule FT-1 for firm transportation service on the Project facilities. The incremental reservation rate is based on an estimated first-year cost of service for the Project of approximately \$46.8 million and a design capacity of 350,000 equivalent dkt per day. WBI Energy calculated the cost of service using the capital structure and rate of return approved in WBI

Energy's Docket No. RP00-107-000 rate case proceeding and the depreciation rates approved in WBI Energy's recent rate case settlement in Docket No. RP19-165-000. WBI Energy's proposed incremental reservation rate is above its otherwise applicable integrated system rate for comparable service. The derivation of the incremental reservation rate is set forth in Exhibit P.

WBI Energy has classified its estimated operation and maintenance expense by account in accordance with the FERC's Uniform System of Accounts, and by labor and non-labor related expense as detailed in Exhibit P. Accordingly, WBI Energy calculated a Project commodity rate based on estimated variable operation and maintenance expense of \$1,105,738 and Project billing determinants of 127,750,000 equivalent dkt (350,000 equivalent dkt per day x 365 days). The resulting Project commodity rate is less than WBI Energy's applicable integrated system commodity rate. Therefore, in accordance with Commission policy, WBI Energy is proposing to charge its applicable integrated system commodity rate under Rate Schedule FT-1 for transportation service on the Project facilities.

To the extent WBI Energy provides service associated with Project capacity at negotiated rates, it will do so in accordance with the negotiated rate authority pursuant to Section 48 of the General Terms and Conditions of WBI Energy's Tariff. As provided for in the Commission's Negotiated Rate Policy Statement, WBI Energy will file the associated negotiated rate agreement(s) with the Commission no less than 30 nor more than 60 days prior to the date the underlying negotiated rates are proposed to become effective.

Also, in accordance with Commission policy, WBI Energy is proposing to use its integrated system rates under Rate Schedule IT-1 for any interruptible service made available by the Project facilities. WBI Energy will charge all applicable surcharges, scheduled overrun and volumetric capacity release charges, and fuel, lost and unaccounted for gas and electric power charges as set

forth on the pro-forma tariff sheets included in Exhibit P.

## X. STAKEHOLDER AND LANDOWNER OUTREACH

WBI Energy will comply with the landowner notification requirements under Section 157.6(d) of the Commission's regulations and shall make a good faith effort to notify all affected landowners, towns, communities, and local, state and federal agencies involved in the Project. A list of affected landowners is included with the Environmental Report, and due to its sensitive nature, is designated as Privileged and Confidential and included in Volume IV. It is WBI Energy's intent to work with all affected stakeholders and to address their concerns to minimize environmental impacts caused by the Project.

## XI. COMPLIANCE WITH REGULATIONS

WBI Energy is committed to protecting the safety of those living or working near its pipeline system and working proactively to keep its system operating safely and effectively. Accordingly, the Project facilities will be designed, constructed, tested, operated, and maintained in accordance with all applicable local, state and federal regulations, codes and standards. As described in further detail in Resource Reports 1 and 11, this includes the pipeline safety requirements of the U.S. Department of Transportation's (USDOT) Minimum Federal Safety Standards specified in Title 49 of the Code of Federal Regulations (CFR) Part 192, "*Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards*," FERC directives in 18 CFR Part 380.15, "*Siting and Maintenance Requirements*," and other appropriate federal, state and local regulations and codes, including the applicable requirements of the Occupational Safety and Health Administration.

No High Consequence Areas (HCAs) have been identified along the proposed route for the Project. WBI Energy will incorporate the Project into its existing integrity management program and will use criteria specified by the USDOT's Pipeline and Hazardous Materials Safety Administration's (PHMSA) final rule amending the Federal Pipeline Safety Regulations in 49 CFR Parts 191 and 192 to identify HCAs if conditions change along the pipeline system, as described in Resource Report 11.

Prior to placing the new pipeline facilities in service, WBI Energy will conduct a hydrostatic test. All required hydrostatic and pressure testing will be conducted in accordance with 49 CFR Part 192, as described in Section 1.3.1.6 of Resource Report 1.

Cathodic protection systems, rectifiers, and pipeline markers will be located along the pipeline right-of-way and installed in accordance with 49 CFR Part 192 and USDOT safety requirements, as described in Section 11.2 of Resource Report 11.

For all road and railroad crossings, the pipeline will be designed in accordance with USDOT regulations 49 CFR Part 192 and the American Society of Mechanical Engineers' code (B31.8) for gas transmission and distribution piping systems as described in Section 1.3.2.3 of Resource Report 1.

WBI Energy will implement the construction techniques and mitigation measures identified in the 2013 versions of FERC's *Upland Erosion Control, Revegetation, and Maintenance Plan* and *Wetland and Waterbody Construction and Mitigation Procedures*.

## XII. EXHIBITS

This is an abbreviated application filed pursuant to Section 157.7(a) of the Commission's regulations and, as such, contains only the data and information required to fully disclose the nature

and extent of the proposal herein.

The following is a list of the exhibits required by Section 157.14 of the Commission's regulations, with an explanation of the reasons for the omission of certain data and information:

EXHIBIT A	<u>ARTICLES OF INCORPORATION AND BYLAWS</u>  Incorporated herein by reference to Exhibit A, Docket No. CP12-504-000.
EXHIBIT B	<u>STATE AUTHORIZATION</u>  Incorporated herein by reference to Exhibit B Docket No. CP17-257-000.
EXHIBIT C	<u>COMPANY OFFICIALS</u>  Submitted herewith.
EXHIBIT D	<u>SUBSIDIARIES AND AFFILIATION</u>  Submitted herewith.
EXHIBIT E	<u>OTHER PENDING APPLICATIONS AND FILINGS</u>  Omitted. None.
EXHIBIT F	<u>LOCATION OF FACILITIES</u>  Submitted herewith.
EXHIBIT F-I	<u>ENVIRONMENTAL REPORT</u>  Submitted herewith as Volume II. The information in Volume II is public.
EXHIBIT G	<u>FLOW DIAGRAMS SHOWING DAILY DESIGN CAPACITY AND REFLECTING OPERATION WITH AND WITHOUT PROPOSED FACILITIES ADDED</u>  Submitted herewith. Exhibit G is being submitted as Critical Energy Infrastructure Information (CEII) and included in Volume III. This information is labeled: "CUI/CEII - DO NOT RELEASE."
EXHIBIT G-I	<u>FLOW DIAGRAMS REFLECTING MAXIMUM CAPABILITIES</u>

Submitted herewith. Exhibit G-I is being submitted as CEII and included in Volume III. This information is labeled: “CUI//CEII - DO NOT RELEASE.”

EXHIBIT G-II      FLOW DIAGRAM DATA

Submitted herewith.

EXHIBIT H      TOTAL GAS SUPPLY DATA

Omitted. WBI Energy will only provide open-access transportation service on the Project facilities and, accordingly, the shippers will be responsible for providing and arranging their own sources of gas supply.

EXHIBIT I      MARKET DATA

Submitted herewith. Exhibit I-1 to Exhibit I-6 are executed Precedent Agreements and included in Volume IV. Consistent with the Commission’s precedent and regulations with respect to sensitive information, WBI Energy requests privileged treatment of this information, which is labeled: “CUI//PRIV - DO NOT RELEASE.”

EXHIBIT J      FEDERAL AUTHORIZATIONS

Please refer to Resource Report 1, Table 1.8-1 for federal and state permits and approvals.

EXHIBIT K      COST OF FACILITIES

Submitted herewith.

EXHIBIT L      FINANCING

Omitted. WBI Energy plans to finance the Project both during construction and permanently utilizing internally generated funds and/or a combination of debt and equity.

EXHIBIT M      CONSTRUCTION, OPERATION AND MANAGEMENT

Submitted herewith.

EXHIBIT N      REVENUES-EXPENSES-INCOME

Submitted herewith.

EXHIBIT O            DEPRECIATION AND DEPLETION

Submitted herewith.

EXHIBIT P            TARIFF

Submitted herewith.

EXHIBIT Z            FUEL STUDY

Submitted herewith

FORM OF NOTICE   Submitted herewith.

XIII.  
REQUESTED AUTHORIZATION AND CONCLUSION

WBI Energy believes the information and data set forth in this Application demonstrates that the proposal herein is required by the present and future public convenience and necessity. WBI Energy is willing and able to perform properly the acts described herein and to conform to the provisions of the NGA and the requirements, rules and regulations of the Commission thereunder.

WBI Energy respectfully requests that the Commission:

- (a)            Grant to WBI Energy, no later than January 2021, a Certificate of Public Convenience and Necessity pursuant to Section 7(c) of the NGA authorizing the proposed construction, installation, operation and maintenance of the North Bakken Expansion Project, as more fully described herein; and
- (b)            Grant such other relief or authority as may be deemed necessary and appropriate.



Dated this 14 day of February 2020

Respectfully submitted,  
WBI ENERGY TRANSMISSION, INC.

By   
\_\_\_\_\_  
Lori Myerchin  
Director, Regulatory Affairs and  
Transportation Services

STATE OF NORTH DAKOTA     )  
COUNTY OF BURLEIGH     )

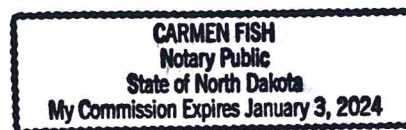
I, Lori Myerchin, being first duly sworn, do hereby depose and say that I am the Director, Regulatory Affairs and Transportation Services for WBI Energy Transmission, Inc.; that I have read the foregoing document; that I know the contents thereof; that I am authorized to execute such document; and that all such statements and matters set forth therein are true and correct to the best of my knowledge, information and belief.

Dated this 14 day of February 2020.

By Lori Myerchin  
Lori Myerchin  
Director, Regulatory Affairs and  
Transportation Services

Subscribed and sworn to before me this 14<sup>th</sup> day of February 2020.

Carmen Fish  
Carmen Fish, Notary Public  
Burleigh County, North Dakota  
My Commission Expires: 1/03/2024



## WBI Energy Transmission, Inc.

Docket No. CP20-52-000

## NOTICE OF ABBREVIATED APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

(February \_\_, 2020)

Take notice that on February \_\_, 2020, WBI Energy Transmission, Inc. (WBI Energy) filed with the Federal Energy Regulatory Commission an abbreviated application pursuant to Section 7(c) of the Natural Gas Act, requesting authorization to construct, modify, operate and maintain certain natural gas transmission facilities in Burke, McKenzie, Mountrail and Williams Counties, North Dakota. Specifically, WBI Energy proposes to: 1) construct approximately 61.9 miles of 24-inch-diameter natural gas pipeline from WBI Energy's Tioga Compressor Station in Williams County to the proposed Elkhorn Creek Compressor Station in McKenzie County; 2) construct approximately 0.3 mile of 24-inch-diameter natural gas pipeline from the proposed Elkhorn Creek Compressor Station to a new interconnect with Northern Border Pipeline Company (Northern Border) in McKenzie County; 3) construct approximately 20.4 miles of 12-inch-diameter natural gas pipeline looping along WBI Energy's Line Section 25 in Mountrail and Burke Counties; 4) construct approximately 9.4 miles of 12-inch-diameter natural gas pipeline looping along WBI Energy's Line Section 30 in Williams County; 5) construct approximately 0.5 mile of 20-inch-diameter receipt lateral to the Tioga Compressor Station; 6) uprate to WBI Energy's Line Section 25; 7) install additional horsepower at the Tioga Compressor Station; 8) construct a new compressor station, the Elkhorn Creek Compressor Station, in McKenzie County; and 9) install new and modify existing delivery, receipt, and transfer stations along the pipeline routes, replace small segments of pipeline facilities and install block valves, pig launcher/receiver station and other associated appurtenances.

The purpose of the Project is to provide incremental firm transportation capacity of 350,000 million cubic feet per day of natural gas from natural gas processing plants to a proposed interconnect with Northern Border. New pipeline infrastructure in the Williston Basin of northwest North Dakota is of critical importance for the transportation of increasing levels of associated natural gas production and to aid in the reduction of natural gas flaring.

Any questions regarding the application should be directed to Lori Myerchin, Director, Regulatory Affairs and Transportation Services, WBI Energy Transmission, Inc., 1250 West Century Avenue, Bismarck, North Dakota 58503; by phone at (701) 530-1563; or by email to [lori.myerchin@wbienrgy.com](mailto:lori.myerchin@wbienrgy.com).

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices,

motions, or protests must be filed on or before the comment date. Anyone filing a motion to intervene, or protest must serve a copy of that document on the Applicant. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of comments, protests and interventions in lieu of paper using the “eFiling” link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 5 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the “eLibrary” link. Enter the docket number excluding the last three digits in the docket number field to access the document. There is an “eSubscription” link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), or call toll-free, (866) 208-3676 or TTY, call (202) 502-8659. The filing is also available for review in the Commission’s Public Reference Room in Washington, D.C.

Comment Date: 5:00 pm Eastern Time on (insert date).

Kimberly D. Bose  
Secretary

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EXHIBIT C  
COMPANY OFFICIALS

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WBI ENERGY TRANSMISSION, INC.

WBI ENERGY TRANSMISSION, INC.

COMPANY OFFICIALS

The following list reflects the names and business addresses of WBI Energy's Board of Directors, effective as of May 6, 2019.

**Board of Directors**

<u>Name</u>	<u>Position</u>	<u>Address</u>
David L. Goodin	Director	P.O. Box 5650 Bismarck, ND 58506-5650
Trevor J. Hastings	Director	P.O. Box 5601 Bismarck, ND 58506-5601
Daniel S. Kuntz	Director	P.O. Box 5650 Bismarck, ND 58506-5650

WBI ENERGY TRANSMISSION, INC.

COMPANY OFFICIALS

The following list reflects the names and business addresses of WBI Energy's Officers, effective as of May 6, 2019.

**Officers**

<u>Name</u>	<u>Position</u>	<u>Address</u>
David L. Goodin	Chair of the Board	P.O. Box 5650 Bismarck, ND 58506-5650
Trevor J. Hastings	President & Chief Executive Officer	P.O. Box 5601 Bismarck, ND 58506-5601
Stephanie A. Barth	Treasurer	P.O. Box 5650 Bismarck, ND 58506-5650
Julie A. Gerving	Controller	P.O. Box 5601 Bismarck, ND 58506-5601
Rob L. Johnson	Vice President - Commercial	P.O. Box 5601 Bismarck, ND 58506-5601
Anne M. Jones	Vice President - Human Resources	P.O. Box 5650 Bismarck, ND 58506-5650
Daniel S. Kuntz	General Counsel and Secretary	P.O. Box 5650 Bismarck, ND 58506-5650
Margaret (Peggy) A. Link	Chief Information Officer	P.O. Box 5650 Bismarck, ND 58506-5650
Adrienne L. Riehl	Assistant Secretary	P.O. Box 5650 Bismarck, ND 58506-5650
Jeffrey J. Rust	Vice President - Operations	P.O. Box 5601 Bismarck, ND 58506-5601

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EXHIBIT D

SUBSIDIARIES AND AFFILIATIONS

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WBI ENERGY TRANSMISSION, INC.



WBI ENERGY TRANSMISSION, INC.

SUBSIDIARIES AND AFFILIATIONS

The Applicant, WBI Energy Transmission, Inc. (WBI Energy), is part of the MDU Resources Group, Inc. (MDU Resources) family of companies.

WBI Energy is a wholly owned subsidiary of WBI Energy, Inc. WBI Energy, Inc. is a wholly owned subsidiary of WBI Holdings, Inc. (WBI Holdings). WBI Holdings is a wholly-owned subsidiary of Centennial Energy Holdings, Inc. (Centennial). Centennial is a wholly-owned subsidiary of MDU Resources.

WBI Energy, Inc. is the sole stockholder of WBI Canadian Pipeline, Ltd., and the sole member of WBI Energy Midstream, LLC.

WBI Holdings, in addition to owning 100 percent of the capital stock of WBI Energy, Inc. also owns 100 percent of the capital stock of Fidelity Exploration & Production Company (Fidelity E&P). Fidelity E&P owns 100 percent of the capital stock of Fidelity Oil Co.

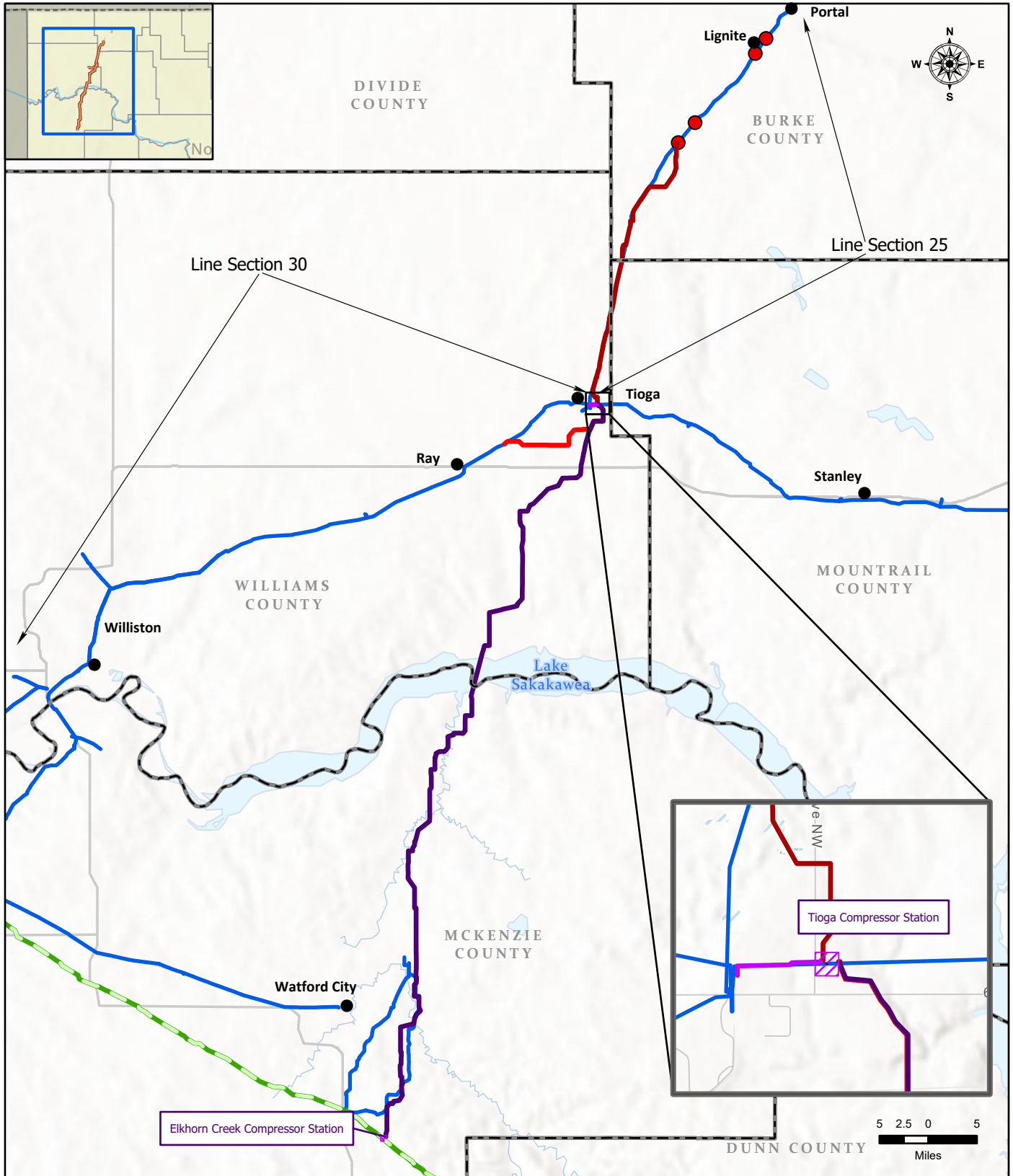
Except for the corporate relationships herein described, neither WBI Energy, nor any of its officers or directors, directly or indirectly, own, control or hold with power to vote, ten percent or more of the outstanding voting securities of any other person or organized group of persons engaged in production, transportation, storage, distribution, or sale of natural gas, or of any person or organized group of persons engaged in the construction or financing of such enterprises.

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EXHIBIT F  
LOCATION OF FACILITIES

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WBI ENERGY TRANSMISSION, INC.



- |   |                            |
|---|----------------------------|
| — Proposed Line Section 25 Loop                   | ● Proposed Uprate Bore     |
| — Proposed Line Section 30 Loop                   | — Northern Border Pipeline |
| — Proposed Tioga-Elkhorn Creek Pipeline           | — WBI Existing Pipeline    |
| — Proposed Tioga Compressor Lateral               | ▭ County Boundary          |
| — Proposed Elkhorn Creek-Northern Border Pipeline | ▨ Compressor Station       |

## North Bakken Expansion Project Overview Project Map

1:900,000

**WBI ENERGY**  
TRANSMISSION  
An MRC Resources Group company

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EXHIBIT F-I

ENVIRONMENTAL REPORT

The Environmental Report is in Volume II.

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WBI ENERGY TRANSMISSION, INC.

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EXHIBIT G

FLOW DIAGRAMS SHOWING DAILY DESIGN CAPACITY  
AND REFLECTING OPERATION WITH AND WITHOUT  
PROPOSED FACILITIES ADDED

Flow diagram information is being submitted as “CUI//CEII – DO NOT RELEASE”  
under separate cover in Volume III.

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WBI ENERGY TRANSMISSION, INC.

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EXHIBIT G-I

FLOW DIAGRAMS REFLECTING  
MAXIMUM CAPABILITIES

Flow diagram information is being submitted as “CUI//CEII – DO NOT RELEASE”  
under separate cover in Volume III.

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WBI ENERGY TRANSMISSION, INC.

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EXHIBIT G-II  
FLOW DIAGRAM DATA

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WBI ENERGY TRANSMISSION, INC.

WBI ENERGY TRANSMISSION, INC.

FLOW DIAGRAM DATA

Flow Calculation Assumptions, Bases, Formulae, and Methods

WBI Energy Transmission, Inc. (WBI Energy) utilized Gregg Engineering, Inc.'s WinFlow steady state pipeline simulator to model existing and proposed pipeline facilities. The Colebrook flow formula was utilized for the calculation of the volume-pressure relationship on pipeline segments that were 6-inches in diameter or greater and the Weymouth flow formula was utilized on segments smaller than 6-inches in diameter. Calculations were performed using a temperature base of 60° F and a pressure base of 14.73 pounds per square inch absolute. Flowing gas and ground temperature were assumed to be 40° F for winter conditions and 60° F for summer conditions.

Pipeline facilities were designed to meet all possible combinations of existing and new firm transportation commitments. Fuel gas used by WBI Energy for compression, line heaters, and other equipment is included. The composition of gas received at each receipt location varies across the system and it is assumed that each location delivers gas to WBI Energy with a specific gravity that is representative of the historical value for that location. Therefore, the blended gas gravity within each pipeline segment will vary based on the received quantities and direction of flow at any given time.

Compressors and Horsepower

Suction and discharge pressures were determined by pipeline and volume conditions. For the new and existing reciprocating compressors at the Tioga and Elkhorn Creek Compressor Stations, it



is assumed that there will be a 2% pressure loss on the suction side between the pipeline and the compressor cylinders and a 2% pressure loss on the discharge side between the compressor cylinders and the pipeline. Pressure losses were incorporated into the appropriate load curves.

“Rated HP” is the total rated prime mover horsepower. “HP” is the horsepower that is applied to the natural gas being compressed at the stated operating conditions. Required horsepower for the electric unit at the Tioga Compressor Station is calculated based on company developed load curves utilizing software from ACI Services, Incorporated. Required horsepower for the new natural gas-fired units at Tioga and Elkhorn Creek Compressor Stations are estimated using Gregg Engineering, Inc.’s WinFlow steady state pipeline simulator software.

#### Storage, Gas Dehydration, and Gas Processing

The North Bakken Expansion Project will not tie directly to WBI Energy’s natural gas storage facilities. No gas dehydration or processing facilities will be constructed.

#### Description of Pipe to be installed

WBI Energy will construct in total approximately 92.5 miles new natural gas pipeline, pipeline looping and pipeline replacement, as well as replace an additional 0.5 mile of pipeline along a 28.3-mile segment of an existing pipeline in order to increase the MAOP of the pipeline segment. All segments except the 20-inch-diameter Tioga Compressor Lateral will have bi-directional flow capabilities. The new 24-inch diameter Tioga-Elkhorn Creek pipeline will be operated at a Maximum Allowable Operating Pressure (MAOP) of 1,480 pounds per square inch gauge (psig). This pipeline will be welded steel 24.000” outer diameter (O.D.) API-5L-X70, 70,000 psi specified minimum yield stress ERW pipe. From milepost (MP) 0.0 to 46.8, the pipeline wall thickness will be 0.438 inches,

its equivalent or better as required to meet location code requirements for an MAOP of 1,480 psig. From MP 46.8 to 61.9, the wall thickness will increase to 0.500 inches to provide for operational flexibility and added safety in an area with increased pipeline infrastructure. From MP 23.1 to 26.0, the pipeline wall thickness will be 1.219 inches for the horizontal directional drill (HDD) under Lake Sakakawea. Valves and fittings used will match the grade, wall thickness, and pressure rating of the pipe. Details for each segment are summarized in the table below.

Pipeline Facility	Length (mile)	O.D. (inches)	Wall thickness (inches) <sup>1/</sup>	Pipe Spec.	S.M.Y.S. (psi)	MAOP (psig)
Tioga-Elkhorn Creek MP 0.0 to 46.8	43.9	24.000	0.438	API-5L-X70	70,000	1,480
Tioga-Elkhorn Creek MP 21.1 to 26.0 (Lake Sakakawea HDD crossing)	2.9	24.000	1.219	API-5L-X52	52,000	1,480
Tioga-Elkhorn Creek MP 46.8 to 61.9	15.1	24.000	0.500	API-5L-X70	70,000	1,480
Elkhorn Creek – Northern Border.	0.3	24.000	0.500	API-5L-X70	70,000	1,480
Tioga Compressor Lateral	0.5	20.000	0.438	API-5L-X70	70,000	1,480
Line Section 30 Loop	9.4	12.750	0.250	API-5L-X42	42,000	700
Line Section 25 Loop	20.3	12.750	0.250	API-5L-X65	65,000	1,098
Line Section 25 Loop (6-inch-diameter lateral pipeline replaced with 8-inch-diameter pipeline)	0.1	8.625	0.250	API-5L-X52	52,000	700
Uprate Line Section 25 (road crossings) <sup>2/</sup>	0.4	8.625	0.322	API-5L-X52	52,000	1,098
Uprate Line Section 25 (pipeline) <sup>3/</sup>	0.1	8.625	0.250	API-5L-X52	52,000	1,098

<sup>1/</sup> Its equivalent or better as required to meet location code requirements for the MAOP.

<sup>2/</sup> Includes replacing about 0.4 mile of existing pipeline via the guided bore method at four county road crossings and one highway crossing.

<sup>3/</sup> Includes replacing and rerouting about 0.1 mile of existing pipeline from the 86th Street NW bore to the proposed Norse Transfer Station.

The major compressor station piping and connecting pipelines to be constructed at the Tioga Compressor Station will be welded steel of varying diameter, wall thickness, and specified minimum yield strength as required to meet flowing conditions and the MAOP of each of the pipelines entering the Tioga Compressor Station. The discharge piping will be designed and constructed to an MAOP of 1,480 psig. Valves will match the temperature and pressure rating of each pipeline. Fittings will match the grade, wall thickness, pressure and temperature rating of each pipeline.

The major compressor station piping and connecting pipelines to be constructed at the Elkhorn Creek Compressor Station will be welded steel of varying diameter, wall thickness, and specified minimum yield strength as required to meet flowing conditions. The piping will be designed and constructed to an MAOP of 1,480 psig. Valves will match the temperature and pressure rating of the pipe. Fittings used will match the grade, wall thickness, pressure and temperature rating of the pipe.

All piping will be designed, constructed, installed, inspected, operated, and maintained in full compliance with the requirements specified at 49 CFR Part 192, "*Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards*" and its referenced engineering codes.

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EXHIBIT I

MARKET DATA

Exhibits I-1 through I-6 are being submitted as privileged and confidential and labeled  
“CUI//PRIV – DO NOT RELEASE”  
under separate cover in Volume IV.

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WBI ENERGY TRANSMISSION, INC.

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EXHIBIT K  
COST OF FACILITIES

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WBI ENERGY TRANSMISSION, INC.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit K  
Estimated Cost of Facilities

Note: All cost estimates are based on requests for information from various suppliers, actual cost estimates received for the project, and historical experience.

Line No.	Description	Pipeline	Compressor Station	Measurement	Northern Border Interconnect	Total Costs
	(A)	(B)	(C)	(D)	(E)	(F)
		(\$)	(\$)	(\$)	(\$)	(\$)
1	Right-of-Way	10,423,299	455,000	224,681	\$40,500	11,143,480
2	Damages	1,171,150	-	-	-	1,171,150
3	Surveys	2,269,430	16,174	17,140	13,705	2,316,449
4	Materials	51,925,981	38,769,500	3,737,884	868,301	95,301,666
5	Direct Labor	1,832,177	735,982	488,620	89,133	3,145,912
6	Contract Charges	122,708,134	9,668,700	415,022	24,058	132,815,914
7	Engineering & Inspection	4,682,266	1,061,907	169,971	-	5,914,144
8	Legal & Other Fees	500,000	-	-	-	500,000
9	Administrative Overhead (AO)	592,691	265,756	32,829	55,684	946,960
10	AFUDC	5,180,247	2,637,724	301,435	725,974	8,845,380
11	Contingencies	19,036,964	5,646,122	522,003	1,200,658	26,405,747
12	Other Direct Costs 1/	802,117	439,281	171,378	9,770,935	11,183,711
13	Total Estimated Cost of Facilities	<u>221,124,456</u>	<u>59,696,146</u>	<u>6,080,963</u>	<u>12,788,948</u>	<u>299,690,513</u>

Footnotes

- 14 1/ Other Direct Costs related to Northern Border Interconnect includes payment for measurement facilities estimated to be \$9,748,000.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit K  
Allowance for Funds Used During Construction (AFUDC) Calculation 1/

Line No.		Yearly	Monthly
1	AFUDC Debt 2/	1.84%	0.1533%
2	AFUDC Equity 2/	3.84%	0.3200%
3	Debt %	38.66%	Source: 2019 Year-end Percentage
4	Equity %	61.34%	Source: 2019 Year-end Percentage
5	Debt Interest Rate	4.59%	Source: 2019 Year-end Percentage
6	Cost of Equity 2/	9.28%	Source: 2017-2019 average
7	1/ Actuals per Books for July-December 2019.		
8	2/ AFUDC Debt and Equity % and Cost of Equity include short term paper borrowings in accordance with WBI Energy's Cash Management Agreement with WBI Holdings, Inc.		

Pipeline						
	Current Month CapEx (excluding AFUDC)	Current Month Retainage	Total Cum CapEx (excluding AFUDC & Retainage)	Total Cum CapEx & Retainage (excluding AFUDC)	Debt AFUDC	Equity AFUDC
Debt + Equity AFUDC						
Jul-19	1,473,274.32	-	1,473,274.32	1,473,274.32	-	-
Aug-19	448,247.72	-	1,921,522.04	1,921,522.04	3,897.81	-
Sep-19	306,972.12	-	2,228,494.16	2,228,494.16	4,969.84	-
Oct-19	152,926.49	-	2,381,420.65	2,381,420.65	5,704.00	-
Nov-19	419,989.97	-	2,801,410.62	2,801,410.62	6,070.83	-
Dec-19	989,035.92	-	3,790,446.54	3,790,446.54	3,191.53	11,786.16
Jan-20	489,500.00	-	4,279,946.54	4,279,946.54	5,812.02	12,129.43
Feb-20	489,500.00	-	4,769,446.54	4,769,446.54	6,562.58	13,695.83
Mar-20	577,500.00	-	5,346,946.54	5,346,946.54	7,313.15	15,262.23
Apr-20	715,000.00	-	6,061,946.54	6,061,946.54	8,198.65	17,110.23
May-20	2,260,500.00	-	8,322,446.54	8,322,446.54	9,294.98	19,398.23
Jun-20	5,049,000.00	-	13,371,446.54	13,371,446.54	12,761.08	26,631.83
Jul-20	5,109,500.00	-	18,480,946.54	18,480,946.54	20,502.88	42,788.63
Aug-20	4,507,250.00	-	22,988,196.54	22,988,196.54	28,337.45	59,139.03
Sep-20	3,151,214.00	-	26,139,410.54	26,139,410.54	35,248.57	73,562.23
Oct-20	2,133,906.50	-	28,273,317.04	28,273,317.04	40,080.43	83,646.11
Nov-20	1,611,500.00	-	29,884,817.04	29,884,817.04	43,352.42	90,474.61
Dec-20	1,121,792.10	-	31,006,609.14	31,006,609.14	45,823.39	95,631.41
Jan-21	1,017,500.00	-	32,024,109.14	32,024,109.14	47,543.47	99,221.15
Feb-21	23,433,300.00	-	55,457,409.14	55,457,409.14	49,103.63	102,477.15
Mar-21	19,547,077.00	-	75,004,486.14	75,004,486.14	85,034.69	177,463.71
Apr-21	5,775,000.00	1,000,000.00	79,779,486.14	80,779,486.14	115,006.88	240,014.36
May-21	13,227,500.00	2,500,000.00	90,506,986.14	93,006,986.14	122,328.55	255,294.36
Jun-21	18,397,500.00	3,300,000.00	105,604,486.14	108,904,486.14	138,777.38	289,622.36
Jul-21	27,302,000.00	5,000,000.00	127,906,486.14	132,906,486.14	161,926.88	337,934.36
Aug-21	25,960,069.30	4,750,000.00	149,116,555.44	153,866,555.44	196,123.28	409,300.76
Sep-21	24,060,445.20	4,400,000.00	168,777,000.64	173,177,000.64	228,645.39	477,172.98
Oct-21	12,309,000.00	2,250,000.00	178,836,000.64	181,086,000.64	258,791.40	540,086.40
Nov-21	9,922,000.00	1,800,000.00	186,958,000.64	188,758,000.64	-	-
Dec-21	3,393,517.60	(25,000,000.00)	215,351,518.24	190,351,518.24	-	-
Totals	\$215,351,518.24	\$0.00			\$1,690,403.17	\$3,489,843.53
						5,180,246.69

Construction Start Date 5/1/2021  
Planned In Service 11/1/2021

		Project Cost before AO & AFUDC	Allocated AO	Total Cost w/ AO	Allocated Debt AFUDC	Allocated Equity AFUDC	Total Costs
Pipeline Costs			\$592,691		1,690,403	3,489,844	
365.2	Right of Way	\$10,423,299	\$28,687	\$10,451,986	\$81,818	\$168,913	\$10,702,717
367	Mains	\$204,928,219	\$564,004	\$205,492,223	\$1,608,585	\$3,320,930	\$210,421,739
		\$215,351,518	\$592,691	\$215,944,209	\$1,690,403	\$3,489,844	\$221,124,456

Compressor Station						
Current Month CapEx (excluding AFUDC)	Current Month Retainage	Total Cum CapEx (excluding AFUDC & Retainage)	Total Cum CapEx & Retainage (excluding AFUDC)	Debt AFUDC	Equity AFUDC	Debt + Equity AFUDC
Jul-19	121,521.52	-	121,521.52	-	-	-
Aug-19	39,483.91	-	161,005.43	290.41	-	290.41
Sep-19	27,486.66	-	188,492.09	384.84	-	384.84
Oct-19	9,247.69	-	197,739.78	450.58	-	450.58
Nov-19	33,001.94	-	230,741.72	472.77	-	472.77
Dec-19	69,657.87	-	300,399.59	250.42	912.72	1,163.14
Jan-20	268,400.00	-	568,799.59	460.61	961.28	1,421.89
Feb-20	37,400.00	-	606,199.59	872.16	1,820.16	2,692.32
Mar-20	7,077,400.00	-	7,683,599.59	929.51	1,939.84	2,869.34
Apr-20	1,357,400.00	-	9,040,999.59	11,781.52	24,587.52	36,369.04
May-20	5,977,400.00	-	15,018,399.59	13,862.87	28,931.20	42,794.06
Jun-20	1,137,400.00	-	16,155,799.59	23,028.21	48,058.88	71,087.09
Jul-20	1,192,400.00	-	17,348,199.59	24,772.23	51,698.56	76,470.78
Aug-20	312,400.00	-	17,660,599.59	26,600.57	55,514.24	82,114.81
Sep-20	1,082,400.00	-	18,742,999.59	27,079.59	56,513.92	83,593.50
Oct-20	2,594,900.00	-	21,337,899.59	28,739.27	59,977.60	88,716.86
Nov-20	7,605,400.00	-	28,943,299.59	32,718.11	68,281.28	100,999.39
Dec-20	1,442,100.00	-	30,385,399.59	44,379.73	92,618.56	136,998.28
Jan-21	562,100.00	-	30,947,499.59	46,590.95	97,233.28	143,824.22
Feb-21	342,100.00	-	31,289,599.59	47,452.83	99,032.00	146,484.83
Mar-21	1,268,300.00	-	32,557,899.59	47,977.39	100,126.72	148,104.10
Apr-21	1,701,450.30	-	34,259,349.89	49,922.11	104,185.28	154,107.39
May-21	8,979,050.30	-	43,238,400.19	52,531.00	109,629.92	162,160.92
Jun-21	2,980,200.30	-	46,218,600.49	66,298.88	138,362.88	204,661.76
Jul-21	3,438,075.30	-	49,656,675.79	70,868.52	147,899.52	218,768.04
Aug-21	1,799,075.30	-	51,455,751.09	76,140.24	158,901.36	235,041.60
Sep-21	1,810,075.30	-	53,265,826.39	78,898.82	164,658.40	243,557.22
Oct-21	1,856,275.30	-	55,122,101.69	81,674.27	170,450.64	252,124.91
Nov-21	1,566,580.40	-	56,688,682.09	-	-	-
Dec-21	103,984.10	-	56,792,666.19	-	-	-
<b>Totals</b>	<b>\$56,792,666.19</b>	<b>\$0.00</b>		<b>\$855,428.39</b>	<b>\$1,782,295.75</b>	<b>2,637,724.14</b>

Construction Start Date 3/1/2021  
Planned In Service 11/1/2021

		Project Cost before AO & AFUDC	Allocated AO	Total Cost w/ AO	Allocated Debt AFUDC	Allocated Equity AFUDC	Total Costs
<b>Compressor Station Costs</b>			\$265,756		855,428	1,782,296	
365.2	Right of Way	\$455,000	\$2,129	\$457,129	\$6,853	\$14,279	\$478,262
368.1	Comp Station Equip	\$56,337,666	\$263,627	\$56,601,293	\$848,575	\$1,768,017	\$59,217,885
		<b>\$56,792,666</b>	<b>\$265,756</b>	<b>\$57,058,422</b>	<b>\$855,428</b>	<b>\$1,782,296</b>	<b>\$59,696,146</b>



Measurement							
Current Month CapEx (excluding AFUDC)	Current Month Retainage	Total Cum CapEx (excluding AFUDC & Retainage)	Total Cum CapEx & Retainage (excluding AFUDC)	Debt AFUDC	Equity AFUDC	Debt + Equity AFUDC	
Jul-19	(65.83)	-	(65.83)	-	-	-	
Aug-19	1,000.50	-	934.67	7.19	-	7.19	
Sep-19	2,261.92	-	3,196.59	9.58	-	9.58	
Oct-19	916.75	-	4,113.34	14.99	-	14.99	
Nov-19	(78.80)	-	4,034.54	17.19	-	17.19	
Dec-19	619.81	-	4,654.35	7.71	28.00	35.71	
Jan-20	10,285.00	-	14,939.35	7.14	14.89	22.03	
Feb-20	13,035.00	-	27,974.35	22.91	47.81	70.71	
Mar-20	15,235.00	-	43,209.35	42.89	89.52	132.41	
Apr-20	17,435.00	-	60,644.35	66.25	138.27	204.52	
May-20	22,935.00	-	83,579.35	92.99	194.06	287.05	
Jun-20	36,135.00	-	119,714.35	128.16	267.45	395.61	
Jul-20	390,912.50	-	510,626.85	183.56	383.09	566.65	
Aug-20	1,011,862.50	-	1,522,489.35	782.96	1,634.01	2,416.97	
Sep-20	1,202,162.50	-	2,724,651.85	2,334.48	4,871.97	7,206.45	
Oct-20	1,148,262.50	-	3,872,914.35	4,177.80	8,718.89	12,896.69	
Nov-20	222,585.00	-	4,095,499.35	5,938.47	12,393.33	18,331.79	
Dec-20	167,585.00	-	4,263,084.35	6,279.77	13,105.60	19,385.36	
Jan-21	67,485.00	-	4,330,569.35	6,536.73	13,641.87	20,178.60	
Feb-21	50,435.00	-	4,381,004.35	6,640.21	13,857.82	20,498.03	
Mar-21	147,400.00	-	4,528,404.35	6,717.54	14,019.21	20,736.75	
Apr-21	336,787.00	-	4,865,191.35	6,943.55	14,490.89	21,434.45	
May-21	506,000.00	-	5,371,191.35	7,459.96	15,568.61	23,028.57	
Jun-21	297,537.90	-	5,668,729.25	8,235.83	17,187.81	25,423.64	
Jul-21	34,454.20	-	5,703,183.45	8,692.05	18,139.93	26,831.99	
Aug-21	23,531.20	-	5,726,714.65	8,744.88	18,250.19	26,995.07	
Sep-21	19,984.80	-	5,746,699.45	8,780.96	18,325.49	27,106.45	
Oct-21	-	-	5,746,699.45	8,811.61	18,389.44	27,201.04	
Nov-21	-	-	5,746,699.45	-	-	-	
Dec-21	-	-	5,746,699.45	-	-	-	
<b>Totals</b>	<b>5,746,699.45</b>	<b>\$0.00</b>		<b>\$97,677.35</b>	<b>\$203,758.14</b>	<b>301,435.49</b>	

Construction Start Date  
Planned In Service

3/1/2021  
11/1/2021

		Project Cost before AO & AFUDC	Allocated AO	Total Cost w/ AO	Allocated Debt AFUDC	Allocated Equity AFUDC	Total Costs
			\$32,829		97,677	203,758	
365.2	Right of Way	\$224,681	\$1,284	\$225,965	\$3,819	\$7,966	\$237,750
369	Measuring Equip	\$5,522,018	\$31,545	\$5,553,563	\$93,858	\$195,792	\$5,843,214
		<b>\$5,746,699</b>	<b>\$32,829</b>	<b>\$5,779,528</b>	<b>\$97,677</b>	<b>\$203,758</b>	<b>\$6,080,963</b>

Measurement and Interconnect at Northern Border							
Current Month CapEx (excluding AFUDC)	Current Month Retainage	Total Cum CapEx (excluding AFUDC & Retainage)	Total Cum CapEx & Retainage (excluding AFUDC)	Debt AFUDC	Equity AFUDC	Debt + Equity AFUDC	
Jul-19	-	-	-	-	-	-	-
Aug-19	-	-	-	-	-	-	-
Sep-19	-	-	-	-	-	-	-
Oct-19	-	-	-	-	-	-	-
Nov-19	576.52	-	576.52	576.52	-	-	-
Dec-19	132.04	-	708.56	708.56	1.19	0.59	1.78
Jan-20	550.00	-	1,258.56	1,258.56	1.09	2.27	3.35
Feb-20	1,100.00	-	2,358.56	2,358.56	1.93	4.03	5.96
Mar-20	5,363,050.00	-	5,365,408.56	5,365,408.56	3.62	7.55	11.16
Apr-20	2,200.00	-	5,367,608.56	5,367,608.56	8,226.96	17,169.31	25,396.27
May-20	3,300.00	-	5,370,908.56	5,370,908.56	8,230.33	17,176.35	25,406.68
Jun-20	6,600.00	-	5,377,508.56	5,377,508.56	8,235.39	17,186.91	25,422.30
Jul-20	9,900.00	-	5,387,408.56	5,387,408.56	8,245.51	17,208.03	25,453.54
Aug-20	220,000.00	-	5,607,408.56	5,607,408.56	8,260.69	17,239.71	25,500.40
Sep-20	330,000.00	-	5,937,408.56	5,937,408.56	8,598.03	17,943.71	26,541.73
Oct-20	286,000.00	-	6,223,408.56	6,223,408.56	9,104.03	18,999.71	28,103.73
Nov-20	55,000.00	-	6,278,408.56	6,278,408.56	9,542.56	19,914.91	29,457.47
Dec-20	55,000.00	-	6,333,408.56	6,333,408.56	9,626.89	20,090.91	29,717.80
Jan-21	7,700.00	-	6,341,108.56	6,341,108.56	9,711.23	20,266.91	29,978.13
Feb-21	7,700.00	-	6,348,808.56	6,348,808.56	9,723.03	20,291.55	30,014.58
Mar-21	5,369,100.00	-	11,717,908.56	11,717,908.56	9,734.84	20,316.19	30,051.03
Apr-21	55,000.00	-	11,772,908.56	11,772,908.56	17,967.46	37,497.31	55,464.77
May-21	165,000.00	-	11,937,908.56	11,937,908.56	18,051.79	37,673.31	55,725.10
Jun-21	55,000.00	-	11,992,908.56	11,992,908.56	18,304.79	38,201.31	56,506.10
Jul-21	5,500.00	-	11,998,408.56	11,998,408.56	18,389.13	38,377.31	56,766.43
Aug-21	5,500.00	-	12,003,908.56	12,003,908.56	18,397.56	38,394.91	56,792.47
Sep-21	3,381.40	-	12,007,289.96	12,007,289.96	18,405.99	38,412.51	56,818.50
Oct-21	-	-	12,007,289.96	12,007,289.96	18,411.18	38,423.33	56,834.51
Nov-21	-	-	12,007,289.96	12,007,289.96	-	-	-
Dec-21	-	-	12,007,289.96	12,007,289.96	-	-	-
<b>Totals</b>	<b>\$12,007,289.96</b>	<b>\$0.00</b>		<b>\$235,175.22</b>	<b>\$490,798.57</b>	<b>\$725,973.80</b>	

Construction Start Date  
Planned In Service

4/1/2021  
11/1/2021

		Project Cost before AO & AFUDC	Allocated AO	Total Cost w/ AO	Allocated Debt AFUDC	Allocated Equity AFUDC	Total Costs
			\$55,684		235,175	490,799	
365.2	Right of Way	\$40,500	\$188	\$40,688	\$793	\$1,655	\$43,136
369	Measuring Equip	\$2,218,790	\$10,290	\$2,229,080	\$43,457	\$90,693	\$2,363,230
303	Northern Border Interconnect	\$9,748,000	\$45,206	\$9,793,206	\$190,925	\$398,450	\$10,382,581
		<b>\$12,007,290</b>	<b>\$55,684</b>	<b>\$12,062,974</b>	<b>\$235,175</b>	<b>\$490,799</b>	<b>\$12,788,948</b>

Summary - All Categories for North Bakken Expansion Project						
SUMMARY		Project Cost before AO &	Allocated AO	Total Cost w/ AO	Allocated Debt	Allocated Equity
		AFUDC			AFUDC	AFUDC
						Total Costs
365.2	Right of Way	\$11,143,480	\$32,288	\$11,175,768	\$93,283	\$192,814
368.1	Comp Station Equip	\$56,337,666	\$263,627	\$56,601,293	\$848,575	\$1,768,017
367	Mains	\$204,928,219	\$564,004	\$205,492,223	\$1,608,585	\$3,320,930
369	Measuring Equip	\$7,740,808	\$41,835	\$7,782,643	\$137,316	\$286,485
303	Northern Border Interconnect	\$9,748,000	\$45,206	\$9,793,206	\$190,925	\$398,450
		<u>\$289,898,173</u>	<u>\$946,960</u>	<u>\$290,845,133</u>	<u>\$2,878,684</u>	<u>\$5,966,696</u>
						<u>\$299,690,513</u>

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EXHIBIT M

CONSTRUCTION, OPERATION AND MANAGEMENT

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WBI ENERGY TRANSMISSION, INC.

WBI ENERGY TRANSMISSION, INC.

CONSTRUCTION, OPERATION AND MANAGEMENT

The supervision, management and engineering services associated with this Application will be performed by employees of WBI Energy Transmission, Inc. (WBI Energy) and WBI Energy, Inc., assisted by independent consulting firms. The actual construction of the facilities will be performed by both WBI Energy employees and independent third-party contractors. The accounting and legal services will be performed by employees of WBI Energy, Inc., MDU Resources Group, Inc. (MDU Resources) and an outside law firm. Refer to Exhibit D for the affiliate relationships among WBI Energy, WBI Energy, Inc. and MDU Resources.

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EXHIBIT N

REVENUES-EXPENSES-INCOME

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WBI ENERGY TRANSMISSION, INC.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit N  
Schedule 1 - Pro-Forma Income Statement  
First Three Years of Operation

Line No.	Description	<u>Year of Facility In-Service</u>		
		Year 1	Year 2	Year 3
	(A)	(B)	(C)	(D)
		(\$)	(\$)	(\$)
1	Operating Revenue 1/	28,996,253	28,996,253	28,996,253
2	Operating Expense			
3	Operation & Maintenance Expense 2/	1,796,976	1,850,885	1,906,412
4	Depreciation 3/	7,172,370	7,172,370	7,172,370
5	Taxes Other Than Income	788,186	788,186	788,186
6	Total Operating Expense	9,757,532	9,811,441	9,866,968
7	Operating Income	19,238,721	19,184,812	19,129,285
8	Interest Expense	5,329,576	5,329,576	5,329,576
9	Income before Income Taxes	13,909,145	13,855,236	13,799,709
10	Less Income Taxes	3,546,832	3,533,085	3,518,926
11	Net Income	10,362,313	10,322,151	10,280,783

Footnotes

- 12 1/ See Exhibit N, Schedule 2.  
13 2/ Total Operation and Maintenance Expense as reflected in Exhibit P, Schedule 1, escalated at 3.0% per year.  
14 3/ See Exhibit O.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit N  
Schedule 2 - Derivation of Revenues  
First Three Years of Operation

Line No.	Description (A)	<u>Year of Facility In-Service</u>		
		Year 1 (B) (\$)	Year 2 (C) (\$)	Year 3 (D) (\$)
1	Rate Schedule FT-1 Revenue			
2	Reservation (350,000 x \$11.13495 x 12) 1/	46,766,790	46,766,790	46,766,790
3	Reservation (243,000 x various x 12) 2/	28,996,253	28,996,253	28,996,253

Footnotes

- 4 1/ Design volume at the North Bakken Expansion Project incremental recourse rate.  
5 2/ Contractual volume at rates in accordance with the Precedent Agreements.



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EXHIBIT O

DEPRECIATION AND DEPLETION

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WBI ENERGY TRANSMISSION, INC.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit O  
Depreciation

Line No.	Description (A)	Depreciation Rates 1/ (B)	Plant Balances 2/ (C) (\$)	Annual Depreciation Expense (D) (\$)
1	<u>Plant In Service</u>			
2	Miscellaneous Intangible Plant (proposed Amortization)	3.32%	10,382,581	344,702
3	Transmission Plant			
4	Right of Way	2.15%	11,461,865	246,430
5	Mains	2.15%	210,421,739	4,524,067
6	Compressor Station Equipment	2.15%	59,217,885	1,273,185
7	Measuring & Regulation Station Equipment	2.15%	8,206,444	176,439
8	Net Salvage (Line C9 less Line C2 x Line B8)	0.21%		607,547
9	Total Transmission Plant		<u>299,690,513</u>	<u>7,172,370</u>

Footnotes

- 10 1/ Depreciation rates approved in WBI Energy Transmission, Inc.'s rate case settlement in Docket No. RP19-165-000.
- 11 2/ See Exhibit K.

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EXHIBIT P

TARIFF

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WBI ENERGY TRANSMISSION, INC.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit P  
Schedule 1 - Estimated Rate Base and Cost of Service

Line No.	Description	Year 1 Costs	Year 2 Costs	Year 3 Costs
	(A)	(B)	(C)	(D)
		(\$)	(\$)	(\$)
1	<u>Rate Base</u>			
2	Gas Plant in Service 1/	299,690,513	299,690,513	299,690,513
3	Less: Reserve for Depreciation	7,172,370	14,344,740	21,517,110
4	Net Plant	292,518,143	285,345,773	278,173,403
5	Deferred Income Taxes 2/	(1,809,858)	(7,024,313)	(11,551,408)
6	Rate Base	<u>290,708,285</u>	<u>278,321,460</u>	<u>266,621,995</u>
7	<u>Cost of Service</u>			
8	Return on Rate Base at 10.52% 3/	30,582,512	29,279,418	28,048,634
9	Income Taxes 2/	7,532,467	7,211,515	6,908,373
10	Operation and Maintenance Expense 4/	691,238	711,975	733,334
11	Depreciation Expense 5/	7,172,370	7,172,370	7,172,370
12	Ad Valorem Taxes 2/	788,186	788,186	788,186
13	Total Cost of Service	<u>46,766,773</u>	<u>45,163,464</u>	<u>43,650,897</u>

14 Operation and Maintenance Expense by FERC Account and Labor and Non-Labor Costs (Year 1):

	Acct Description	Labor	Material & Other	Total
15				
16	856 Mains Expenses	49,837	46,004	95,841
17	853 Compressor Station Labor & Expenses	291,769	541,856 *	833,625
18	864 Maint. of Compressor Station Equipment	303,629	563,882 *	867,510
19	Total Operation and Maintenance Expense	<u>645,234</u>	<u>1,151,742</u>	<u>1,796,976</u>

\*Amounts classified as variable expense = \$1,105,738

Footnotes

- 20 1/ See Exhibit K.  
21 2/ See Exhibit P, Schedule 3.  
22 3/ See Exhibit P, Schedule 4 for Rate of Return calculation.  
23 4/ Reflects fixed Operation and Maintenance Expense escalated at 3.0% per year.  
24 5/ See Exhibit O.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit P  
Schedule 2 - Rates

Line No.	Description (A)	Year 1 Costs (B) (\$)
1	Total Cost of Service 1/	46,766,773
2	Rate Schedule FT-1 Volume (equivalent dkt/day)	<u>350,000</u>
3	Rate Schedule FT-1 Reservation Charge (Maximum) ((Line 1 divided by Line 2) divided by 12 months))	<u>11.13495</u>
4	Rate Schedule FT-1 Commodity Charge 2/	<u>0.02477</u>
5	Rate Schedule FT-1 Scheduled Overrun Charge (Maximum) 2/	<u>0.34367</u>
6	Rate Schedule FT-1 Volumetric Capacity Release Charge (Maximum) ((Line 3 multiplied by 12 months divided by 365 days))	<u>0.36608</u>

Footnotes

- 7 1/ See Exhibit P, Schedule 1.  
8 2/ WBI Energy Transmission Inc.'s currently effective integrated system charge.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit P  
Schedule 3 - Effective Income Tax Rate, Deferred Income Taxes and Ad Valorem Taxes

Line No.	Description		Year 1 Costs	Year 2 Costs	Year 3 Costs
	(A)	(B)	(C)	(D)	(E)
			(\$)	(\$)	(\$)
1	<u>Effective Income Tax Rate</u>				
2	Federal Income Tax Rate	21.00%			
3	Effective State Income Tax Rate	4.50%			
4	Total Effective Income Tax Rate	25.50%			
5	Weighted Long Term Debt Cost 1/	2.95%			
6	Total Weighted Cost of Capital 1/	10.52%			
7	Net Rate Base 2/		290,708,285	278,321,460	266,621,995
8	Interest Expense (Line 5 x Line 7)		8,575,894	8,210,483	7,865,349
9	<u>Income Tax Expense</u>				
10	Return on Rate Base (Line 6 x Line 7)		30,582,512	29,279,418	28,048,634
11	Less Interest Expense (Line 8)		8,575,894	8,210,483	7,865,349
12	Taxable Return on Rate Base		22,006,618	21,068,935	20,183,285
13	Revenue to Recover Interest and Taxes (Line 12 divided by (1-Line 4))	74.50%	29,539,085	28,280,450	27,091,658
14	Income Tax Expense (Line 4 x Line 13)		7,532,467	7,211,515	6,908,373
15	<u>Tax Depreciation</u>				
16	Transmission Plant Addition (Personal Property Plant) 3/		\$283,739,686	283,739,686	283,739,686
17	Tax Depreciation Rate (15 year MACRS) 4/		5.00%	9.50%	8.55%
18	Tax Depreciation on Personal Property		14,186,984	26,955,270	24,259,743
19	Intangible Plant Addition (Real Property Plant) 3/		9,984,131	9,984,131	9,984,131
20	Tax Depreciation Rate (15 year Straight Line) 4/		0.83%	6.67%	6.67%
21	Tax Depreciation on Real Property		82,868	665,942	665,942
22	Total Tax Depreciation Personal & Real Property		14,269,852	27,621,212	24,925,685
23	<u>Deferred Income Tax</u>				
24	Total Book Depreciation 3/		7,172,370	7,172,370	7,172,370
25	Excess Book (Tax) Depreciation		(7,097,482)	(20,448,842)	(17,753,315)
26	Deferred Income Tax at Effective Tax Rate (Line 25 x Line 4)		(1,809,858)	(5,214,455)	(4,527,095)
27	Deferred Income Tax		(1,809,858)	(7,024,313)	(11,551,408)
28	<u>Ad Valorem Taxes</u>				
29	North Dakota 5/		788,186	788,186	788,186
30	Total Ad Valorem Taxes		788,186	788,186	788,186

Footnotes

- 31 1/ See Exhibit P, Schedule 4.  
32 2/ See Exhibit P, Schedule 1.  
33 3/ See Exhibit O. For purposes of Tax Depreciation, plant additions exclude AFUDC Equity.  
34 4/ In accordance with applicable Internal Revenue Service income tax tables.  
35 5/ Based on estimated plant additions and latest available assessment ratios and property tax rates for North Dakota.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit P  
Schedule 4 - Capital Structure and Rate of Return 1/

Line No.	Description (A)	Percentage of Capital (B)	Cost (C)	Weighted Cost of Capital (D)
1	Long Term Debt	38.70%	7.63%	2.95%
2	Common Equity	58.98%	12.48%	7.36%
3	Preferred	2.32%	8.80%	0.20%
4	Total Capitalization	<u>100.00%</u>		<u>10.52%</u>

Footnotes

1/ Capital structure and rate of return approved in WBI Energy Transmission, Inc.'s  
Docket No. RP00-107-000 rate case proceeding.

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

RATE SCHEDULE	UNIT	BASE TARIFF RATE	TOP THROUGHPUT SURCHARGE	GAS SUPPLY REALIGNMENT SURCHARGE	BASE TARIFF RATE PLUS SURCHARGES
RATE SCHEDULE FT-1 (NORTH BAKKEN EXPANSION) A/B					
RESERVATION CHARGE					
MAXIMUM DAILY DELIVERY QUANTITY (MDDQ)					
MAXIMUM	RATE PER EQV. DKT PER MO.	1113.495	N.A.	N.A.	1113.495
MINIMUM	RATE PER EQV. DKT PER MO.	0.000	N.A.	N.A.	0.000
COMMODITY CHARGE					
MAXIMUM C/D/E/	RATE PER DKT	2.477	N.A.	N.A.	2.477
MINIMUM C/D/E/	RATE PER DKT	2.477	N.A.	N.A.	2.477
SCHEDULED OVERRUN CHARGE					
MAXIMUM C/D/E/	RATE PER DKT	34.367	N.A.	N.A.	34.367
MINIMUM C/D/E/	RATE PER DKT	2.477	N.A.	N.A.	2.477
VOLUMETRIC CAPACITY RELEASE CHARGE					
MAXIMUM	RATE PER DKT	36.608	N.A.	N.A.	36.608
MINIMUM	RATE PER DKT	0.000	N.A.	N.A.	0.000

A/ APPLICABLE ONLY FOR INCREMENTAL CAPACITY CERTIFICATED IN DOCKET NO. CP20- -000.

B/ REFER TO RATE SCHEDULE FT-1 FIRM TRANSPORTATION SERVICE FOR ALL TERMS AND CONDITIONS OF SERVICE.

C/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR TRANSPORTATION FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.

D/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR TRANSPORTATION. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.

E/ SHIPPER MUST REIMBURSE TRANSPORTER FOR THE ACA SURCHARGE. SUCH SURCHARGE SHALL BE THE ACA UNIT CHARGE SPECIFIED IN THE ANNUAL NOTICE ISSUED BY THE FERC ENTITLED "FY [YEAR] GAS ANNUAL CHARGES CORRECTION FOR ANNUAL CHARGES UNIT CHARGE."

Issued On: February 14, 2020  
Docket Number:  
FERC Order Date:

Effective On:



RATE SCHEDULE FT-1  
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available, on the basis described herein and is subject to all other terms of this FERC Gas Tariff, Third Revised Volume No. 1 (Tariff), to any party (hereinafter referred to as "Shipper") for the transportation of natural gas by WBI Energy Transmission, Inc. (hereinafter referred to as "Transporter") pursuant to Subpart B or G of Part 284 of the FERC Regulations, when Shipper desires Firm Transportation Service, and:

1.1 Transporter has determined that other than new taps, valves, measurement equipment, and other facilities which may be required at the point(s) of receipt or delivery to effect receipt or delivery of the gas, it has or will have available capacity to provide the service requested by Shipper as well as to meet its other firm service commitments; provided however, that nothing herein shall require Transporter to add or expand capacity or facilities to satisfy requests for service hereunder;

1.2 Shipper has met the conditions of service specified in Section 8 hereof;

1.3 Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule;

1.4 This Rate Schedule and the General Terms and Conditions made a part hereof shall also apply to all firm transportation service performed by Transporter pursuant to Service Agreements executed in accordance with, or as otherwise may be applicable or refer to, Rate Schedule FT-1 to Transporter's canceled FERC Gas Tariff, Original Volume No. 1-B, as such Service Agreements existed on the date this FERC Gas Tariff, Third Revised Volume No. 1 originally became effective;

1.5 This Rate Schedule and the General Terms and Conditions made a part hereof, except for Section 37, shall also apply to any firm transportation service on Line Sections 27 or 28, as may be available from time to time, pursuant to a Service Agreement executed in accordance with, or as otherwise may be applicable or refer to, Rate Schedule FT-1; such capacity is currently subscribed under Contract Nos. FT-1253 and FT-1254; and

1.6 This Rate Schedule and the General Terms and Conditions made a part hereof shall also apply to any firm transportation service for the incremental capacity, as may be available from time to time, certificated in Docket No. CP17-257-000, and CP20- -000, pursuant to a Service Agreement executed in accordance with, or as otherwise may be applicable or refer to, Rate Schedule FT-1.

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

RATE SCHEDULE	UNIT	BASE TARIFF		TOP	GAS SUPPLY	BASE TARIFF
		RATE		THROUGHPUT	REALIGNMENT	RATE PLUS
				SURCHARGE	SURCHARGE	SURCHARGES
<u>RATE SCHEDULE FT-1 (NORTH BAKKEN EXPANSION) A/B</u>						
<u>RESERVATION CHARGE</u>						
<u>MAXIMUM DAILY DELIVERY QUANTITY (MDDQ)</u>						
MAXIMUM		RATE PER EQV. DKT PER MO.	1113.495	N.A.	N.A.	1113.495
MINIMUM		RATE PER EQV. DKT PER MO.	0.000	N.A.	N.A.	0.000
<u>COMMODITY CHARGE</u>						
MAXIMUM C/D/E/		RATE PER DKT	2.477	N.A.	N.A.	2.477
MINIMUM C/D/E/		RATE PER DKT	2.477	N.A.	N.A.	2.477
<u>SCHEDULED OVERRUN CHARGE</u>						
MAXIMUM C/D/E/		RATE PER DKT	34.367	N.A.	N.A.	34.367
MINIMUM C/D/E/		RATE PER DKT	2.477	N.A.	N.A.	2.477
<u>VOLUMETRIC CAPACITY RELEASE CHARGE</u>						
MAXIMUM		RATE PER DKT	36.608	N.A.	N.A.	36.608
MINIMUM		RATE PER DKT	0.000	N.A.	N.A.	0.000

A/ APPLICABLE ONLY FOR INCREMENTAL CAPACITY CERTIFICATED IN DOCKET NO. CP20- -000.

B/ REFER TO RATE SCHEDULE FT-1 FIRM TRANSPORTATION SERVICE FOR ALL TERMS AND CONDITIONS OF SERVICE.

C/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR TRANSPORTATION FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.

D/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR TRANSPORTATION. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.

E/ SHIPPER MUST REIMBURSE TRANSPORTER FOR THE ACA SURCHARGE. SUCH SURCHARGE SHALL BE THE ACA UNIT CHARGE SPECIFIED IN THE ANNUAL NOTICE ISSUED BY THE FERC ENTITLED "FY [YEAR] GAS ANNUAL CHARGES CORRECTION FOR ANNUAL CHARGES UNIT CHARGE."

Issued On: February 14, 2020  
Docket Number:  
FERC Order Date:

Effective On:

RATE SCHEDULE FT-1  
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available, on the basis described herein and is subject to all other terms of this FERC Gas Tariff, Third Revised Volume No. 1 (Tariff), to any party (hereinafter referred to as "Shipper") for the transportation of natural gas by WBI Energy Transmission, Inc. (hereinafter referred to as "Transporter") pursuant to Subpart B or G of Part 284 of the FERC Regulations, when Shipper desires Firm Transportation Service, and:

1.1 Transporter has determined that other than new taps, valves, measurement equipment, and other facilities which may be required at the point(s) of receipt or delivery to effect receipt or delivery of the gas, it has or will have available capacity to provide the service requested by Shipper as well as to meet its other firm service commitments; provided however, that nothing herein shall require Transporter to add or expand capacity or facilities to satisfy requests for service hereunder;

1.2 Shipper has met the conditions of service specified in Section 8 hereof;

1.3 Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule;

1.4 This Rate Schedule and the General Terms and Conditions made a part hereof shall also apply to all firm transportation service performed by Transporter pursuant to Service Agreements executed in accordance with, or as otherwise may be applicable or refer to, Rate Schedule FT-1 to Transporter's canceled FERC Gas Tariff, Original Volume No. 1-B, as such Service Agreements existed on the date this FERC Gas Tariff, Third Revised Volume No. 1 originally became effective;

1.5 This Rate Schedule and the General Terms and Conditions made a part hereof, except for Section 37, shall also apply to any firm transportation service on Line Sections 27 or 28, as may be available from time to time, pursuant to a Service Agreement executed in accordance with, or as otherwise may be applicable or refer to, Rate Schedule FT-1; such capacity is currently subscribed under Contract Nos. FT-1253 and FT-1254; and

1.6 This Rate Schedule and the General Terms and Conditions made a part hereof shall also apply to any firm transportation service for the incremental capacity, as may be available from time to time, certificated in Docket No. CP17-257-000, and CP20- -000, pursuant to a Service Agreement executed in accordance with, or as otherwise may be applicable or refer to, Rate Schedule FT-1.

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EXHIBIT Z  
FUEL STUDY

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WBI ENERGY TRANSMISSION, INC.

WBI Energy Transmission, Inc. North Bakken Expansion Project  
Exhibit Z  
Projected Fuel Use

Line No.	Description	Elkhorn Creek Compressor Station	Tioga Compressor Station	North Bakken Expansion Project Total
	(A)	(B)	(C)	(D)
1	Installed Horsepower 1/	3,750 hp	22,500 hp	26,250 hp
2	North Bakken Expansion Project Capacity			350,000 Mcf/d
3	Assumed Load Factor	90%	90%	
4	Estimated Fuel Use			4,669 Mcf/d
5	North Bakken Expansion Project Fuel Use Percentage 2/			1.343%
6	Current Fuel Use Percentage 3/			1.631%

Footnotes

- 7 1/ See Application for proposed horsepower for each station.  
8 2/ (Line 4 x 365)/(Line 2 x Line 3 x 365).  
9 3/ Company Fuel Use for transportation service is a combined Fuel Use Current Percentage of 1.631% and a Fuel Use Deferral Percentage of (0.275%). See Appendix A, Attachment B, Page 3, Line 10 of WBI Energy Transmission, Inc's Semi-Annual Fuel & Electric Power Reimbursement Adjustment Filing submitted in Docket No. RP19-1511-000.