

Industrial Commission Update

Justin J. Kringstad

Geological Engineer

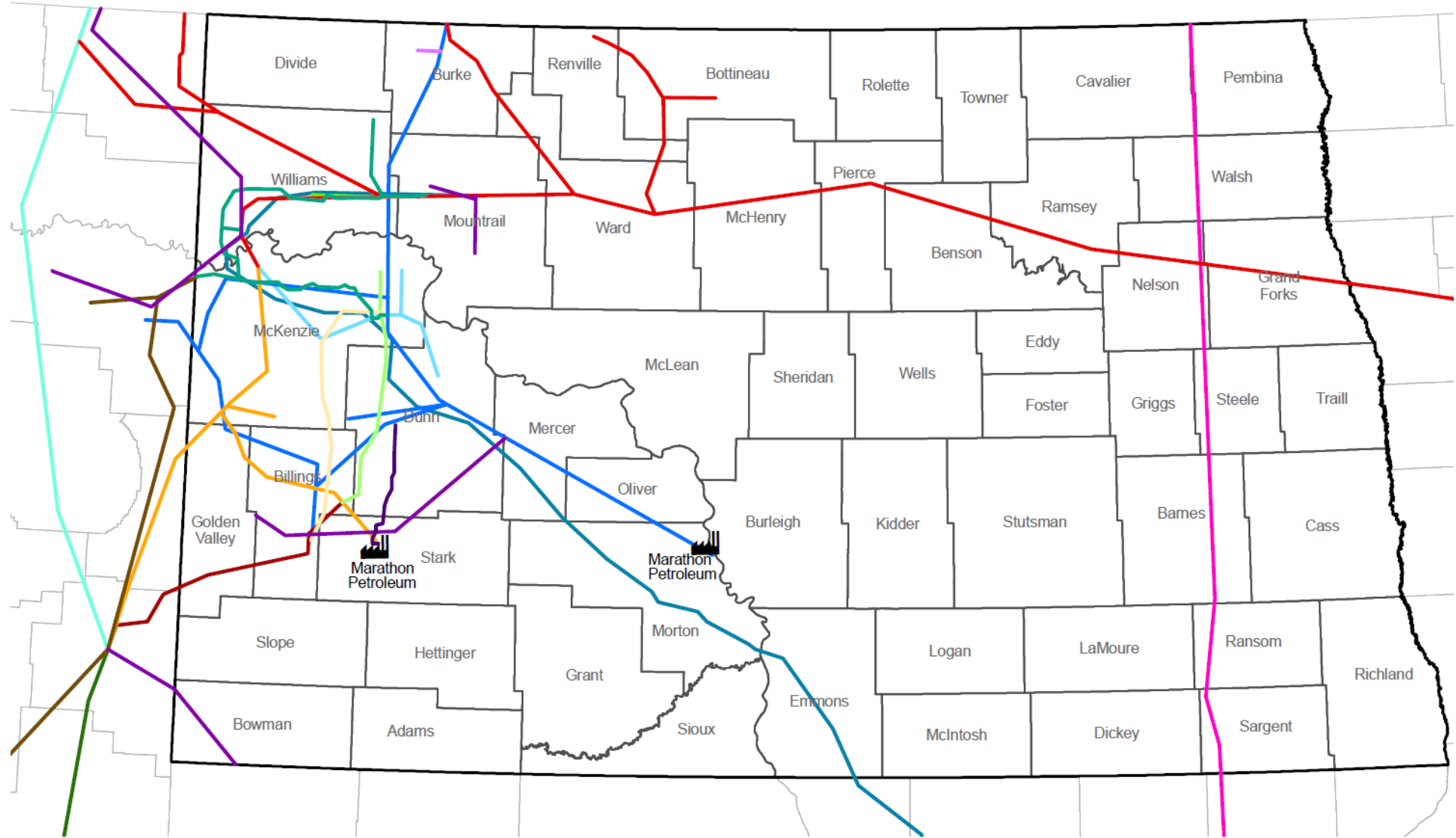
Director

North Dakota Pipeline Authority

July 7, 2020

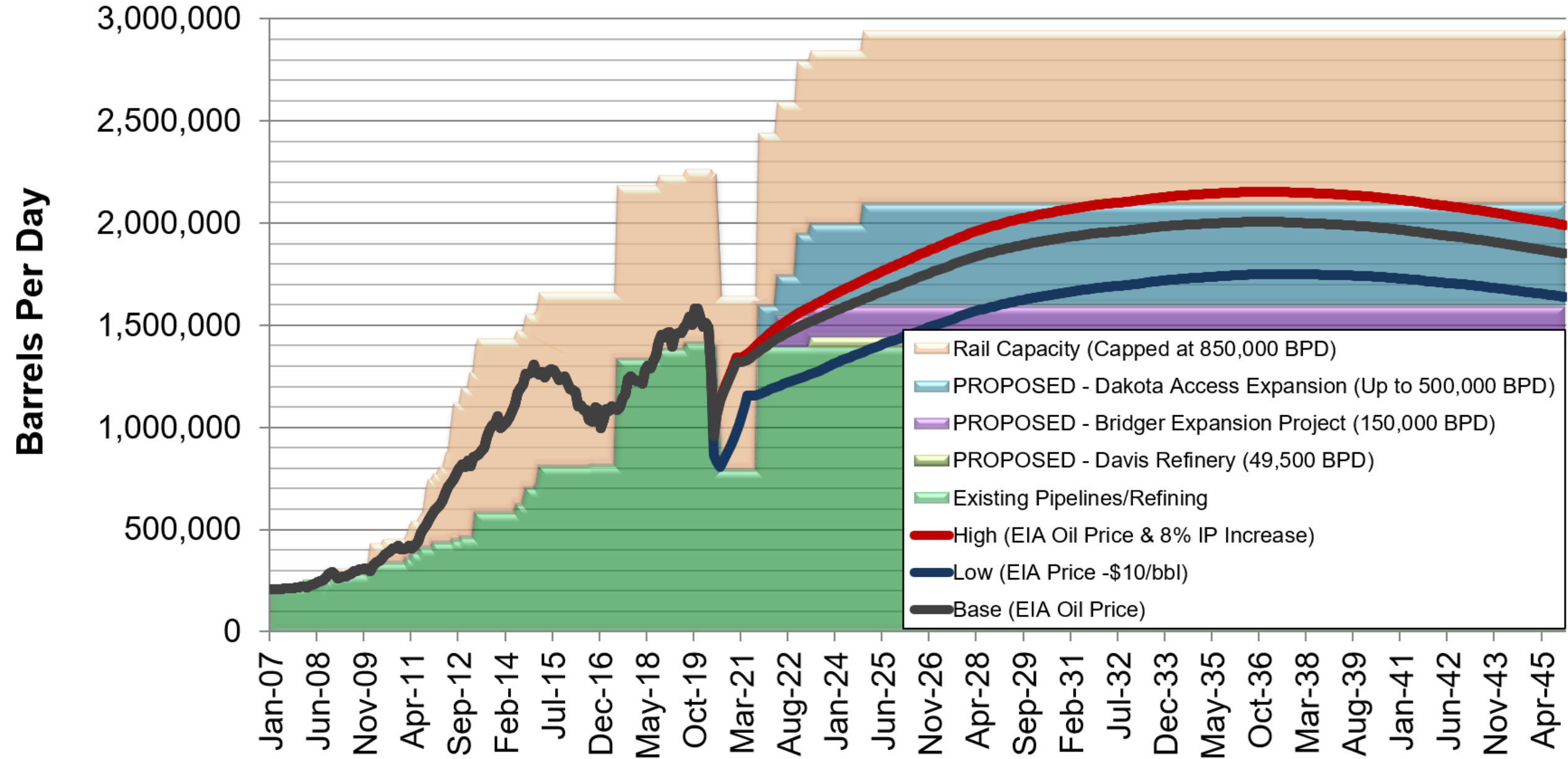


North Dakota Crude Oil Pipelines

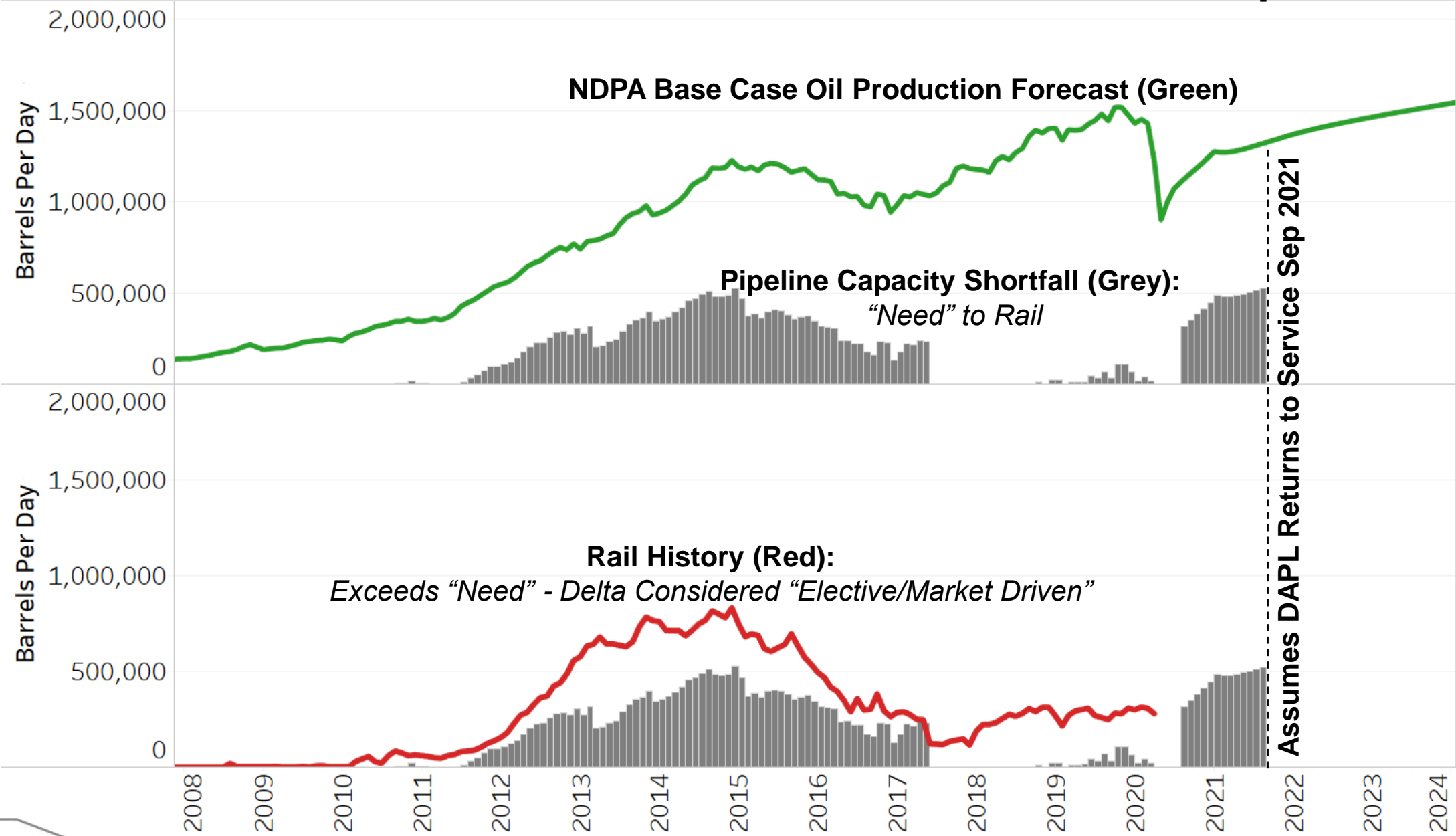


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|--------------------|-----------------|---------------|------------|-------------------|-----------|
| Refinery | Basin Transload | Butte | Double H | Hiland | Bridger |
| Bakken Oil Express | Belle Fourche | Crestwood | Enbridge | Keystone Pipeline | Targa |
| BakkenLink | Bridger | Dakota Access | Four Bears | Little Missouri | Marathons |

Williston Basin Oil Production & Export Capacity, BOPD



NDPA Production Forecast and Rail Transportation



Snapshot from DAPL Tariff

DAKOTA ACCESS, LLC
JOINT PIPELINE TARIFF
In Connection With
Energy Transfer Crude Oil Company, LLC

Applying On
CRUDE PETROLEUM
FROM POINTS IN NORTH DAKOTA
TO POINTS IN TEXAS AND TENNESSEE

TABLE OF RATES
ALL Rates in dollars per barrel of 42 US gallons

UNCOMMITTED RATES FOR BAKKEN CRUDE PETROLEUM		
From	To Nederland, Jefferson County, Texas (SXL Nederland Terminal or P66 Nederland Terminal)	To Collierville, Tennessee (Valero Terminal)
An Origin Point that is an Eligible Bakken Origin Point*	\$8.3492	\$8.3492

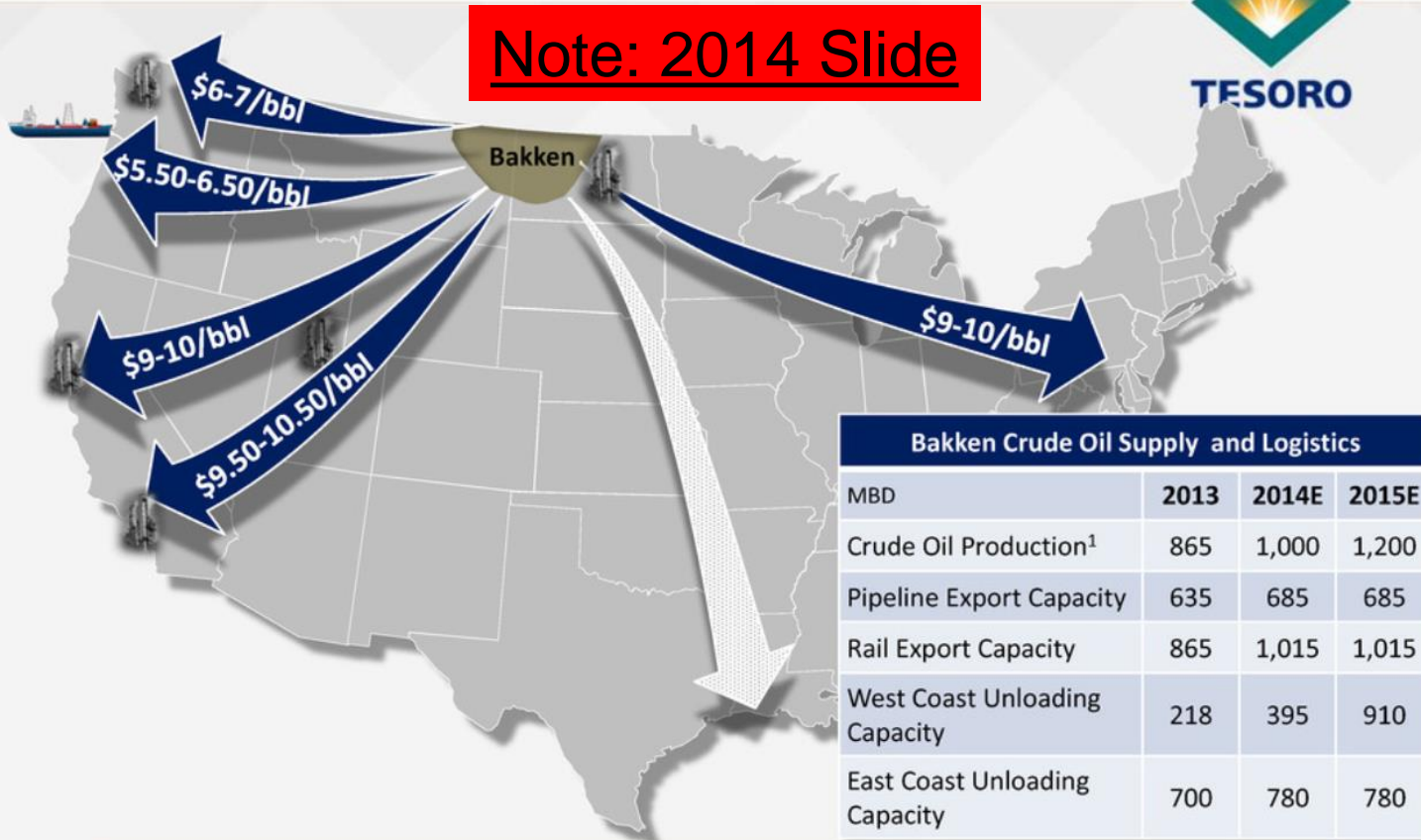
**Committed Rates for Bakken Crude Petroleum from a Committed Shipper’s Selected
Origin Point(s) that is an Eligible Bakken Origin Point* to Destination Point of
NEDERLAND, Texas – SXL Nederland Terminal**

Volume Commitment (bpd)^	Term	
	7 Years	10 Years
3,500 – 29,999	\$7.0358**	\$6.7652**
30,000 – 49,999	\$6.7652**	\$6.4946**
50,000 – 69,999	\$6.4946**	\$6.2240**
70,000 – 89,999	\$6.4946**	\$6.0616**
90,000+	\$6.0616**	\$5.9534**

Look at Key Rail Rates

Rail Costs to Clear Bakken

Note: 2014 Slide



West and East Coasts clearing destinations for Bakken crude oil

Note: Rail cost estimates include only the railroad tariff.

1) Average annual crude oil production, export capacity and price discount estimates based on industry consultant and Tesoro market outlook.

12

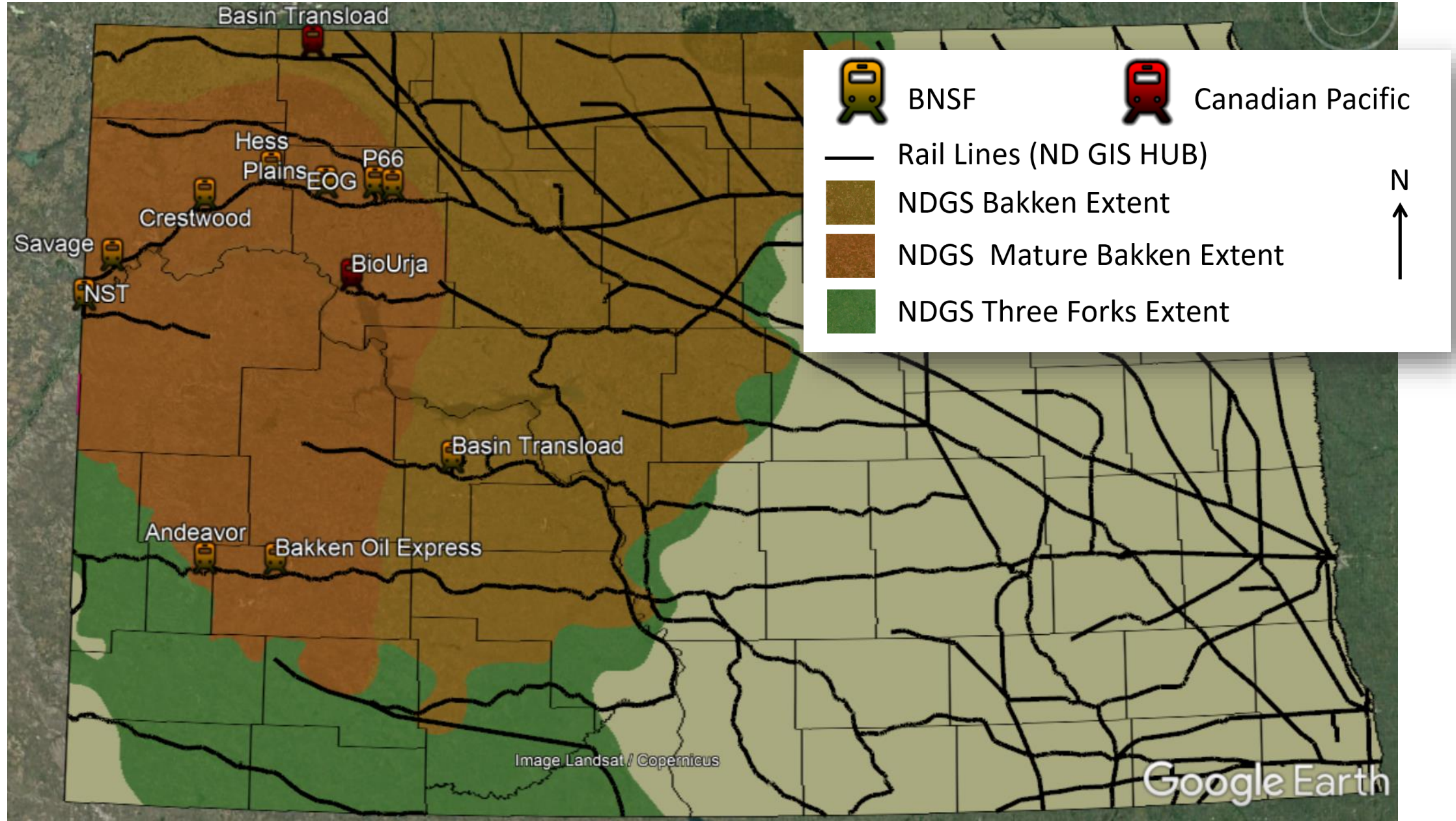
Additional Rail Related Expense Considerations:

- Loading
- Unloading
- Car Leasing
- Unit vs Manifest
- Volume Commitments

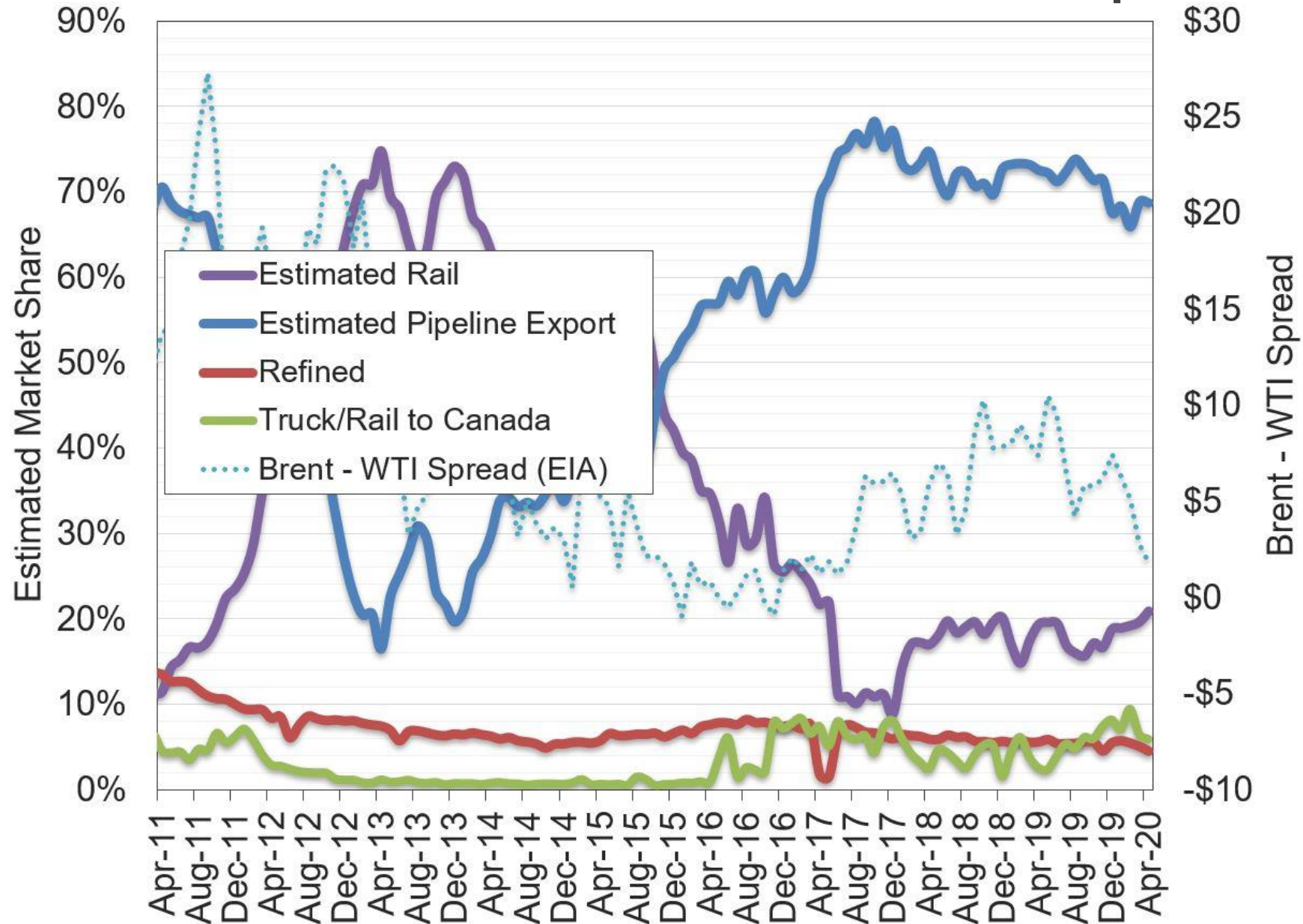
Slide Source: SEC.GOV - 2014

North Dakota Crude Oil Rail Loading Facilities In Service

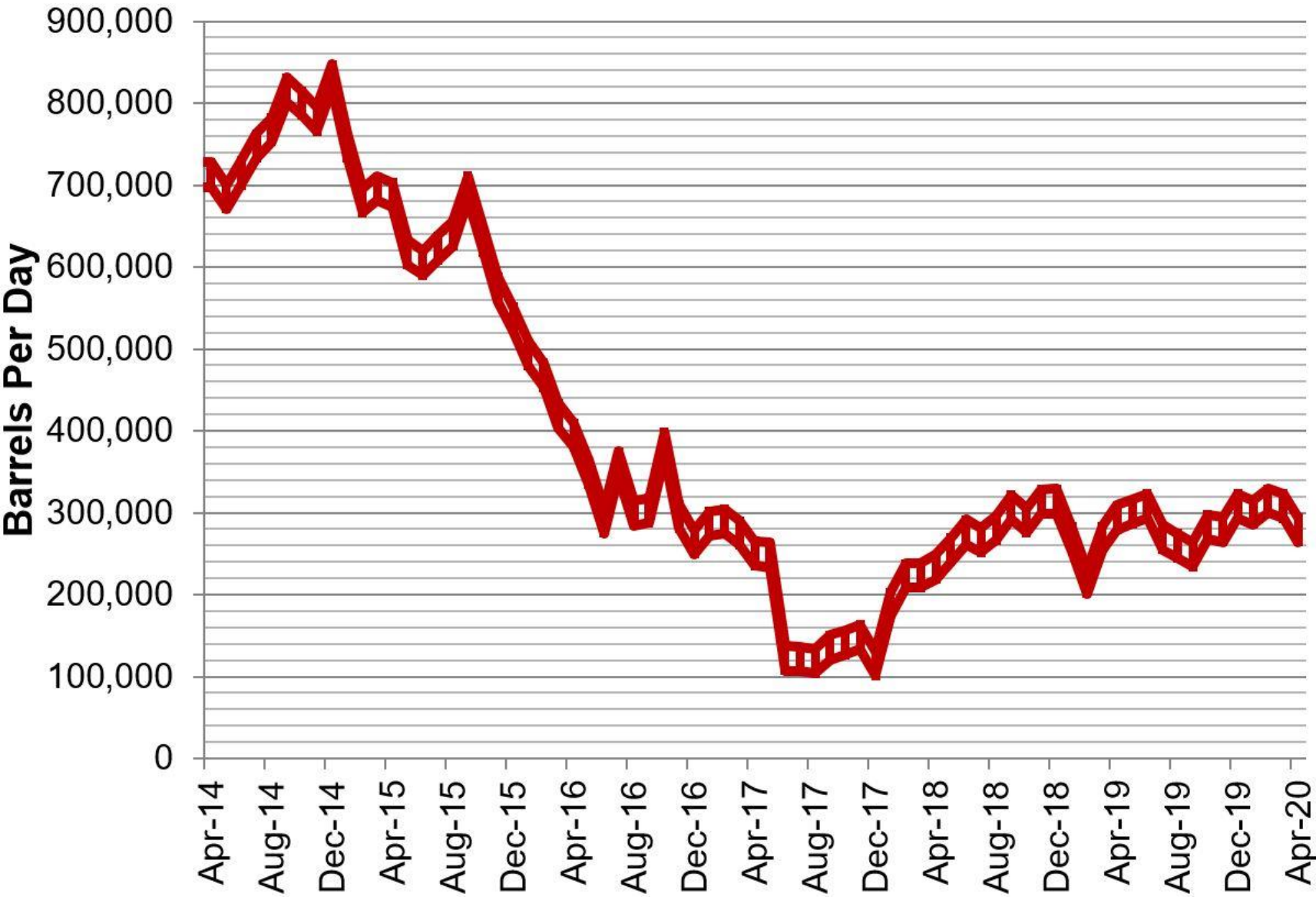
North Dakota Pipeline Authority – July 2020



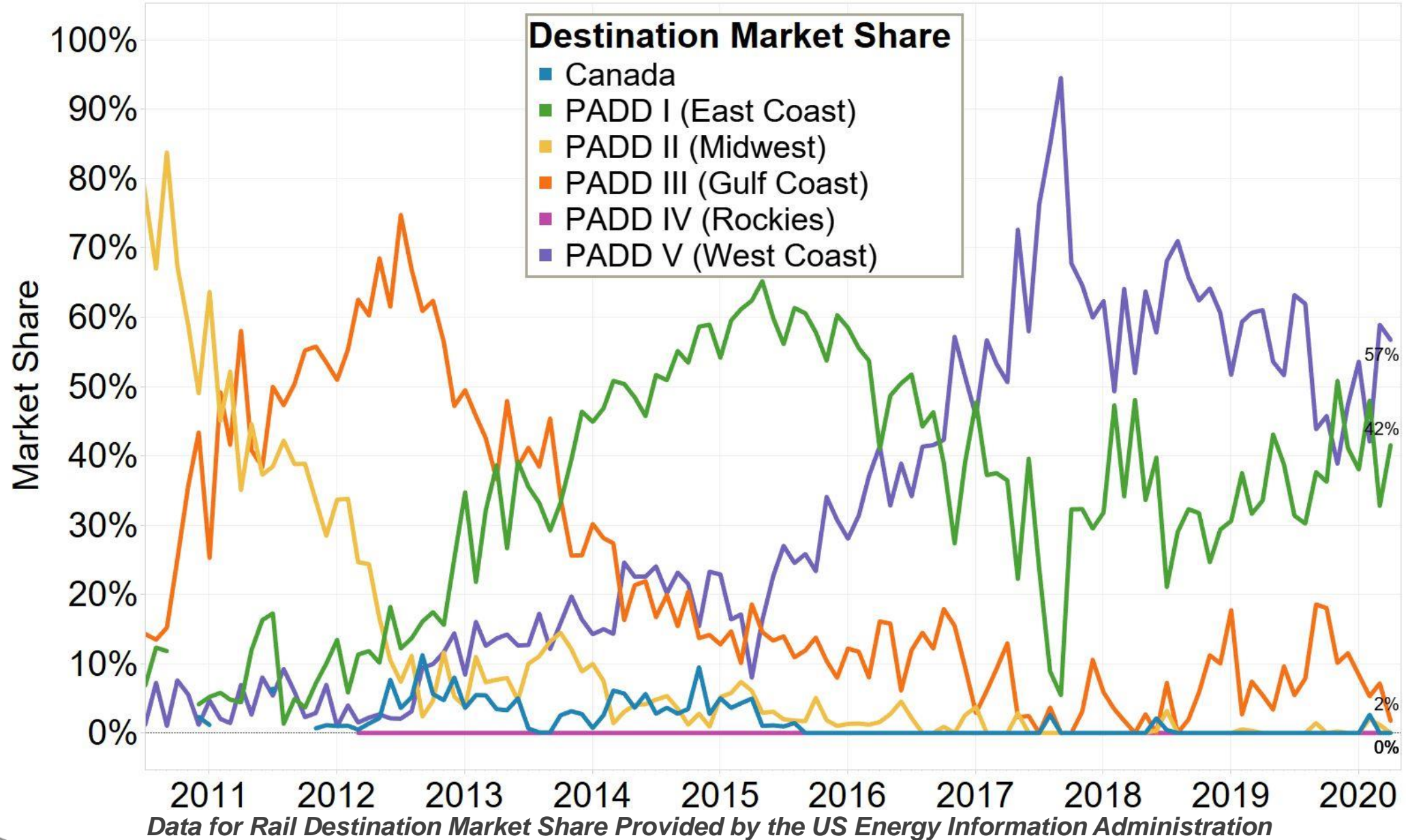
Estimated Williston Basin Oil Transportation



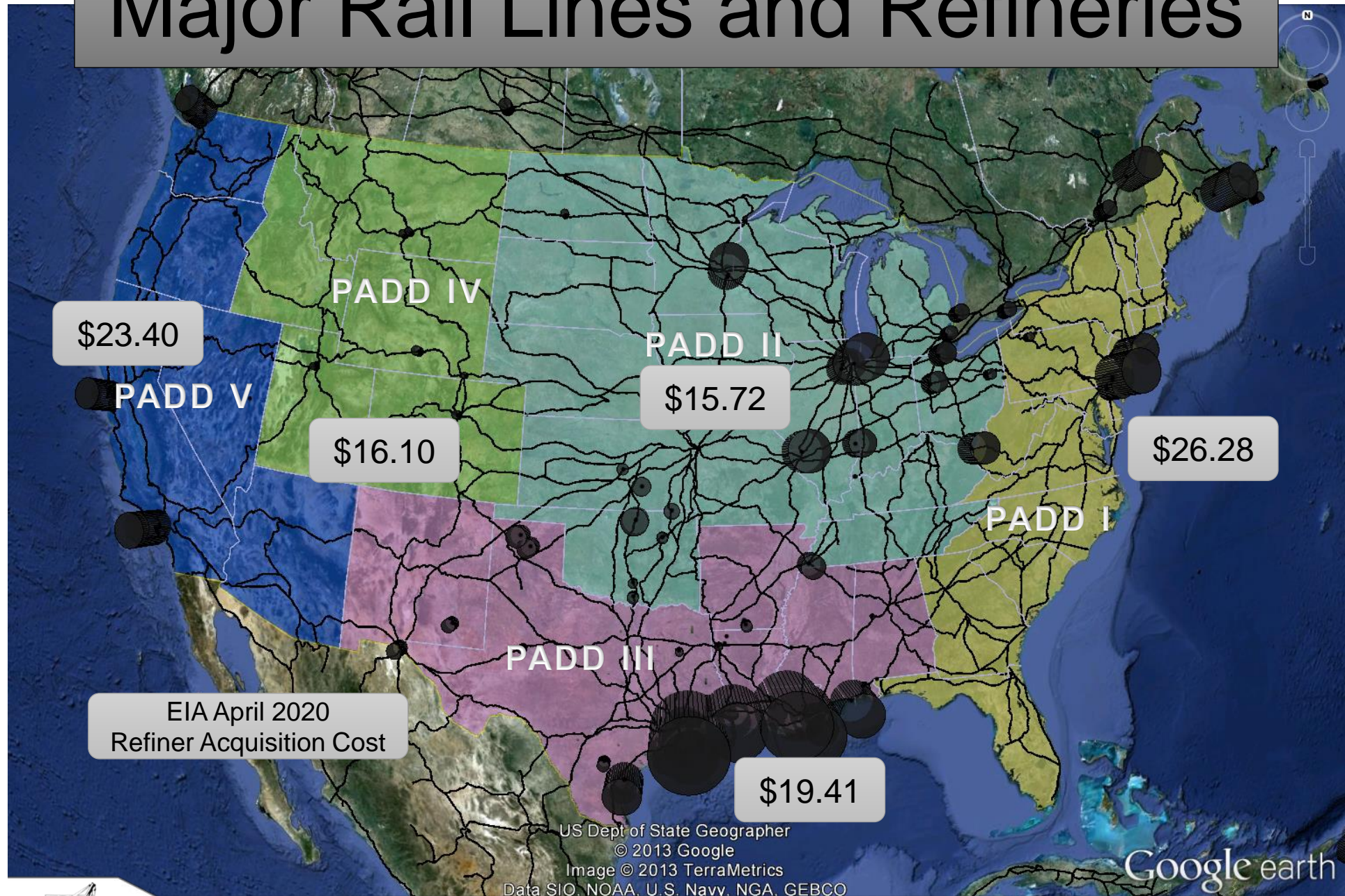
Estimated ND Rail Export Volumes



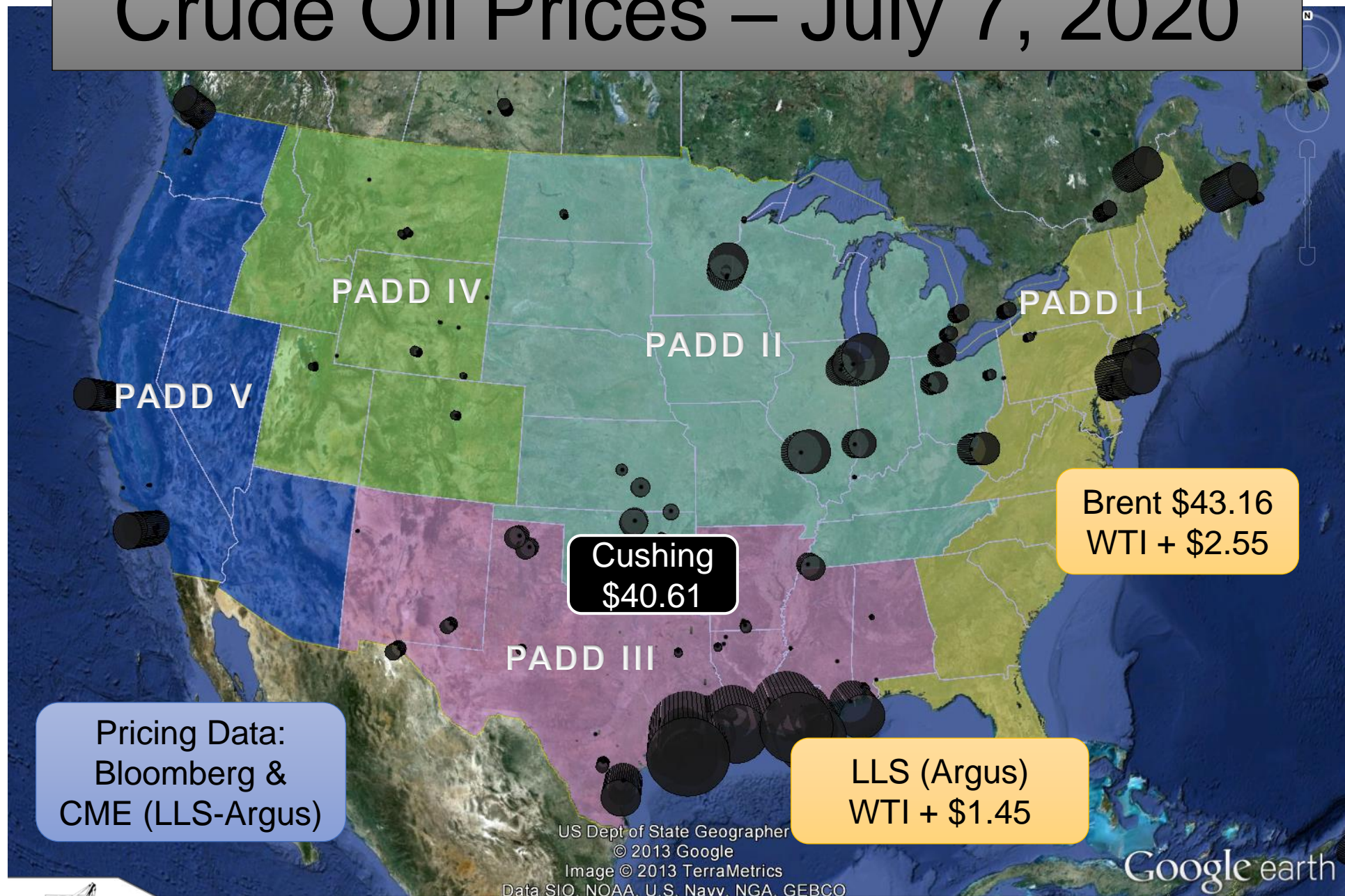
Rail Destinations Market Share (April 2020)

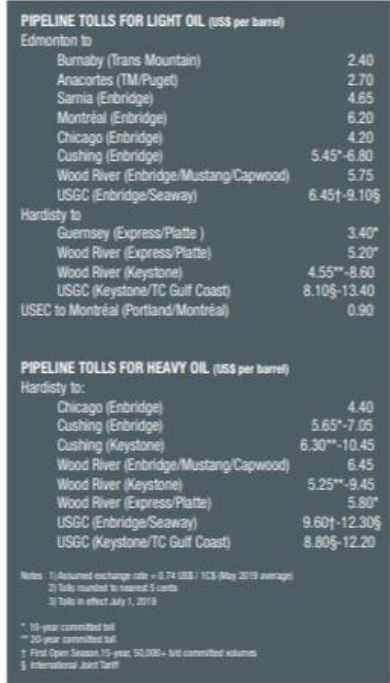


Major Rail Lines and Refineries



Crude Oil Prices – July 7, 2020





US Williston Basin Crude Oil Export Options - July 2020

Year End System Capacity, Barrels Per Day

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021*	2022*
Butte Pipeline	118,000	145,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Butte Expansion (Q3 2014)	-	-	-	-	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Marathon Petroleum Mandan Refinery	58,000	58,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Enbridge Mainline North Dakota	161,500	185,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Enbridge Bakken Expansion Program	-	25,000	25,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000	145,000
Plains Bakken North (Up to 70,000 BOPD)	-	-	-	-	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Dakota Prairie Refinery (Q2 2015) (Proposed Conversion - No crude Q3-2020)	-	-	-	-	-	20,000	20,000	20,000	20,000	20,000	-	-	-
Davis Refinery (49,500 BOPD)*	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy Transfer Partners Bakken Pipeline	-	-	-	-	-	-	-	520,000	570,000	600,000	600,000	600,000	600,000
ETP DAPL Expansion* (Exact Timeline Unavailable - Up to 500,000 bpd)												200,000	200,000
Bridger Expansion Project*	-	-	-	-	-	-	-	-	-	-	-	-	150,000
Kinder Morgan Double H Pipeline (Q1 2015)	-	-	-	-	-	84,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000
Pipeline/Refining Total	337,500	413,000	463,000	583,000	703,000	807,000	811,000	1,331,000	1,381,000	1,411,000	1,391,000	1,591,000	1,741,000

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**Know what's below.
Call before you dig.**

Websites:

www.pipeline.nd.gov
www.northdakotapipelines.com

