



Testimony Provided To:
Interim Economic Impact Committee
 By Danette Welsh
 Manager, ONEOK Government Relations
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DANETTE WELSH
 MANAGER, GOVERNMENT AFFAIRS
 NORTH DAKOTA, MONTANA & WYOMING

4501 Coleman Street, Suite 101, Bismarck, ND 58503
 701-751-6005, Cell 701-471-9490
 danette.welsh@oneok.com, www.oneok.com

Regarding: Study of the North Dakota One Call System

Chairman Triplett and Economic Impact Committee Members,

Thank you for the opportunity to provide comment on the North Dakota One Call system.

As the state's largest natural gas midstream company with over 6500 miles of pipeline in western North Dakota, ONEOK is both an operator and an excavator within the North Dakota One Call system. On average, ONEOK receives over 4000 requests for locates in North Dakota each month.

With operations in 17 states and safety as a primary focus for our company, ONEOK regularly reviews its internal operational and construction practices, seeking new ways to ensure the safety of our employees and the public when working on or near our facilities. We recognize One Call is critical for public safety and facility damage prevention, and we are pleased to share our employee field observations as you consider the North Dakota One Call system.

Attached is an extended summary of One Call related issues identified by ONEOK field operations and construction employees during monthly safety meetings held in August, 2015.

Key items identified are:

- White lining
- Survey tickets
- Oil and gas gathering and transmission representation on the ND One Call Board

ONEOK is committed to improving safety for all stakeholders through the use of the One Call system. As with our own internal processes, we recognize the North Dakota One Call system benefits from systematic review and revision. We appreciate the opportunity to provide our suggestions for your consideration and are available to share additional information.

Locate Tickets:

- Definition for emergency tickets may need to include examples of what is NOT an emergency or another deterrent for abuse of this option
- Add a **'survey' ticket** to allow for compliance via electronic data sharing, rather than physical marking where no excavation will take place
 - If physical marking for a 'survey' ticket is necessary, perhaps provide an expanded window as these are often large tickets and can be very difficult to complete within 48 hours
 - Often flags for survey projects are never removed by the requesting 'excavator' as they never physically work at the site

Locates:

- Clarify that each excavator on a site needs their own request
 - One request cannot be made by a general contractor for all excavators
- Require **white lining** on projects
 - Require contact information for excavator field personnel, in addition to the person submitting the request (often is an office admin who is not familiar with the project)
 - Require positive response prior to start of excavation
 - Currently voluntary participation, but safety dictates mandatory participation
 - Define the process for project route changes after marking is complete
 - Define the scope of work – where excavation will start
 - Clarify how a meet request is verified against a locate request
 - Clarify where liability/cost is assigned, as well as what excavation processes are acceptable for 'proceeding with caution' when a facility is not locatable
 - Especially when facility is not found within the 4' hand digging area
 - As an operator, ONEOK has been expected to assume locate and excavation costs
 - As an excavator ONEOK has been expected to assume excavation costs – we have experienced operators becoming non-responsive and excavation project needs to move forward
- Authorize immediate enforcement process for locates not being done within 48 hours
- Create a documentation process for locate extensions agreed to between operator and excavator, and which are not done through the ND One Call system

Excavation:

- Define what constitutes 'start of construction'
- Add hydrovac into law as a means of excavation requiring One Call
- Facility relocations: Issues with local and state public road projects providing notice of start of work, but not waiting for facility moves or verification of facilities
 - This is particularly concerning when active lines are exposed by construction crews

Maintaining and Removing Markers:

- Require a respot when markers have been scraped away
 - Excavators are responsible to maintain markers, but may not wait for a facility respot if marks are compromised during excavation work
- Issue with landowners pulling flags after locate completed, but before excavation begins
 - Consider a process for landowner notification, providing contact information for the excavator
 - Consider positive response for completion of excavation and to close out an open ticket within the ND One Call system

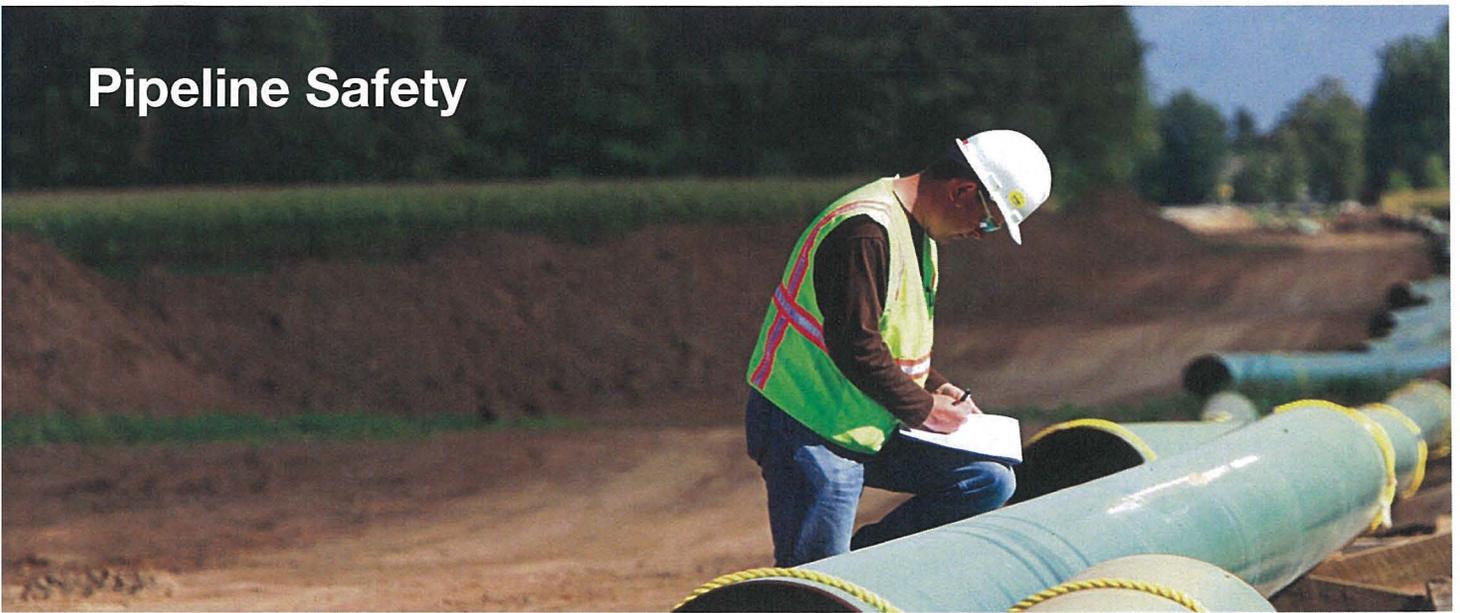
Enforcement:

- Add a mechanism for immediate intervention for violations of law or imminent safety issues
 - North Dakota One Call does not have authority to enforce a 'stop work'
 - Public Service Commission does not have personnel/authority to enforce a 'stop work'

Governance:

- The ND One Call Board does not currently have seats designated specifically for oil and gas gathering or transmission pipelines
- Authorize the ND One Call Board to develop a process allowing stakeholders to provide input on governance and administrative policy decisions

Pipeline Safety



Pipeline Safety

Pipelines are among the safest and most efficient methods of transporting natural gas. ONEOK Partners operates extensive underground natural gas and natural gas liquids pipeline systems, compressor stations and a variety of other facilities.

When a pipeline is operating, our trained technicians monitor and control the pipeline around the clock using highly sophisticated sensors, computers and communications technology. Safety valves can isolate segments of the pipe.

Our pipelines undergo regular inspections, using the latest technology to ensure the integrity of our system.

We are committed to the ongoing maintenance of our rights of way and facilities.

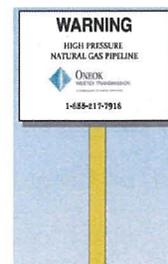
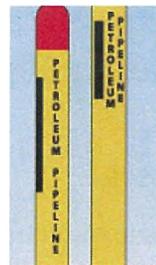
Ensuring Safety

ONEOK Partners' highest priority is the safety of the public and its employees. We are committed to operating safely, reliably and in an environmentally responsible manner.

Before being placed into service, new pipelines are filled with water and safely pressurized beyond their normal operating conditions to validate the design strength of the pipeline. When a pipeline is operating, trained technicians monitor the sensors, computers and communications technology 24 hours a day.

Pipeline Location Signs

Pipeline signs like the ones pictured below mark the approximate location of the pipeline.



These signs are located where the pipeline intersects public road crossings, river crossings and railways and provide contact information for questions regarding the nearby pipeline.



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

The ONE in Energy.™



ONEOK



Landowner Relations

Building Positive Relationships

Relationships with landowners play a critical role in every infrastructure project. Positive landowner relations are key to the successful and on-time completion of projects.

We make every effort to build and maintain positive relationships in the communities where we operate and continuously work to build positive relationships with landowners and legislators to ensure the timely and cost-effective completion of projects.

However, when issues arise, we want to take immediate action to mitigate any inconvenience to landowners in the vicinity.

ONEOK Non-Emergency Pipeline Issue Reporting

- 866-215-7184 or 701-264-3805
- A 24/7 hotline for landowners to report issues with pipelines related to ONEOK



Useful Links

North Dakota Department of Agriculture

The North Dakota Department of Agriculture pipeline restoration and reclamation oversight program connects landowners and tenants experiencing pipeline reclamation and restoration issues with an independent ombudsman. Visit <http://www.nd.gov/ndda/program/pipeline-restoration-and-reclamation-oversight-program>.

Department of Minerals Resources

For the gathering lines issues reporting system, visit <https://www.dmr.nd.gov/oilgas/mvc/ndgathering>.

North Dakota Public Service Commission

For the transmission pipeline lines issues reporting system, visit <http://www.psc.nd.gov/public/consinfo/jurisdictionpipelines.php>.

These are tools available to landowners when they feel they are not getting appropriate response or result from the pipeline company directly.

The ONE in Energy™



ONEOK

ONEOK Partners



Garden Creek natural gas processing facility in McKenzie County, North Dakota.

ONEOK Partners, L.P. (pronounced ONE-OAK) (NYSE: OKS) is one of the largest publicly traded master limited partnerships and a leader in the natural gas and natural gas liquids (NGL) businesses. We own and operate assets in the Williston Basin, Mid-Continent and Texas Gulf Coast regions.

ONEOK Partners is the largest independent operator of natural gas gathering and processing facilities in the Williston Basin, with a natural gas gathering system of more than 6,500 miles and more than 3 million acres where production is dedicated to our systems. Our pipeline systems in the Williston Basin gather natural gas from the wellhead, compress it and transport it to processing facilities where NGLs are extracted. We deliver marketable natural gas and NGLs to interstate natural gas and NGL pipelines that serve markets in the Mid-Continent and Rocky Mountain regions.

ONEOK Partners Williston Basin Economic Impact

Payroll (2014)	North Dakota:	Montana:
	\$11,329,324	\$10,903,012
Employees (as of March 31, 2015)	North Dakota: 131	Montana: 86
Property Tax (2014)	North Dakota:	Montana:
	\$4,473,589	\$6,709,908
Community Investments (Total approved in 2014)	North Dakota:	Montana:
	\$1,142,337	\$7,395

2014

- Bismarck State College, Bismarck, North Dakota: \$25,000 in support of the mechanical maintenance facility enhancement;
- Benefit Fund for the McKenzie County Healthcare Systems in Watford City, North Dakota: \$1 million for the construction of a new medical complex;
- Wolf Run Village in Watford City, North Dakota: \$25,000 in support of a new affordable daycare facility;
- North Dakota Community Foundation: \$50,000 in support of the new Killdeer Cowboys Sports Complex; and
- St. Joseph Hospital Foundation in Dickinson, North Dakota: \$25,000 in support of a new hospital and medical office facility.

2015

- North Dakota Safety Council in Bismarck, North Dakota: \$50,000 in support of a new safety training facility;
- Gateway to Science Center in Bismarck, North Dakota: \$50,000 in support of building a new interactive science center; and
- Mercy Medical Foundation in Williston, North Dakota: \$10,000 in support of expanding the obstetrics unit at the hospital.

Business at a Glance

North Dakota and Montana Infrastructure

Natural gas pipeline miles: 6,500

Natural gas processing plants: 8

Natural gas processing capacity: 600* MMcf/d

**Projects announced will increase capacity to approximately 980 MMcf/d by third quarter 2016.*

ONEOK Partners is dedicated to creating value for our stakeholders by:

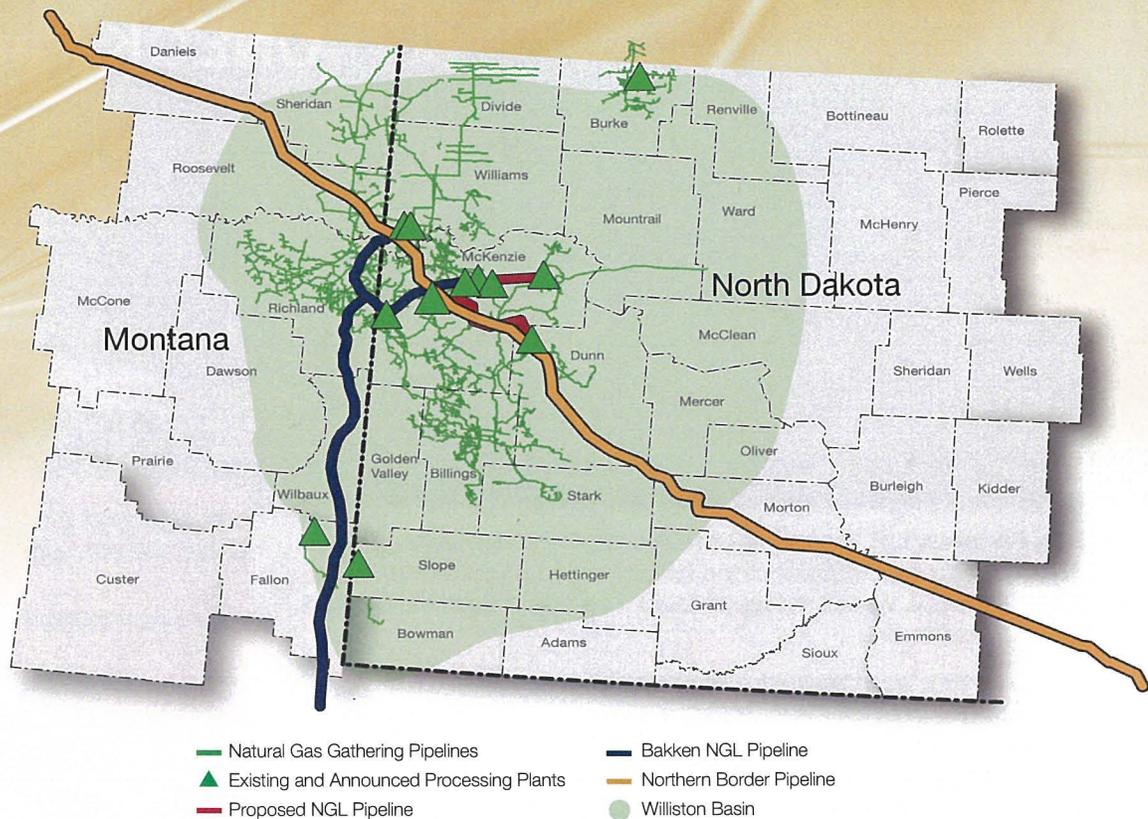
- Investing in necessary natural gas gathering and processing infrastructure that will reduce the flaring of natural gas in the region, benefitting producers and customers, and improving the environment;
- Remaining a safe, reliable and environmentally responsible operator; and
- Recruiting talented employees, dedicated to providing value-added services to our customers.

For more information visit
www.oneokpartners.com

The ONE in Energy.™



**ONEOK
PARTNERS**



ONEOK Partners completed \$8 billion of capital-growth projects and acquisitions from 2006 – 2014 and has investments of approximately \$3 billion in additional capital-growth projects in various stages of construction across its operating areas related to natural gas gathering and processing, and natural gas liquids.

ONEOK Partners – Williston Basin Investments

Completed since 2010

- Five 100-MMcf/d natural gas processing plants – the Garden Creek I, II and III plants in McKenzie County, N.D., and the Stateline I and II plants, in Williams County, N.D.
- Approximately 2,000 miles of natural gas pipeline infrastructure.
- Approximately 300 MMcf/d additional natural gas compression capacity.
- A 270-mile natural gas gathering system and related infrastructure in Divide County, N.D.

Announced

- An additional 100 MMcf/d natural gas compression to take advantage of additional natural gas processing at the partnership's Garden Creek and Stateline natural gas processing plants. *Expected completion: fourth quarter 2015.*
- A 200-MMcf/d natural gas processing plant – the Lonesome Creek plant in McKenzie County, N.D. *Expected completion: year-end 2015 and third quarter 2016, respectively.*
- An expansion of the Bakken NGL Pipeline, increasing capacity to 160,000 barrels per day from 135,000 bpd. *Expected completion: first half 2016.*
- An 80-MMcf/d natural gas processing facility – the Bear Creek plant – in northwest Dunn County, N.D. *Expected completion: second quarter 2016.*
- A 200-MMcf/d natural gas processing plant – the Demicks Lake plant in McKenzie County, N.D. *Suspended until market conditions improve.*

Contact ONEOK Partners:

Careers: www.oneokpartners.com/careers
 Government Relations: 701-751-6005
 Media: 918-591-5026
 Operations: 406-433-3664