



# INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven  
Governor

Wayne Stenehjem  
Attorney General

Doug Goehring  
Agriculture Commissioner

For Immediate Release

April 21, 2009

## Feasibility study backs north route for oil pipeline

BISMARCK – A new 169-mile pipeline system running north into Canada has been recommended as the preferred means of transporting crude oil from west-central North Dakota to one of two TransCanada/Keystone transmission pipelines.

The recommendation is contained in a feasibility study, commissioned by the North Dakota Pipeline Authority, and presented Tuesday, to the State Industrial Commission.

“With this study, we have detailed information on how to tie into TransCanada’s pipeline to help get our oil production to market,” said Gov. John Hoeven. “It is vital now that our Pipeline Authority work with interested parties and encourage private companies to move forward with construction.”

The proposed 12-inch pipeline would take approximately three years to complete, cost an estimated \$199 million with annual operation costs of \$3.7 to \$4.7 million. It could transport 55,000 barrels of oil per day with possible, future expansion of up to 95,000 barrels per day.

Conducted by Kadrmas Lee & Jackson (KLJ) and Rooney Engineering, the study looked at three alternative routes.

“The north alignment alternative is the most economic and has the greatest potential for future throughput increases,” said Jerry Krieg, a KLJ engineer. “It is also routed through the more prolific crude production areas both south and north of the border.”

“Many crucial questions were answered by this study, including how much will it cost, what will happen if Bakken Crude is shipped on the Keystone Pipelines, and when could it be completed,” said Attorney General Wayne Stenehjem. “These were questions that needed to be answered as we look to the future of ND’s oil industry.”

“Pipeline shortages have hampered development in North Dakota,” said Agriculture Commissioner Doug Goehring. “We want to ensure we are being proactive and taking the right steps to ensure adequate avenues are available to move North Dakota’s oil and gas.”

“We now have specific information for investors and interested companies to review and analyze,” said Justin Kringstad, Pipeline Authority Director. “We anticipate a very high level of interest from industry.”

A full presentation of the results will be made at the 2009 Williston Basin Petroleum Council at the end of April.

A copy of the study is available at [www.pipeline.nd.gov](http://www.pipeline.nd.gov).

The Industrial Commission, consisting of Governor John Hoeven as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Doug Goehring, oversees the Pipeline Authority, which is funded by the Oil and Gas Research Fund.

-30-

FURTHER INFORMATION CONTACT: Justin Kringstad 701-220-6227