

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE APPLICATION OF)
DAKOTA ACCESS, LLC FOR AN ENERGY)
FACILITY PERMIT TO CONSTRUCT THE)
DAKOTA ACCESS PIPELINE)**

**ORDER APPROVING
CONSTRUCTION BOND**

HP14-002

On December 15, 2014, the South Dakota Public Utilities Commission (Commission) received an energy facility permit application (Application) from Dakota Access, LLC (Dakota Access) pursuant to SDCL 49-41B-4 to construct the South Dakota portion of the proposed Dakota Access Pipeline (Pipeline). The Pipeline will begin in North Dakota and terminate in Patoka, Illinois, traversing 13 counties in South Dakota. The proposed 12- to 30-inch diameter pipeline will have an initial capacity of 450,000 barrels of oil per day with a total potential of up to 570,000 barrels per day. The proposed route will enter South Dakota in Campbell County at the North Dakota/South Dakota border and will extend in a southeasterly direction, exiting the state at the South Dakota/Iowa border in Lincoln County. The length of the Pipeline through South Dakota is approximately 272 miles. The Pipeline also would include one pump station in South Dakota located in Spink County.

On January 8, 2015, Commissioner Fiegen filed a letter delivered to Governor Dennis Daugaard advising of a conflict of interest under SDCL 49-1-9 after learning of family ownership of land on the proposed Pipeline route. On January 14, 2015, Governor Daugaard filed a letter to Secretary of State Shantel Krebs appointing State Treasurer Rich Sattgast to serve as Acting Commissioner in place of Commissioner Fiegen pursuant to SDCL 49-1-9.

On December 14, 2015, the Commission issued its Final Decision and Order granting the permit, subject to conditions. Pursuant to SDCL 49-41B-38 and permit condition 25(f), Dakota Access was required to obtain, and file for approval, a bond in the amount of \$24 million. On March 7, 2016, Dakota Access filed the bond. On March 16, 2016, Dakota Access filed a Motion for Approval of Construction Bond. By order dated April 15, 2016, the Commission set the hearing on the motion for April 27, 2016, with responses to the motion due April 22, 2016. No responses were received.

At its March 15, 2016, meeting, the Commission considered the motion. The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-41B. The Commission voted unanimously to grant the motion and approve the construction bond. It is therefore

ORDERED, that the Motion for Approval of Construction Bond is granted.

Dated at Pierre, South Dakota, this 28th day of April, 2016.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.
By: <u>Rolayne West</u>
Date: <u>4-28-16</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairman

Gary Hanson
GARY HANSON, Commissioner

Richard L. Sattgast
RICHARD L. SATTGAST, Acting Commissioner