



Mission

The Dakota Access Pipeline Project is a new approximate 1,100-mile, 30-inch diameter pipeline that will connect the rapidly expanding Bakken and Three Forks production areas in North Dakota to Patoka, Illinois. The pipeline will enable **100 percent domestically produced** light sweet crude oil from North Dakota to reach major refining markets in a more direct, cost-effective, safer and environmentally responsible manner. The pipeline will also reduce the current use of rail and truck transportation to move Bakken crude oil to major U.S. markets.

It will transport approximately 450,000 barrels per day with a capacity as high as 570,000 barrels per day or more – which could represent approximately half of Bakken current daily crude oil production. Shippers will be able to access multiple markets, including Midwest and East Coast markets as well as the Gulf Coast via the Nederland, Texas crude oil terminal facility of Sunoco Logistics Partners.

Depending upon regulatory approvals, the pipeline is projected to be in service by the fourth quarter of 2016.

American Energy

Increased domestic crude oil production translates into greater energy independence for the United States.

Although the United States is the third-largest producer in the world, we are the number one consumer of crude oil in the world. While the U.S. produced 7.5 million barrels of crude oil per day in 2013, it still imported 7.7 million barrels per day in order to meet consumer demands. We need to close the gap between what we produce as a country and what we consume before we can be truly independent of foreign imports. Every barrel of oil produced in the United States directly displaces a barrel of foreign oil.

The North Dakota Bakken has witnessed a significant increase in the production of crude oil, from 309,000 barrels a day in 2010 to more than 1 million barrels per day in 2014. This energy will need reliable transportation networks to reach U.S. markets, and pipelines are the safest, most efficient means of accomplishing this task.

Local Economic Impact

The Dakota Access Pipeline is a \$3.7 billion investment that will create 8,000 to 12,000 jobs during construction. Millions of hours of labor will be needed during the construction phase, putting welders, mechanics, electricians, pipefitters, heavy equipment operators and others within the heavy construction industry to work. There will also be increased demand for those who manufacture the steel pipes, fittings, valves, pumps and control devices necessary for a major pipeline.

- **The pipeline will translate into millions in state and local revenues** during the construction phase and an estimated \$129 million annually in property and income taxes.
- The pipeline will generate an estimated \$50 million annually in property taxes and nearly \$74 million in sales taxes to the states of North Dakota, South Dakota, Iowa and Illinois.
- These tax dollars can be used to support schools, hospitals, emergency services and other critical ongoing needs.

The dramatic increase in crude oil production in North Dakota has created serious transportation strains in the upper Midwest. A lack of rail cars to move grain out of South Dakota has magnified the problem. Tariffs on grain railcars have increased from \$50 to nearly \$1,400 per car. These cost increases can carve up to \$1.00 from every bushel of corn shipped. The Bakken Pipeline will help ease transportation shortages for agriculture and other industries.

Why The Pipeline Makes Sense

Approximately 70 percent of crude oil and petroleum products in our country are shipped by pipeline. More than two million miles of pipeline carry these and other energy products across America every day. The extensive domestic pipeline network is heavily regulated by the U.S. Department of Transportation for both safety and reliability and has proven to be the safest, most efficient means of transporting energy resources.

DAKOTA ACCESS PIPELINE

fast facts

- **The Dakota Access Pipeline Project is a \$3.7 billion investment into the United States directly impacting the local and national labor force by creating 8,000-12,000 construction jobs and up to 40 permanent operating jobs.**
- **57% of the pipeline will be manufactured in the United States, all the pump stations will be assembled and packaged in the United States, and the majority of the remaining major materials will be purchased, manufactured or assembled in the United States contributing nearly \$1 billion in direct spending to the U.S. economy.**
- **Nearly \$189 million in direct payments to landowners for easement payments and approximately \$605 million in labor payments to the various contractors working on the project.**

Construction And The Land

- Where possible, the pipeline will parallel existing pipelines, power lines, or existing roads. During construction, an additional 50–100 feet of workspace is needed adjacent to the permanent 50-foot right-of-way.
- The pipeline is covered by a minimum of 36 inches of soil and more if it crosses under roads, rivers, lakes or streams.
- In agricultural fields, the pipe will be buried a minimum of 48 inches.
- All drain tiles will be crossed with a minimum of 24 inches of separation between the pipe and the drain tile.
- In consolidated rock, the pipeline will be buried a minimum of 24 inches and elsewhere a minimum of 36 inches.
- Topsoil will be segregated during construction to a minimum of 12 inches or in accordance with landowner requirements.
- A specific agriculture-crossing plan is being developed, which will be approved by the applicable state agencies, and will be presented to each landowner for use or comment. Each agriculture field will be crossed in accordance with a specific crossing plan with each landowner in accordance with the overall plan.

Safety

Energy Transfer has long-standing commitments to the safety of people, the environment, and our property and assets. Our safety commitment extends to our employees, the general public, and our contractors. For the past five years, we have consistently reached our safety goal by having an employee with an OSHA-recordable safety record that placed us in the top quarter of large midstream companies. While we take great pride in our achievements, we are not satisfied. Energy Transfer has a vision with an end goal of a workplace that achieves an injury- and incident-free day every day.

Energy Transfer utilizes an integrity management program to evaluate the condition of its pipelines. It employs specific measures to protect sections in zones known as “high consequence areas,” which are densely populated areas in the vicinity of pipeline right-of-ways. The program includes an inspection of the pipeline using devices and methods to evaluate the external and internal condition of the pipe.

Environmental Commitment

Energy Transfer is committed to public safety and the protection of the environment. Energy Transfer and its affiliates are committed to operating our facilities in compliance with all applicable federal, state, and local environmental laws, regulations, and standards. We continually seek ways to enhance our operations in the areas of environmental and resource protection and conservation.

Landowner Protection

Energy Transfer works diligently to build a long-term partnership with landowners. That is why we seek landowners’ permission for preliminary land surveys and work to develop easement agreements that meet landowners’ individual needs.

We know in the Midwest that farmland is a precious natural resource, and the care with which we treat land and topsoil is of our utmost concern.

We work to minimize any effects from land surveys and pipeline construction. If land, crops, drainage tiles or anything else is damaged in the process, we will repair, replace, or compensate landowners and farmers for the damage – not only in the immediate year, but for ongoing years as well.

MORE *fast facts*

- **Initially the pipeline will carry approximately 450,000 barrels per day with a growth potential of up to 570,000 barrels per day or more — approximately half the Bakken’s current daily crude oil production.**
- **Proposed pipeline will be 30 inches in diameter and will operate at a maximum pressure of 1,440 pounds per square inch.**
- **Pipelines are regulated by Pipeline and Hazardous Materials Safety Administration.**
- **The pipeline will meet or exceed state and federal safety requirements and at a minimum will be designed in accordance with 49 Code of Federal Regulations Part 195.**
- **Construction will include a visual and x-ray inspection of every weld that joins each section of pipe together.**
- **Will have an emergency shut down system to immediately and safely shut down pump stations in an emergency.**
- **Controls will be monitored in real time, 24 hours a day, 7 days a week.**
- **Will register pipeline with federal and state 811 Call Before You Dig programs.**

ND

Permit will be filed Q4 2014

- \$1 billion capital investment
- \$13.4 million estimated property taxes in 2017
- \$18 million estimated sales tax during construction
- 2,000–4,000 construction jobs
- 12–15 permanent jobs
- Approximately 142 miles of 12- to 30-inch diameter pipelines
- Approximately 203 miles of 30-inch transmission pipeline
- Six tank farm locations
- One electric pump station

SD

Permit will be filed Q4 2014

- \$1 billion capital investment
- \$12.3 million estimated property taxes in 2017
- \$14 million estimated sales tax
- 2,000–4,000 construction jobs
- 12–15 permanent jobs
- Approximately 267 miles of 30-inch transmission pipeline
- One electric pump station

IA

Permit will be filed Q1 2015

- \$1.35 billion capital investment
- \$30 million estimated property taxes in 2017
- \$33 million estimated sales tax during construction
- 2,000–4,000 construction jobs
- 12–15 permanent jobs
- Approximately 343 miles of 30-inch transmission pipeline
- One electric pump station



Permit will be filed Q4 2014

- \$315 million capital investment
- \$500 thousand estimated property taxes in 2017
- \$8 million estimated sales tax during construction
- Approximately 2,000 construction jobs
- Six permanent jobs
- Approximately 177 miles of 30-inch transmission pipeline

Dakota Access Pipeline Proposed Route

