



August 2016

IOWA PROGRESS REPORT

The Dakota Access Pipeline is an approximate 1,172 mile, 30-inch diameter pipeline that will transport domestically produced light sweet crude oil from the rapidly expanding Bakken and Three Forks productions areas in North Dakota to terminal facilities in Patoka, Illinois. It will transport up to 470,000 barrels per day with a capacity as high as 570,000 barrels per day or more. The project will include six gathering terminals in North Dakota with 142 miles of gathering lines, one pump station in each state and 1,026 miles of mainline pipe.

FAST FACTS

Dakota Access has an office in Urbandale, Iowa, from which employees will manage the permitting work and preparation for construction of the pipeline. Dakota Access will use union contractors Michels Corporation and Precision Pipeline, LLC to construct the approximate 348 miles in Iowa. Michels Corporation, which has a field office in Cedar Rapids, Iowa, will construct segments in Iowa, South Dakota, and North Dakota totaling 380 miles. Precision will construct segments in Iowa and Illinois totaling 476 miles.

As part of the agreement, Michels and Precision will use 100 percent union labor, with up to 50 percent of the workers sourced from local union halls. Hundreds of millions of dollars will be spent in labor payments in Iowa. Dakota Access estimates that up to 4,000 local construction workers will be employed for the project in Iowa.

Dakota Access has purchased voluntary easement agreements on more than **99%** of the properties along the route in Iowa. Overall, Dakota Access has executed easement agreements on more than **99%** of the properties across the entire four-state route.

Dakota Access received permit approval from the Iowa Utilities Board on March 10, 2016. Dakota Access has begun construction in all four states and intends to be ready for service by the end of 2016.

Findings from the Des Moines, Iowa-based Strategic Economics Group's economic and fiscal impact study show that Dakota Access will pay an estimated \$33.1 million in sales tax revenue to the State of Iowa during construction. Thereafter, the project will make an annual property tax payment to the traversed Iowa counties each year in service. The estimated property tax to be paid in Iowa in its first year in operation is \$27.4 million.

The Dakota Access project team has held over 242 meetings with local elected officials and community organizations in Iowa since the project was announced last summer. In addition, 18 public Open House meetings have been held in Iowa.

IOWA by the Numbers

\$1.04 billion

Total estimated project cost in Iowa

\$33.1 million

Estimated state sales tax revenue to be generated during construction

\$27.4 million

Estimated property tax revenue to Iowa during the first year in service

\$2.2 million

Estimated local sales tax revenue to be generated during construction

99%

Approximate percent of property agreements executed in Iowa

4,000

Anticipated number of construction jobs created in Iowa

348

Approximate miles of pipe in Iowa

242

Number of local meetings held to date by Dakota Access project team in Iowa

5th

Iowa is the 5th highest per capita energy user in the U.S.

1

Number of pump stations in Iowa

Updated 8-09-16

ENERGY IN IOWA

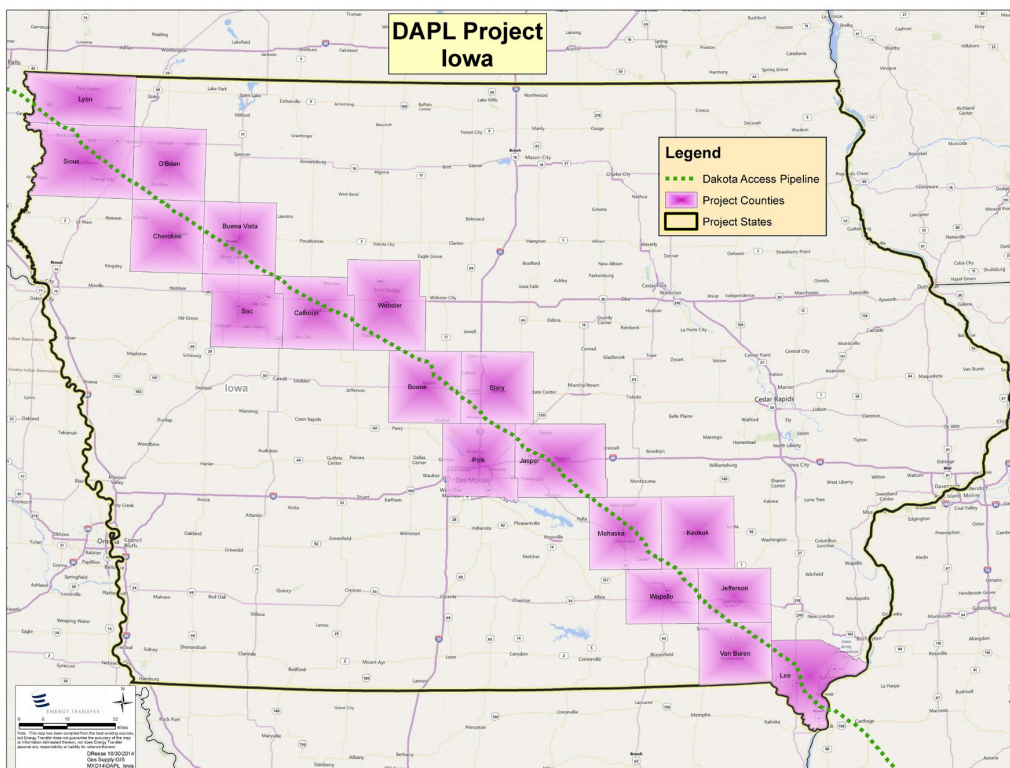
According to a study published by 24/7 Wall St. using U.S. Energy Information Administration (EIA) data, Iowa is the 5th highest per capita energy user in the United States, surpassing Texas, Oklahoma and Nebraska. In 2013, Iowa used roughly 490 million Btu annually per person. Unlike other high-consuming states that are also among the nation's largest energy producers, Iowa's energy sector produces less than 1% of the nation's energy.

EIA data also shows that use of petroleum products in Iowa was approximately 233,000 barrels per day in 2013. But it is important to note that Iowa does not produce any crude oil, nor does it have any refineries to convert crude oil to petroleum products, making the people of Iowa dependent on sources outside the state to meet their energy needs. The Dakota Access Pipeline will enable producers to increase the amount of domestically produced crude oil that is transported to refining markets around the country.

BENEFITS

- Domestically produced crude to support domestic consumption.
- Bakken production will be able to reach the Patoka Hub from where shippers can access multiple markets, including the Midwest and Gulf Coast.
- Gulf Coast refineries will have additional access to North American crude oil production which will reduce our reliance on foreign oil imports.
- Reduction in truck and rail utilization, increasing overall safety to the public and the environment.
- Long and short term economic benefits to areas affected by the project via consumption of goods and services.
- Additional income to residents via right-of-way compensation.
- Creation of construction and service jobs.
- Long-term job creation to operate pipeline and facilities.
- Long-term tax benefit to communities and state property taxes.

Dakota Access Pipeline Project Iowa Map



Approx. Mileage by County

Lyon County	10.53 miles
Sioux County	32.73 miles
O'Brien County	10.76 miles
Cherokee County	18.45 miles
Buena Vista County	28.48 miles
Sac County	0.39 miles
Calhoun County	31.00 miles
Webster County	19.20 miles
Boone County	26.35 miles
Story County	14.80 miles
Polk County	8.68 miles
Jasper County	34.48 miles
Mahaska County	32.96 miles
Keokuk County	6.05 miles
Wapello County	11.00 miles
Jefferson County	15.43 miles
Van Buren County	16.28 miles
Lee County	29.49 miles
Total	347.14 miles