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

)

)

)

)

)

)

IN THE MATTER OF THE PETITION OF TRANSCANADA KEYSTONE PIPELINE, LP FOR ORDER ACCEPTING CERTIFICATION OF PERMIT ISSUED IN DOCKET HP09-0001 TO CONSTRUCT THE KEYSTONE XL PIPELINE

Docket 14-001

#### RESPONSE OF BOLD NEBRASKA IN SUPPORT OF THE MOTIONS TO AMEND PROCEDURAL SCHEDULE OF THE ROSEBUD SIOUX TRIBE AND THE STANDING ROCK SIOUX TRIBE

COMES NOW Bold Nebraska ("Bold"), by and through its counsel, in response to the

Rosebud Sioux Tribe ("RST") and Standing Rock Sioux Tribes ("SRST") (together "Tribes")

Motions to Amend Procedural Schedule ("Tribes' Motions"), filed with the South Dakota Public

Utilities Commission ("Commission") on March 25, 2015, and March 27, 2015, respectively.

For the reasons provided below, Bold supports the Motions.

#### PROCEDURAL BACKGROUND

In its December 17, 2014, Order Granting Motion to Define Issues and Setting

Procedural Schedule, the Commission established the following schedule ("Schedule"):

Yankton Sioux Tribe's Motion to Dismiss heard at Commission's regular meeting	January 6, 2015
Initial round of discovery served	January 6, 2015
Initial discovery responses served	February 6, 2015
Final discovery served	February 20, 2015
Responses to final discovery served	March 10, 2015
Pre-filed direct testimony filed and served	April 2, 2015
Pre-filed rebuttal testimony filed and served	April 23, 2015

Evidentiary hearing	May 5-8, 2015

On March 17, 2015, the Commission's Staff ("Staff") filed its Motion to Amend Procedural Schedule ("Staff Motion") to include a deadline of April 21, 2015, for filing witness and exhibit lists. Although such deadlines are commonly required in procedural schedules, they were not included in the Schedule.

On March 23, 2015, TransCanada Keystone XL Pipeline, LP ("TransCanada") filed its Motion to Preclude Certain Intervenors (John Harter, Bold Nebraska, Carolyn Smith, Gary Dorr, And Yankton Sioux Tribe) from Offering Evidence or Witnesses at Hearing ("Sanctions Motion"). TransCanada argued, *inter alia*, that the March 10 deadline for delivery of "final discovery" "essentially set a discovery deadline," by which it apparently means that all discovery must have been completed by this date. TransCanada appears to reason that the impending April 2, 2015, direct testimony deadline followed so closely on the March 10 "responses to final discovery served" deadline, that it is reasonable to consider the March 10 deadline as a deadline for the completion of all discovery activities. Rather than file motions to compel discovery and then seek sanctions on parties for failure to comply with any orders to compel issued in response, TransCanada has instead requested that the Commission altogether skip consideration of motions to compel and the objections that would be addressed therein. Instead, TransCanada asks that the Commission impose sanctions on Bold, the Yankton Sioux Tribe and 16 individual intervenors in this proceeding (not just the organizations and entities called out by name in the caption), without consideration of the merits of any objections or the discovery responses provided.

On March 24, 2015, the Commission docketed consideration of TranCanada's Sanctions Motion for hearing on April 14, 2015. On March 25, 2015, the RST filed its Motion to Amend Procedural Schedule, in which it asserted, *inter alia*, that discovery negotiations were continuing in good faith and that TransCanada had failed to fully respond to the RST's discovery requests and had also failed to provide it with TransCanada's discovery responses to other parties, which TransCanada had committed to do. The RST argued that the Schedule did not provide sufficient time between the "final discovery" and pre-filed direct testimony deadlines in which to:

- receive and review the March 10 discovery responses and then, based on these responses, prepare pre-filed direct testimony;
- attempt to informally resolve discovery disputes; or
- allow for the filing of discovery motions, that would include consideration of objections raised by the intervenors.

The RST also argued that requiring the filing of pre-filed direct testimony before resolution of discovery disputes violates the RST's state and federal Constitutional due process rights, and therefore requested that the Commission set a date certain for resolution of all discovery issues and postpone setting the date for pre-filed direct testimony until after such date.

Also on March 25, 2015, the SRST filed a Motion for Discovery Sanctions or to Compel, which seeks to resolve discovery disputes between it and TransCanada.

Also on March 25, 2015, TransCanada filed is Amended Motion to Preclude Certain Intervenors from Offering Evidence or Witnesses at Hearing and to Compel Discovery, which apparently is identical to its originally filed motion, except that it removed the names of particular entities and individuals from the caption and introductory paragraph.

On March 26, 2015, the Commission docketed the RST scheduling motion for hearing on March 31, five days later.

On March 27, 2015, the SRST filed its own Motion to Amend Order Setting Procedural Schedule, in which it proposed the following amended schedule.

Close of discovery	May 11, 2015
Pre-filed testimony	June 2, 2015
Rebuttal testimony	June 23,2015
Filing of exhibits	June 23, 2015
Hearing	July 14-17, 2015

The SRST asserted that it lacked sufficient time to procure expert witness assistance and to allow its expert to prepare and submit testimony by the pre-filed testimony deadline. It also alleged that TransCanada's failure to respond fully to SRST's discovery violated South Dakota law. Additional time is required to resolve SRST's discovery dispute with TransCanada.

On March 27, the Commission docketed the SRST scheduling motion for March 31, 2015, four days later.

On March 28, the RST filed a Memorandum in Support of Motion to Amend Schedule.

#### **STATEMENT OF FACTS**

#### I. Status of Bold Discovery to TransCanada

Bold submitted its initial and final discovery to TransCanada (Attachments A and B, respectively) by the deadlines established in the Schedule. Bold's initial discovery requested information related to a number of matters, including the current need for the Keystone XL Pipeline ("Project"), changes to the Project since the Commission's issuance of the June 29, 2010 Final Permit for the Project ("Final Permit"), and TransCanada's compliance with Final Permit conditions. Bold's final discovery was more focused. It sought data on the physical design of the pipeline, which data is needed to analyze the size of possible worst case discharges

at key locations in South Dakota. It also sought limited information as follow up to initial discovery.

TransCanada responded to Bold's requests on January 23, February 6, and March 10 (Attachments C, D, E and F; due to the volume of attachments provide by TransCanada, only TransCanada's written responses to discovery are provided here and not their attachments, but such attachments are available should the Commission or a party request them). On January 23 TransCanada provided its objections to Bold's initial discovery. On February 6 it provided its substantive responses to Bold's initial discovery that also included objections. On March 10 it provided objections and substantive responses to Bold's final discovery requests and also supplemented its response to Bold initial round of discovery. Although TransCanada provided with multiple objections to most of Bold's discovery responses, all told amounting to hundreds of individual objections.

Rather than respond to each of the TransCanada objections immediately, Bold waited until it had determined its financial capacity to hire expert witnesses, determined the scope of testimony planned by other parties to avoid duplication, and then, based on capacity and evidentiary need, reached a tentative agreement with an expert witness to testify on matters related to spill response. As a result of this effort, Bold limited decided to limit its discovery disputes to those related to the calculation of potential worst case discharge amounts and TransCanada's capability to respond to such discharges. This voluntary decision to limit its testimony and related discovery has significantly narrowed the potential range and scope of discovery disputes between Bold and TransCanada.

On March 26, 2015, in an attempt to informally resolve discovery disputes, Bold sent a six page letter to TransCanada (Attachment G) in which it discussed all of TransCanada's objections to Bold discovery requests 45, 46, 48, 49, and 71-79, which concern worst case discharge calculations and TransCanada's capacity to respond to such discharges. This letter provided legal and/or factual bases for Bold's requests and where TransCanada's objections were vague, also sought clarification from TransCanada of its rationales for its objections because many of them were very general in nature. With regard to TransCanada's substantive responses, Bold also described why the limited responses that TransCanada did provide are insufficient. Finally, counsel for Bold offered to discuss these issues with TransCanada's counsel for the purpose of informally resolving these disputes to avoid Commission resolution based on a motion to compel.

On the same day, TransCanada responded to Bold's letter by stating only that it would respond during the week of March 30.

#### II. Status of TransCanada Discovery to Bold

TransCanada submitted initial discovery to Bold (Attachment H) by the Schedule deadline and chose not to submit "final discovery" requests. TransCanada's initial discovery was very broadly stated and generally sought the identity of witnesses, the contents of their testimony, and all documents on which their testimony relied, as well as all information related to all contested Final Permit Facts and Conditions.

Bold timely responded to TransCanada's initial discovery on February 6 (Attachment I). Bold's response included a number of objections based on the attorney-client privilege and because the requests were overly broad and vague. With regard to substantive responses, Bold

002232

stated that it had not at that time identified the witnesses it intended to present, which meant that Bold could not identify the content of or the documentary foundations for such testimony. Bold also provided a list of the Final Order Findings of Fact that Bold believes are no longer accurate and a list of the conditions that Bold believes TransCanada cannot meet, but Bold could not identify experts who would testify on these facts and conditions because Bold had not been able by the initial discovery deadline to retain any experts.

On February 12, 2015, TransCanada sent a letter in response to Bold's discovery

responses (Attachment J). The full text is provided below:

We received your discovery responses on February 6. While we appreciate the information that you provided, not all of your responses comply with the South Dakota Rules of Civil Procedure. The rules require a good faith effort to fully answer the questions and provide the documents requested. Given the time available for discovery and the fixed hearing date, we need to know the identity of all lay and expert witnesses you intend to call and need all documents that you intend to introduce at the hearing.

Please fully and completely respond to our discovery requests by the close of business March 10, 2015, the date discovery closes per the Public Utilities Commission order. If you do not make a good faith effort to respond, you can expect that TransCanada will seek protections allowed by the Rules of Civil Procedure, which would include limiting your participation in the hearing.

TransCanada did not seek to discuss any refinements to its broad discovery requests, did not

discuss any of Bold's objections, and did not offer to negotiate on discovery. Instead, it:

(1) stated its opinion that Bold's discovery response did not comply with the Rules of

Civil Procedure, without explaining how;

(2) stated that the Rules of Civil Procedure require a good faith effort to fully answer

requests, which is a matter of law;

(3) stated that TransCanada needed Bold to identify all of its lay and expert witnesses, such that TransCanada stated that its deadline for Bold to "fully and completely respond to our discovery requests" was March 10, because it was the "date that discovery closes per the Public Utilities Commission order;" and

(4) issued a threat to seek sanctions against Bold for any failure by it to make a good faith effort to respond by March 10.

Thus, TransCanada's letter was not informal communication intended to resolve discovery disputes, but rather merely provided TransCanada's interpretation of the Schedule as it related to discovery (that all discovery matters closed on March 10) and voiced a threat to seek sanctions if Bold did not comply with TransCanada's interpretation of the Schedule. The letter did not discuss discovery disputes and did not invite any opportunity for informal discussions of discovery disputes. It is Bold's understanding that TransCanada sent similar letters to all or almost all of the intervenors in this proceeding. Thus, it appears that TransCanada itself has not initiated any informal attempt to resolve discovery disputes.

On March 23, 2015, Bold submitted its First Supplemental Response to the Interrogatories and Requests for Production of Documents of TransCanada (Attachment K). In this document, Bold stated that it did not intend to call any fact (non-expert) witnesses, and that it intends to call Richard Kuprewicz, a well-known pipeline engineer, as its only expert witness. Bold provided identifying material and a copy of Mr. Kuprewicz's resume, and also described the scope of Mr. Kuprewicz's proposed testimony as:

> (1) the potential worst case discharge volumes from the proposed Keystone XL Pipeline in critical areas within the State of South Dakota and in critical areas in other states immediately adjacent to boundary waters shared with the State of South Dakota, a spill from which could threaten South Dakota waters; (2) the placement of valves and control equipment to minimize the potential impacts

of such worst case discharges; (3) the potential impacts of various types of crude oil on the water resources of the State of South Dakota; and (4) the adequacy and effectiveness of TransCanada's planned on-the-ground capacity to respond to such worst case discharges.

Bold stated that it could not provide information about Mr. Kuprewicz's opinions or the facts and documents on which he would base such opinions, because Mr. Kuprewicz's opinion testimony is dependent on receipt of information requested from TransCanada in discovery, which Bold has not received due to TransCanada's discovery objections, and formal engineering analysis of such information.

In order to calculate potential worst case discharges from Project operations, should it be built, Mr. Kuprewicz requires specific pieces of information about the design of the pipeline. TransCanada has objected to release of almost all of this information. Thus, Mr. Kuprewicz is unable to form an opinion about the size of potential worst case discharges in South Dakota. In order to determine the potential impacts of worst case discharges in South Dakota and TransCanada's readiness to respond to such discharges, Mr. Kuprewicz must first know how much oil might be spilled, because the volume of the potential worst case discharge is an essential element in determining the impacts of potential oil spills, how much equipment and personnel is needed for response, and where such personnel and equipment must be located.

Since TransCanada has objected to discovery of the information needed by Mr. Kuprewicz based on the Commission's jurisdiction, the testimony's relevance to this proceeding, federal preemption issues, and confidentiality and security issues, it appears that TransCanada believes that the Commission should entirely exclude Mr. Kuprewicz's proposed testimony, or if it is allowed, condition discovery response on Bold's entering into a non-disclosure agreement approved by a protective order. Assuming that TransCanada and Bold are not able to informally

resolve these disputes, a motion to compel submitted by Bold against TransCanada would allow the Commission to determine whether or not it will hear Mr. Kuprewicz's testimony. It is possible that the Commission could rule in favor of TransCanada on its discovery disputes with Bold, thereby in effect finding that testimony and evidence related to worst case discharges and TransCanada's capacity to respond to oil spills is inadmissible. On the other hand, should the Commission decide to compel discovery, then it would also need to determine if TransCanada's confidentiality and security concerns are real and protected by state law, which would require that TransCanada seek and the Commission issue of a protective order, including a nondisclosure agreement for execution by Bold and its expert.

In short, Bold cannot fully respond to TransCanada's discovery requests unless and until TransCanada responds to Bold's discovery requests, and it is likely that TransCanada will provide requested information pursuant only to an order to compel discovery and possibly a protective order. Unfortunately, the Schedule failed to expressly provide time for, and does not as a practical matter include sufficient time to allow, resolution of discovery disputes.

#### ARGUMENT

#### I. The Schedule Does Not Terminate All Discovery Activities on March 10, 2015

TransCanada interpreted the schedule as requiring that all parties must "fully and completely respond" to discovery by March 10, or risk sanction, in part because of the impending deadline for filing direct testimony. TransCanada essentially argues that <u>all</u> discovery responses by all parties must have been provided by March 10, 2015, because this is necessary to meet the direct testimony deadline. TransCanada's interpretation fails to interpret the Schedule

according to its plain language, is contrary to the discovery supplementation instructions included by TransCanada itself in its discovery requests, and is illogical.

The Schedule provides for two rounds of discovery: "initial discovery" and "final discovery." The Commission scheduling order does not state that all discovery <u>activities</u> must be completed by the "final discovery" deadline of March 10, nor would such position be rational. Instead, the Schedule describes March 10 deadline as the time that parties must serve "responses to final discovery" on requesting parties. This deadline only relates to the initial response to the second ("final") round of discovery. Thus, the plain language of the Schedule contains no express deadline for completion of all discovery activities or resolution of discovery disputes.

Also, TransCanada's discovery instructions anticipated that parties would be required to supplement their discovery responses after the date that an initial discovery response is due. The first page of TransCanada's discovery requests to Bold (and presumably all parties) specifically states:

These Interrogatories and Requests for Production are to be deemed continuing and if you or your attorneys and agents obtain any information with respect to them after making the original answers, it is requested that supplemental answers be made.

This statement anticipates that discovery does not end upon the deadline for an initial response to a discovery round, because otherwise there would be no opportunity for supplementation. Thus, TransCanada's position that all parties must "fully and completely respond" to discovery by March 10 is inconsistent with its own discovery instructions, which expressly recognize an ongoing duty to supplement discovery responses after parties "obtain any information," including presumably information obtained from or based on discovery responses by TransCanada. Finally, it is illogical to interpret the schedule as terminating all discovery activities on March 10. It is axiomatic that the purpose of discovery is to acquire information to use in the preparation of testimony. Since parties have a duty to supplement their discovery responses as they develop their cases, acquire and analyze information, and prepare testimony, they must supplement their discovery responses based on their use of information acquired from other parties in discovery. Such supplementation logically must follow disclosure of first responses to each round of requests.

Since TransCanada's "final discovery" response was required to be delivered on March 10, it was impossible for intervenors on this same day to also analyze information provided by TransCanada, prepare testimony based on this analysis, and answer discovery about such analysis and testimony. Logically, the day that a response to a final round of discovery is first due cannot also be the final day on which all discovery responses must be provided, because it would be impossible to use the information acquired by such discovery in subsequent analysis and testimony and provide it via supplemental discovery responses.

Bold's situation provides a clear example of why all discovery activities cannot end on the "responses to final discovery served" deadline. The Commission gave Bold the right to participate in two rounds of discovery. Due to the challenge of identifying and retaining expert assistance, Bold was not able to request from TransCanada the information required by Bold's intended witness until the second discovery round. This meant that Bold did not receive TransCanada's responses to these requests until March 10. Even if TransCanada had provided all of the information required by Mr. Kuprewicz on March 10, it was logically impossible for him to analyze and prepare testimony and for Bold to provide responses to TransCanada's discovery requests about such testimony, on the same day. Perhaps not surprisingly,

TransCanada objected to Bold's discovery requests and provided almost none of the information required for Mr. Kuprewicz's testimony, such that Commission resolution of discovery disputes will likely be necessary. This situation demonstrates why it would be fundamentally unfair to end all discovery activities on March 10.

# II. The Schedule Does Not Provide a Reasonable Period in Which to Resolve Discovery Disputes

Since the "responses to final discovery served" date cannot be the final day of all discovery activities, it follows that the Schedule does not expressly provide for a date by which all discovery activities must be completed. TransCanada states that the April 2, 2015, deadline for submission of direct testimony "essentially" makes the March 10 deadline the practical deadline for all discovery activities. However, the plain language of the Schedule does not in fact say this.

Moreover, treating April 2 as the effective date that all discovery disputes must be resolved would mean that the intervenors would have 23 days in which to:

(1) review and analyze TransCanada's discovery responses;

(2) resolve all discovery disputes, including resolution of all motions to compel; and

(3) prepare and file testimony based on any information required.

As a practical matter, it is impossible for Bold and likely other intervenors to comply with such an abbreviated schedule.

Even if all of the parties had analyzed TransCanada's hundreds of objections and reviewed all of its responses on March 11, the day after it received TransCanada's responses, (which was practically impossible), it is unreasonably optimistic to think that between March 11 and April 2 the Commission could have: (1) scheduled a hearing on motions to compel;

(2) conducted such hearing;

(3) written its orders based on this hearing;

(4) allowed time for preparation of discovery responses in compliance with such orders; and

(5) provided a reasonable time for receipt, analysis, and testimony drafting based on such responses.

The only way that the April 2 deadline makes sense is if the Commission assumed that there would be no discovery disputes because all information required for testimony would be delivered on March 10, as this process would provide three weeks solely for preparation of direct written testimony. If the Commission made such assumption, it was unreasonable.

In the Commission's Pre-Hearing Conference on the schedule, a number of parties voiced concerns about the length of time needed to complete discovery, including but not limited to the time needed to resolve discovery disputes. Pre-Hearing Conference Transcript at 16, 20-22, 24-27, 32-34, 36-48. Yet, the Commission failed to include in the Schedule an express period of time in which to resolve discovery disputes, and also failed to provide a schedule with sufficient practical flexibility to allow for resolution of discovery disputes. The lack of a defined time in which to resolve discovery disputes is a more significant schedule omission then the Schedule's failure to provide a deadline for identification of witnesses and exhibits.

Given the breadth of issues in this proceeding, the technical matters at issue, the number of intervenors, and the lack of precedence about the scope of discovery allowed in certification hearings, it is unreasonable to assume that no discovery disputes would arise and that all discovery matters could be resolved in time to allow preparation and filing of direct testimony by April 2.

## III. A Failure to Amend the Schedule Would Violate the Due Process Rights of Bold and Other Intervenors

Bold supports the arguments made by the RST in its Memorandum in Support of Motion to Amend Procedural Schedule, filed on March 28, 2015.

Bold also asserts that the Commission issued a fundamentally flawed and unfair schedule that has put the intervenors in an untenable position. Intervenors identified the likelihood that discovery disputes would require substantial time for resolution, but the Commission failed to expressly provide for or allow sufficient schedule flexibility to address discovery disputes. Moreover, the Commission is fully aware of the potential for discovery disputes and the time typically required for their resolution, yet it failed to provide a reasonable schedule.

#### IV. Conclusion

For the foregoing reasons, Bold respectfully requests that the Commission grant both the RST and SRST motions to amend the schedule to allow reasonable times for:

1) resolution of discovery disputes, including motions to compel (minimum of two weeks);

2) compliance with motions to compel (minimum of two weeks);

4) Analysis and preparation of testimony and identification of exhibits (minimum of three weeks); and

5) Supplementation of discovery responses before the hearing (minimum of one week).

Therefore, Bold requests that the deadline for filing pre-filed direct testimony be extended by approximately eight weeks and that the balance of the schedule be adjusted to account for this extension.

Dated March 30, 2015

Respectfully submitted,

/s/ Paul C. Blackburn Paul C. Blackburn South Dakota Bar No. 4071 (Active Status Pending) 4145 20<sup>th</sup> Avenue South Minneapolis, MN 55407 612-599-5568 paul@paulblackburn.net

### ATTACHMENT A

## BOLD INITIAL DISCOVERY REQUEST TO TRANSCANADA

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

)

)

)

)

)

)

)

)

)

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT

#### HP 14-001

#### BOLD NEBRASKA'S FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO TRANSCANADA KEYSTONE PIPELINE, LP

#### TO: TRANSCANADA KEYSTONE PIPELINE, LP, AND ITS ATTORNEYS, WILLIAM TAYLOR AND JAMES E. MOORE, WOODS, FULLER, SHULTZ & SMITH P.C., PO BOX 5027, 300 SOUTH PHILLIPS AVENUE, SUITE 300, SIOUX FALLS, SD 57117-5027

Please take notice that the above named Intervenor requests that TransCanada Keystone

Pipeline, LP, provide answers and produce documents specified below by February 6, 2015, as

required by SDCL §§ 15-6-33 and 15-6-34, and the Order Setting Procedural Schedule dated

December 17, 2014, of the South Dakota Public Utilities Commission to Paul Blackburn, P.O.

Box 17234, Minneapolis, MN 55417. If objection is made, please state the reason for it.

#### **INSTRUCTIONS**

1. These interrogatories and requests for production of documents are deemed to be continuing in nature and should you, your counsel, or anyone representing your interest become aware of or acquire any additional knowledge which affects the accuracy or completeness of any answers herein, or which relates to the matters into which these interrogatories inquire, it is hereby demanded that such knowledge be immediately transferred to the undersigned attorney by way of supplemental answers to the full extent required by South Dakota Rules of Civil Procedure.

- 2. In answering these interrogatories and requests for production of documents you are required to furnish all information that is available to you or subject to reasonable inquiry by you, including information in the possession of you, your attorney, accountants, advisors, corporate affiliates, or other persons directly or indirectly employed by, or connected with you or your attorney, and anyone else otherwise subject to your control.
- 3. In answering the interrogatories, you are required to answer each interrogatory and subpart separately, stating the facts, documents, witnesses, communications, and other information applicable to each such Interrogatory or subpart.
- 4. In answering these requests for production you are required to furnish all responsive documents in the possession of you, your attorney, accountants, advisors, or other persons directly or indirectly employed by, or connected with you or your attorney, and anyone else otherwise subject to your control.
- 5. All documentary materials produced and made available for inspection and copying shall be grouped or designated according to the individual paragraph or paragraphs of this demand to which it is responsive.
- 6. If the requested information is stored only on software or otherwise is "computer based information," you are directed either to produce the raw data along with codes and programs necessary for translating it into usable form by Defendants, or to produce the information in a finished, usable form. In either case, you must include all necessary glossaries, keys, indices, and software necessary for interpretation of the material.
- 7. If you object to any interrogatory or request for production of documents on grounds of privilege, provide for each answer withheld on such grounds: a general description and summary of the information sufficient to sustain your claim of privilege, and the nature

and basis for the privilege claimed to be applicable.

8. Each interrogatory and request for production of documents (as well as these Instructions) may contain one or more terms that are defined below. You should construe each defined term according to the meaning of that word as set forth below. All other words should be construed consistent with customary usage given the context in which the words appear such that in each instance you should construe any word to bring that word within the scope and embed of the discovery request in which it appears. Consistent with the above, the singular usage of a word shall be considered to include within its meaning the plural, and vice versa; the conjunctive shall be considered to include within its meaning the disjunctive, and vice versa; and the feminine shall be considered to include within its meaning the masculine, and vice versa.

#### **DEFINITIONS**

When used herein, the following terms and phrases shall be understood to have the following meanings:

- "Agent" means any person that could possibly be construed by a third party as acting on behalf of TransCanada, even if TransCanada would dispute an agency relationship.
- "Base Keystone Pipeline" means the TransCanada pipeline approved by order of the South Dakota Public Utilities Commission in Docket HO07-001.
- 3. "Communication" or "Communications" means any verbal, written and/or electronic means of conversation or other statement from one person to another, including, but not limited to, any interview, conference, meeting or telephone conversation.
- 6. "Condition Paragraph" means a numbered condition paragraph contained in Exhibit A to the Amended Final Decision and Order dated June 29, 2010, in docket HP09-001 of the

South Dakota Public Utilities Commission.

- 4. "Describe" or "state" means to provide a comprehensive, complete, accurate, and detailed description, enumeration, explanation, or listing of the matter inquired about.
- 5. "Document" and "documentation" means any printed, typewritten, handwritten, graphic, electronic, magnetic, mechanical or otherwise recorded matter, information or data compilation, whether produced, recorded, reproduced, contained, or stored on paper, computer, magnetic media, tape, cassette, disc, belt, card, film, fiche or any other thing, device or medium. "Document" includes originals, non-identical copies of originals, and drafts, whether sent, received, or neither.
- "Fact Paragraph" means a numbered fact paragraph contained in the Amended Final Decision and Order dated June 29, 2010, in docket HP09-001 of the South Dakota Public Utilities Commission ("2010 Final Order").
- 7. "Identify" means:
  - (a) When used in reference to a natural person, to state:
    - (1) that person's full name and present or last known address; and
    - (2) that person's present or last known position, title and employer or business affiliation.
  - (b) When used in reference to a business entity, to state:
    - (1) the entity's name and address;
    - (2) its principal place of business; and
    - (3) the legal nature of the entity (*e.g.*, corporation).
  - (c) When used in reference to a document, to state:
    - (1) the document's date;

- (2) its author;
- (3) its addressee;
- (4) its type; and
- (5) its present custodian.
- 8. "Information" or "evidence" means any facts, knowledge, data, beliefs, or opinions, however obtained.
- "Keystone XL Pipeline" means the pipeline that is the subject of the Petition for Order Accepting Certification Under SDCL § 49-41B-27, filed by TransCanada on September 15, 2014, in Docket HP14-001.
- "Keystone Pipeline System" means the existing and proposed crude oil pipelines owned or controlled by TransCanada that transport crude oil from the WCSB or the Williston Basin to Wood River, Illinois, Cushing, Oklahoma, or locations in the State of Texas.
- 11. "Person" means any natural person, corporation, partnership, company, sole proprietorship, association, institute, joint venture, trust, firm, business, or other entity, irrespective of whether privately or publicly owned or controlled, for profit or not for profit, or partially or fully government-controlled.
- 12. "TransCanada" means TransCanada Keystone Pipeline, LP, as well as its corporate parents, affiliates, and subsidiaries and each of their present or former employees, agents, attorneys, and all other persons acting or purporting to act for or on their behalf.
- 13. "Record" or "recording" means all recorded information, regardless of physical form (including but not limited to paper, e-mail, computer file, photographs, audiotape, or videotape).
- 14. "Relating to" or "relate to" means regarding, concerning, discussing, reflecting, referring

to, alluding to, explaining, showing, describing, studying, embodying, pertaining to, constituting, comprising, responding to, connected with, commenting on, or having any logical or factual connection whatsoever with the subject matter in question.

- 15. "Representative" means any person that could possibly be construed by a third party as acting on behalf of or speaking or acting for Plaintiff, or relaying information on behalf of Plaintiff, even if Plaintiff would dispute an agency relationship.
- 16. "Support" and "supporting" mean tending to prove, to substantiate, or to document.
- 17. "WCSB" means the Western Canadian Sedimentary Basin.
- 18. "You" and "your" mean TransCanada Keystone Pipeline, LP, as well as its corporate parents, affiliates, and subsidiaries, and each of their present or former employees, agents, attorneys, representatives, and all other persons acting or purporting to act for or on their behalf.

#### **INTERROGATORIES**

# **INTERROGATORY NO. 1:** List the name, business address, telephone number, and position of all persons who answered these interrogatories.

**INTERROGATORY NO. 2:** List the name, business address, telephone number, and position of all persons who assisted in you in answering these interrogatories or who provided information that you relied on in answering these interrogatories. As a part of your answer to this interrogatory, state what relationship, if any, each such person has with you or with your attorneys and the subject matter of their knowledge.

**INTERROGATORY NO. 3:** State the full name, current address, telephone number, and present employment of each person who you expect to call as a witness in Docket HP14-001, the subject matter on which each such witness is expected to testify, the substance of the

facts and opinions to which each witness is expected to testify, a summary of the grounds for each opinion expected to be expressed by such witness, and for each expert witness also state:

a. the facts supporting each opinion to which the expert is expected to testify;

b. the expert's profession or occupation, educational background, specialized training, and employment history relevant to the expert's proposed testimony;

c. the expert's previous publications within the preceding 10 years; and

d. all other cases in which the witness has testified as an expert at trial.

**INTERROGATORY NO. 4:** State the name and address of each expert consulted whose report or work product will be relied upon or reviewed in whole or in part by any expert witness whom you expect to call at the trial of this case.

**INTERROGATORY NO. 5:** State specifically what information was furnished by TransCanada to each expert and what information was gathered by each expert. As to any books or publications upon which any expert's opinions are to be based, state the title, author, publisher and edition of each such publication, together with the page and paragraph utilized by the expert in the formation of any opinion or conclusion.

**<u>INTERROGATORY NO. 6</u>**: Identify all exhibits you intend to introduce in the evidentiary currently scheduled for May 5-8, 2015.

**INTERROGATORY NO. 7:** Describe the relationships between TransCanada and any of its parents, affiliates, and subsidiaries that have or are expected to have any financial interest in the Keystone XL Pipeline, or any responsibility for the design, construction, or possible operation of the Keystone XL Pipeline.

**INTERROGATORY NO. 8:** With regard to Fact Paragraphs 14, 24, and 29:

a. identify the shippers that have committed to long-term binding contracts for capacity on the Keystone XL Pipeline;

b. provide the total capacity of the Keystone XL Pipeline in barrels per day to which shippers have committed for transportation of crude oil from the WCSB in Canada to U.S. delivery locations;

c. provide the total capacity of the Keystone XL Pipeline in barrels per day to which shippers have committed for transportation of crude oil via the Bakken Marketlink Project from Baker, Montana, to U.S. delivery locations;

d. for each committed shipper, provide the capacity of the Keystone XL Pipeline in barrels per day to which the shipper has committed and the origination and delivery locations of its committed shipments and the duration in years of such commitment;

e. describe changes in contracted capacity amounts, delivery locations, and duration since June 29, 2010, identified by shipper; and

g. describe communications between TransCanada and such shippers that relate to shipper intention or desire to reduce the committed capacity for which it contracted, to reduce the duration of such contract, to terminate such contract, or to transfer its rights under such contract to a third party.

**INTERROGATORY NO. 9:** With regard to Fact Paragraphs 14, 24, and 29, state whether any transportation services agreement with a committed shipper for transportation of crude oil on the proposed Keystone XL Pipeline has been (a) terminated; of (b) amended with regard to quantity, term, or delivery location, and describe any such terminations or amendments.

**INTERROGATORY NO. 10:** With regard to Fact Paragraphs 14, 24, and 27, identify

each existing and proposed pipeline that is currently capable or would be capable of delivering crude oil produced by Williston Basin oil wells to the proposed Bakken Marketlink Project in Baker, Montana, and for each proposed pipeline describe its regulatory status.

- **INTERROGATORY NO. 11:** With regard to Fact Paragraphs 14, 24, and 27, identify each existing and proposed railroad line and associated offloading facility that currently are or would be capable of delivering crude oil produced by Williston Basin oil wells to the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana, and for each proposed railroad line and offloading facility describe its regulatory status.
- **INTERROGATORY NO. 12:** With regard to Fact Paragraphs 14, 24, and 27, describe the average daily capacity of trucking to deliver crude oil produced by Williston Basin oil wells to the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana.
- **INTERROGATORY NO. 13:** With regard to Fact Paragraph 14, 24, and 27, describe any existing or proposed crude oil tanks in or near Baker, Montana, that would be used to store crude oil produced by Williston Basin oil wells immediately prior to its injection into the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana, including but not limited to crude oil tanks constructed by TransCanada to serve Bakken Marketlink shippers.
- **INTERROGATORY NO. 14:** With regard to Fact Paragraphs 14, 24, 26, and 27, describe the impact of increased light crude oil production in southern Petroleum Administration for Defense Distict ("PADD") 2 (Colorado, Nebraska, Kansas, and Oklahoma) and PADD 3 on

the market for Williston Basin light crude oil in PADD 3.

- **INTERROGATORY NO. 15:** With regard to Fact Paragraphs 14, 24, 26, and 27, describe the impact of increased light crude oil production in southern PADD 2 (Colorado, Nebraska, Kansas, and Oklahoma) and PADD 3 on the market for Williston Basin light crude oil in southern PADD 2 that would be transported via the Keystone XL Pipeline and the Keystone Pipeline System to the Cushing, Oklahoma, offramp.
- **INTERROGATORY NO. 16:** With regard to Fact Paragraphs 14 and 26, identify the U.S. refineries that could take delivery via pipeline of the Williston Basin light crude oil that would be transported by the proposed Keystone XL Pipeline.
- **INTERROGATORY NO. 17:** With regard to Fact Paragraphs 24, 26, and 27, identify the existing and proposed delivery locations of the Keystone Pipeline System in PADD 3, and identify all pipelines owned by connecting carriers that are connected to the proposed Keystone Pipeline in PADD 3.
- **INTERROGATORY NO. 18:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of US refineries that TransCanada expects will increase demand for the WCSB crude oil that would be delivered by the proposed Keystone XL Pipeline, and for each such refinery state the basis for TransCanada's claim that the refinery will increase demand for the crude oil from this basin.
- **INTERROGATORY NO. 19:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of US refineries that TransCanada expects to increase demand for Williston Basin crude oil that would be delivered by the proposed Keystone XL Pipeline, and for each such refinery state the basis for TransCanada's claim that the refinery will increase demand for the crude oil from this basin.

**INTERROGATORY NO. 20:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of refineries in PADD 3 that could be served by the proposed Keystone XL Pipeline that are currently expanding refining capacity or have announced plans to expand refining capacity.

**INTERROGATORY NO. 21:** With regard to Fact Paragraphs 14, 24, 25, 26, and 27, provide a list of refineries in PADD 3 that TransCanada expects to import less offshore crude oil and replace it with crude oil that would be transported by the proposed Keystone XL Pipeline.

**INTERROGATORY NO. 22:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of PADD 3 refineries that are "optimally configured to process heavy crude slates" and identify which of these refineries are currently or proposed to be connected directly or via connecting pipeline carriers to the proposed Keystone XL Pipeline.

**INTERROGATORY NO. 23:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of new refineries that are under construction or proposed to be constructed in PADD 3 and identify which of these new refineries are currently or proposed to be connected directly or via connecting pipeline carriers to the proposed Keystone XL Pipeline.

**INTERROGATORY NO. 24:** With regard to Fact Paragraphs 14, 15, 24, 26, and 27, describe the potential to re-export WCSB crude oil from the U.S. Gulf Coast to overseas markets.

**INTERROGATORY NO. 25:** With regard to Fact Paragraphs 14, 24, 25, and 27, provide forecasts of crude oil production in the WCSB and Williston Basin, describe the source of these forecasts, and state whether or not these forecasts take into account current low oil prices.

**INTERROGATORY NO. 26:** With regard to Fact Paragraphs 14, 15, and 24, state the total current pipeline capacity to transport crude oil from the WCSB and the from the Williston Basin to the U.S. Gulf Coast.

- **INTERROGATORY NO. 27:** With regard to Fact Paragraphs 14, 15, and 24, describe the impact of the recent completion of the Flanagan South Pipeline and Seaway Pipeline, and its expansion, on the market for crude oil transportation services from the WCSB and the Williston Basin to Cushing and the U.S. Gulf Coast, assuming planned upstream expansions of Enbridge Lines 61 and 67 are completed to allow these pipelines to operate at their maximum capacities.
- **INTERROGATORY NO. 28:** With regard to Fact Paragraphs 14, 15, and 24, describe whether pipelines from the WCSB and the Williston Basin to the U.S. Gulf Coast operated by Enbridge provide service to the refineries that TransCanada claims would be served by the proposed Keystone XL Pipeline, and if they do then identify the refineries that could be served by both Enbridge and TransCanada pipeline systems.
- **INTERROGATORY NO. 29:** With regard to Fact Paragraph 24, identify existing pipelines that comprise the "insufficient pipeline capacity" identified by TransCanada as a factor driving need for the proposed Keystone XL Pipeline, and for each such pipeline provide its current utilization as a percentage of its total capacity.
- **INTERROGATORY NO. 30:** With regard to Fact Paragraph 15, explain the change in the Keystone XL Pipeline's capacity from the 700,000/900,000 bpd figure approved by the 2010 Final Order in HP09-001 to the 830,000 bpd currently proposed by TransCanada.
- **INTERROGATORY NO. 31:** With regard to Fact Paragraphs 14, 15, 24, and 29, identify any committed shippers that have contracted to take delivery from the Keystone XL Pipeline

in Cushing, Oklahoma, for delivery to PADD 2 refineries and the amounts and duration of these commitments.

- **INTERROGATORY NO. 32:** With regard to Fact Paragraph 16, describe any changes to the route of the Keystone XL Pipeline since June 29, 2010.
- **INTERROGATORY NO. 33:** With regard to Fact Paragraphs 17, explain the reason for the reduction in construction spreads from five spreads to between three and four spreads.
- **INTERROGATORY NO. 34:** With regard to Fact Paragraph 17, describe the construction schedule for the Keystone XL Pipeline in South Dakota in terms of major milestones by month.

#### **INTERROGATORY NO. 35:** With regard to Fact Paragraph 18, describe:

- a. the impact of UV radiation on fusion bonded epoxy ("FBE") coating over time;
- b. the dates on which pipe segments to be used in South Dakota were delivered from their manufacturer to storage locations in South Dakota or adjacent states;
- c. the dates on which covering was provided over the FBE coating to protect it from damage by weathering, including but not limited to ultraviolet radiation;
- d. the longest time that any FBE on pipe segments to be used in South Dakota was stored without protective covering;
- e. the FBE manufacturer recommendation or directions for protection of the FBE applied to pipe segments to be used in South Dakota;
- f. the maximum amount of time in days that the FBE applied to the pipe segments to be used in South Dakota may be exposed to direct sunlight without damage to the FBE that could reduce the FBE's effectiveness and thereby void applicable manufacturer warranties and guaranties; and

g. the manufacturer warranties and guaranties for the FBE coating applied to pipe segments to be used to construct the Project in South Dakota.

**INTERROGATORY NO. 36:** With regard to Fact Paragraph 18, explain the elimination of use of API 5L X80 high strength steel from use in the Keystone XL Pipeline.

- **INTERROGATORY NO. 37:** With regard to Fact Paragraph 19, explain the reason for the reduction in the proposed maximum pressure of the Keystone XL Pipeline, and describe the South Dakota Public Utilities Commission process, if any, that TransCanada would need to complete prior to an increase in this pressure to that permitted by the 2010 Final Order in Docket HP09-001.
- **INTERROGATORY NO. 38:** With regard to Fact Paragraph 20, state whether or not any power line extensions have been permitted or constructed by local power providers, the purpose of which is to provide power to pump stations for the proposed Keystone XL Pipeline, and if any such power line extensions have been permitted or constructed, identify the location and owner of each such extension.
- **INTERROGATORY NO. 39:** With regard to Fact Paragraph 20, explain the reason that TransCanada converted all valves to remote control operation, identify the facilities from which these valves may be remotely operated, and describe whether or not TransCanada will provide these valves with backup electrical power in the event of a loss of grid power.
- **INTERROGATORY NO. 40:** With regard to Fact Paragraph 23, provide a break out of the increased estimated costs of the Project due to each of the following factors: new technical requirements, inflation, project management, regulatory, material storage, and preservation.

**INTERROGATORY NO. 41:** With regard to Fact Paragraph 14 and 24, state the year in which TransCanada forecasts that the full capacity of the proposed Keystone XL Pipeline will be for practical purposes fully utilized over an entire year.

- **INTERROGATORY NO. 42:** With regard to Fact Paragraph 14, 24, 25, and 29, provide the percent change in "U.S. demand for petroleum products," meaning petroleum products produced for consumption by U.S. consumers and not produced for export from the U.S. to other countries, since the most recent data provided in docket HP09-001.
- **INTERROGATORY NO. 43:** With regard to Fact Paragraphs 14, 24, 25, and 29, provide a forecast of "U.S. demand for petroleum products," meaning petroleum products produced for consumption by U.S. consumers and not produced for export from the U.S. to other countries.
- **INTERROGATORY NO. 44:** With regard to Fact Paragraph 25, of the 15 million bpd of crude oil demand identified in this revised paragraph, state whether some of this demand is used to produce petroleum products for export from the U.S., and if such demand is used to serve export markets, provide the quantity of crude oil needed for domestic demand for petroleum products and the quantity of crude oil needed to produce petroleum products for export from the U.S..
- **INTERROGATORY NO. 45:** With regard to Condition Paragraphs 8, 34, 35, and 39, state whether TransCanada has prepared a draft spill response plan for the proposed Keystone XL Pipeline the final version of which would be intended to comply with 49 C.F.R. Part 194.
- **INTERROGATORY NO. 46:** With regard to Condition Paragraphs 8, 34, 35, and 39, state whether or not a spill response plan required by 49 C.F.R. Part 194 for the proposed

Keystone XL Pipeline must evaluate a potential spill of Williston Basin light crude oil separately from a potential spill of diluted bitumen from the WCSB.

- **INTERROGATORY NO. 47:** With regard to Condition Paragraphs 8, 34, 35, and 39, describe the differences in the response to a cleanup of diluted bitumen as compared to a cleanup Williston Basin light crude oil, including but not limited to differences in training, equipment, and spill response techniques.
- **INTERROGATORY NO. 48:** With regard to Condition Paragraphs 8, 34, 35, and 39, identify the amounts, types, and locations of existing and proposed oil spill response equipment that are or would be owned by TransCanada that would be used to respond to a spill from the proposed Keystone XL Pipeline, including spills of both Williston Basin light crude oil and WCSB heavy crude oils including but not limited to diluted bitumen.
- **INTERROGATORY NO. 49:** With regard to Condition Paragraphs 8, 34, 35, and 39, identify the amounts, types, and locations of existing and proposed oil spill response equipment that are or would be owned by contractors to TransCanada that would be used to respond to a spill from the proposed Keystone XL Pipeline, including but not limited to spills of both Williston Basin light crude oil and WCSB heavy crude oils such as diluted bitumen.
- **INTERROGATORY NO. 50:** With regard to Condition Paragraph 10, describe TransCanada's plans to train local emergency responders, including training about response techniques for both Williston Basin light crude oil and WCSB heavy crude oil such as diluted bitumen.
- **INTERROGATORY NO. 51:** With regard to Condition Paragraphs 8, 34, 35, and 39, describe where TransCanada would house and feed spill response workers in the event of a worst case discharge from the Keystone XL Pipeline in Harding County, South Dakota.

**INTERROGATORY NO. 52:** With regard to Condition Paragraph 10, identify the sources of first notification to TransCanada of each spill from the Base Keystone Pipeline.

- **INTERROGATORY NO. 53:** With regard to Condition Paragraphs 31 and 36, describe any improvements in SCADA leak detection technology since 2010 and state whether any such improvements will be incorporated into the proposed Keystone XL Pipeline's SCADA system.
- **INTERROGATORY NO. 54:** With regard to Condition Paragraphs 31 and 36, state whether any new or improved remote sensing technologies for leak detection have become commercially available since 2010, and state whether any such technologies will be used by TransCanada for the proposed Keystone XL Pipeline.

**INTERROGATORY NO. 55:** With regard to Condition Paragraphs 35, state whether any additional surficial aquifers have been discovered to date.

- **INTERROGATORY NO. 56:** With regard to Fact Paragraph 68, describe the interference with the cathodic protection system identified in revised finding of fact paragraph 68.
- **INTERROGATORY NO. 57:** With regard to Fact Paragraph 83, explain why Bridger Creek was added to the list of crossing for which TransCanada will utilize HDD.
- **INTERROGATORY NO. 58:** With regard to Condition Paragraph 23, explain why Keystone believes that the road bond amount should not be adjusted for inflation.
- **INTERROGATORY NO. 59:** With regard to Fact Paragraphs 107, provide a revised estimate of the amount of property taxes that would be paid by TransCanada on the proposed Keystone XL Pipeline, and also compare the amount of tax payments made by TransCanada from 2010 to the present in each county crossed by the the Base Keystone Pipeline to the tax amount estimate provided in Docket HP07-001 by TransCanada.

**INTERROGATORY NO. 60:** With regard to Condition Paragraph 16, state whether or not TransCanada has drafted crop monitoring protocols and describe its communications with landowners related to such plan.

- **INTERROGATORY NO. 61:** With regard to Condition Paragraph 16, state whether or not TransCanada has drafted a plan to control noxious weeds and describe its communications with landowners related to such plan.
- **INTERROGATORY NO. 62:** With regard to Condition Paragraph 28, provide a list of private and new access roads that will be used or required for construction of the proposed Keystone XL Pipeline.
- **INTERROGATORY NO. 63:** With regard to Fact Paragraph 50 and Condition Paragraph 34, provide an explanation of why the HCA length in South Dakota decreased from 34.3 to 19.9 miles, identify HCA segments that were removed or shortened, and describe any HCA's not identified during the docket HP09-001 proceeding that were added to the HCA length.

#### **INTERROGATORY NO. 64:** With regard to Condition Paragraph 44, describe:

- a. TransCanada's efforts related to its paleontological literature search; and
- b. any pre-construction paleontological field surveys performed by TransCanada.
- **INTERROGATORY NO. 65:** With regard to Condition Paragraph 45, describe any disputes with landowners related to repair or replacement of property impacted by the Base Keystone Pipeline.
- **INTERROGATORY NO. 66:** With regard to Condition Paragraph 50, describe any complaints filed by landowners against TransCanada.

#### **REQUESTS FOR PRODUCTION OF DOCUMENTS**

**<u>REQUEST FOR PRODUCTION NO. 1:</u>** With regard to Fact Paragraph 14, produce

the *pro forma* transportation services agreement provided to prospective shippers for use of the Bakken Marketlink Project.

**REQUEST FOR PRODUCTION NO. 2:** With regard to Fact Paragraph 14, produce the transportation services agreements currently in effect and executed by the shippers that have entered into long-term commitments for capacity on the proposed Keystone XL Pipeline.

**<u>REQUEST FOR PRODUCTION NO. 3:</u>** With regard to Fact Paragraph 16, produce all maps showing any route changes since issuance of the 2010 Final Order.

**<u>REQUEST FOR PRODUCTION NO. 4</u>**: With regard to Fact Paragraph 18, produce the manufacturers' warranties and guaranties for the FBE applied to pipe segments that have been delivered and would be installed in South Dakota.

**<u>REQUEST FOR PRODUCTION NO. 5:</u>** With regard to Fact Paragraph 20, produce a map of the valve locations for the Keystone XL Pipeline.

**<u>REQUEST FOR PRODUCTION NO. 6:</u>** With regard to Fact Paragraphs 14, 24, 25,

26, 27, and 28, produce the following forecasts and their supporting data:

a) the forecast of annual crude oil production in the WCSB relied on by TransCanada in this proceeding showing future production of light and heavy crude oil;

b) the forecast of annual crude oil production in the Williston Basin relied on by TransCanada in this proceeding showing future production of light and heavy crude oil;

c) a forecast of annual domestic U.S. consumer demand for petroleum products through 2030;

d) a forecast of annual crude oil imports into PADD 3 from Canada through 2030;

e) a forecast of annual crude oil imports into PADD 3 from countries other than Canada

through 2030;

f) a forecast of annual demand for crude oil by PADD 3 refineries through 2030;

g) a forecast of utilization of the proposed Keystone XL Pipeline from the proposed commencement of normal operations to 2030;

h) a forecast of crude oil production in PADD 3 through 2030;

i) a forecast of exports of petroleum products from PADD 3 through 2030;

j) a forecast of re-exports of WCSB crude oil from PADD 3 through 2030;

k) a forecast of railroad transportation from the WCSB to each PADD in the U.S; and

l) a forecast of railroad transportation from the Williston Basin to each PADD in the U.S.

**<u>REQUEST FOR PRODUCTION NO. 7:</u>** With regard to Condition Paragraph 43, produce the most recent version of the Unanticipated Discovery Plan.

**<u>REQUEST FOR PRODUCTION NO. 8:</u>** With regard to Condition Paragraph 15, produce the Con/Rec mapping.

**<u>REQUEST FOR PRODUCTION NO. 9:</u>** With regard to Condition Paragraph 7, produce all correspondence between TransCanada's public liaison officer for the Base Keystone Pipeline and the proposed Keystone XL Pipeline.

**<u>REQUEST FOR PRODUCTION NO. 10:</u>** With regard to Condition Paragraph 23, produce all correspondence from June 29, 2010, to the present related to resolution of disputes over repair of roads following construction of the Base Keystone Pipeline.

**REQUEST FOR PRODUCTION NO. 11:** With regard to Condition Paragraph 36, produce the most recent version of a draft spill response plan for the Proposed Keystone XL Pipeline, the final version of which is intended to meet the requirements of 49 C.F.R. Part 194, as well as any communications related to preparation of a spill response plan for

the Keystone XL Pipeline between TransCanada and agencies of the State of South Dakota.

- **REQUEST FOR PRODUCTION NO. 12:** With regard to Condition Paragraph 10, produce copies of all training materials provided to first responders in the State of South Dakota.
- **REQUEST FOR PRODUCTION NO. 13:** With regard to Condition Paragraph 50, produce copies of complaints filed by landowners against TransCanada related to the Base Keystone Pipeline and the proposed Keystone XL Pipeline.

**REQUEST FOR PRODUCTION NO. 14:** With regard to Condition Paragraph 25, produce the latest version of a draft adverse weather land protection plan.

**REQUEST FOR PRODUCTION NO. 15:** With regard to Condition Paragraph 29, produce the latest version of a winterization plan.

**REQUEST FOR PRODUCTION NO. 16:** With regard to Condition Paragraph 39, produce noise data showing pump station noise at the Base Keystone Pipeline.

**REQUEST FOR PRODUCTION NO. 17:** With regard to Condition Paragraph 44, produce a copy of the latest version of the paleontological resource mitigation plan.

**REQUEST FOR PRODUCTION NO. 18:** Produce copies of all responses by TransCanada in response to discovery requests submitted to TransCanada by other parties in this proceeding.

Dated this 6th day of January 2015.

\_/s/ Paul C. Blackburn\_

Paul C. Blackburn P.O. Box 17234 Minneapolis, MN 55407 (612) 599-5568 paul@paulblackburn.net Attorney for Bold Nebraska

# **CERTIFICATE OF SERVICE**

I hereby certify that on January 6<sup>th</sup>, 2015, I sent by email a true and correct copy of Bold

Nebraska's First Interrogatories and Requests for Production of Documents to TransCanada

Keystone Pipeline, LP, to the following:

Mr. James E. Moore Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 james.moore@woodsfuller.com

Mr. Bill G. Taylor Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 <u>bill.taylor@woodsfuller.com</u>

> /s/ Paul C. Blackburn Paul C. Blackburn

# ATTACHMENT B

# BOLD FINAL DISCOVERY REQUEST TO TRANSCANADA

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

)

)

)

)

)

)

)

)

)

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT

#### HP 14-001

### BOLD NEBRASKA'S SECOND INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO TRANSCANADA KEYSTONE PIPELINE, LP

### TO: TRANSCANADA KEYSTONE PIPELINE, LP, AND ITS ATTORNEYS, WILLIAM TAYLOR AND JAMES E. MOORE, WOODS, FULLER, SHULTZ & SMITH P.C., PO BOX 5027, 300 SOUTH PHILLIPS AVENUE, SUITE 300, SIOUX FALLS, SD 57117-5027

Please take notice that the above named Intervenor requests that TransCanada Keystone

Pipeline, LP, provide answers and produce documents specified below by February 6, 2015, as required by SDCL §§ 15-6-33 and 15-6-34, and the Order Setting Procedural Schedule dated December 17, 2014, of the South Dakota Public Utilities Commission ("Commission") to Paul Blackburn, P.O. Box 17234, Minneapolis, MN 55417. If objection is made, please state the reason for it. Bold reserves the right to submit additional interrogatories or requests for production of documents to the extent allowed by the Commission.

#### **INSTRUCTIONS**

1. These interrogatories and requests for production of documents are deemed to be continuing in nature and should you, your counsel, or anyone representing your interest become aware of or acquire any additional knowledge which affects the accuracy or completeness of any answers herein, or which relates to the matters into which these interrogatories inquire, it is hereby demanded that such knowledge be immediately

transferred to the undersigned attorney by way of supplemental answers to the full extent required by South Dakota Rules of Civil Procedure.

- 2. In answering these interrogatories and requests for production of documents you are required to furnish all information that is available to you or subject to reasonable inquiry by you, including information in the possession of you, your attorney, accountants, advisors, corporate affiliates, or other persons directly or indirectly employed by, or connected with you or your attorney, and anyone else otherwise subject to your control.
- 3. In answering the interrogatories, you are required to answer each interrogatory and subpart separately, stating the facts, documents, witnesses, communications, and other information applicable to each such Interrogatory or subpart.
- 4. In answering these requests for production you are required to furnish all responsive documents in the possession of you, your attorney, accountants, advisors, or other persons directly or indirectly employed by, or connected with you or your attorney, and anyone else otherwise subject to your control.
- 5. All documentary materials produced and made available for inspection and copying shall be grouped or designated according to the individual paragraph or paragraphs of this demand to which it is responsive.
- 6. If the requested information is stored only on software or otherwise is "computer based information," you are directed either to produce the raw data along with codes and programs necessary for translating it into usable form by Defendants, or to produce the information in a finished, usable form. In either case, you must include all necessary glossaries, keys, indices, and software necessary for interpretation of the material.
- 7. If you object to any interrogatory or request for production of documents on grounds of

privilege, provide for each answer withheld on such grounds: a general description and summary of the information sufficient to sustain your claim of privilege, and the nature and basis for the privilege claimed to be applicable.

8. Each interrogatory and request for production of documents (as well as these Instructions) may contain one or more terms that are defined below. You should construe each defined term according to the meaning of that word as set forth below. All other words should be construed consistent with customary usage given the context in which the words appear such that in each instance you should construe any word to bring that word within the scope and embed of the discovery request in which it appears. Consistent with the above, the singular usage of a word shall be considered to include within its meaning the plural, and vice versa; the conjunctive shall be considered to include within its meaning the disjunctive, and vice versa; and the feminine shall be considered to include within its meaning the masculine, and vice versa.

#### **DEFINITIONS**

When used herein, the following terms and phrases shall be understood to have the following meanings:

- "Agent" means any person that could possibly be construed by a third party as acting on behalf of TransCanada, even if TransCanada would dispute an agency relationship.
- "Base Keystone Pipeline" means the TransCanada pipeline approved by order of the South Dakota Public Utilities Commission in Docket HO07-001.
- 3. "Communication" or "Communications" means any verbal, written and/or electronic means of conversation or other statement from one person to another, including, but not limited to, any interview, conference, meeting or telephone conversation.

- 6. "Condition Paragraph" means a numbered condition paragraph contained in Exhibit A to the Amended Final Decision and Order dated June 29, 2010, in docket HP09-001 of the South Dakota Public Utilities Commission.
- 4. "Describe" or "state" means to provide a comprehensive, complete, accurate, and detailed description, enumeration, explanation, or listing of the matter inquired about.
- 5. "Document" and "documentation" means any printed, typewritten, handwritten, graphic, electronic, magnetic, mechanical or otherwise recorded matter, information or data compilation, whether produced, recorded, reproduced, contained, or stored on paper, computer, magnetic media, tape, cassette, disc, belt, card, film, fiche or any other thing, device or medium. "Document" includes originals, non-identical copies of originals, and drafts, whether sent, received, or neither.
- "Fact Paragraph" means a numbered fact paragraph contained in the Amended Final Decision and Order dated June 29, 2010, in docket HP09-001 of the South Dakota Public Utilities Commission ("2010 Final Order").
- 7. "Identify" means:
  - (a) When used in reference to a natural person, to state:
    - (1) that person's full name and present or last known address; and
    - (2) that person's present or last known position, title and employer or business affiliation.
  - (b) When used in reference to a business entity, to state:
    - (1) the entity's name and address;
    - (2) its principal place of business; and
    - (3) the legal nature of the entity (*e.g.*, corporation).

- (c) When used in reference to a document, to state:
  - (1) the document's date;
  - (2) its author;
  - (3) its addressee;
  - (4) its type; and
  - (5) its present custodian.
- 8. "Information" or "evidence" means any facts, knowledge, data, beliefs, or opinions, however obtained.
- "Keystone XL Pipeline" means the pipeline that is the subject of the Petition for Order Accepting Certification Under SDCL § 49-41B-27, filed by TransCanada on September 15, 2014, in Docket HP14-001.
- "Keystone Pipeline System" means the existing and proposed crude oil pipelines owned or controlled by TransCanada that transport crude oil from the WCSB or the Williston Basin to Wood River, Illinois, Cushing, Oklahoma, or locations in the State of Texas.
- 11. "Person" means any natural person, corporation, partnership, company, sole proprietorship, association, institute, joint venture, trust, firm, business, or other entity, irrespective of whether privately or publicly owned or controlled, for profit or not for profit, or partially or fully government-controlled.
- 12. "TransCanada" means TransCanada Keystone Pipeline, LP, as well as its corporate parents, affiliates, and subsidiaries and each of their present or former employees, agents, attorneys, and all other persons acting or purporting to act for or on their behalf.
- 13. "Record" or "recording" means all recorded information, regardless of physical form (including but not limited to paper, e-mail, computer file, photographs, audiotape, or

videotape).

- 14. "Relating to" or "relate to" means regarding, concerning, discussing, reflecting, referring to, alluding to, explaining, showing, describing, studying, embodying, pertaining to, constituting, comprising, responding to, connected with, commenting on, or having any logical or factual connection whatsoever with the subject matter in question.
- 15. "Representative" means any person that could possibly be construed by a third party as acting on behalf of or speaking or acting for Plaintiff, or relaying information on behalf of Plaintiff, even if Plaintiff would dispute an agency relationship.
- 16. "Support" and "supporting" mean tending to prove, to substantiate, or to document.
- 17. "WCSB" means the Western Canadian Sedimentary Basin.
- 18. "You" and "your" mean TransCanada Keystone Pipeline, LP, as well as its corporate parents, affiliates, and subsidiaries, and each of their present or former employees, agents, attorneys, representatives, and all other persons acting or purporting to act for or on their behalf.

#### **INTERROGATORIES**

- **INTERROGATORY NO. 67:** For each person who you expect to call as a fact witness in Docket HP14-001, provide a description of the witness's educational background, specialized training, and employment history relevant to the witness's expected testimony and a description of all exhibits that the witness will attach to his or her testimony.
- **INTERROGATORY NO. 68:** Describe the information furnished by TransCanada to each fact witness for the purposes of his or her testimony.
- **INTERROGATORY NO. 69:** With regard to Fact Paragraphs 14, 24, and 27, identify each person that has communicated an intention to TransCanada to construct

infrastructure that would physically connect to and deliver crude oil into the Keystone XL Pipeline in Montana, and provide a description of all communications and documents exchanged between TransCanada and such person or persons.

- **INTERROGATORY NO. 70:** With regard to Fact Paragraphs 24, 26, and 27, identify the persons that own or control infrastructure that is physically attached to the Keystone XL Pipeline and capable of receiving crude oil delivered by the Keystone XL Pipeline, and the capacity of such attached infrastructure to accept delivery of crude oil from the Keystone XL Pipeline.
- **INTERROGATORY NO. 71:** With regard to Condition Paragraphs 8, 34, 35, and 39, for the Keystone XL Pipeline provide an approximate elevation profile (elevation versus pipeline milepost) of the proposed pipeline capturing the segments from the nearest upstream pump station west of the South Dakota state border to the nearest pump station south of the South Dakota state border.
- **INTERROGATORY NO. 72:** With regard to Condition Paragraphs 8, 34, 35, and 39, on the elevation profile provided in response to Interrogatory No. 71, indicate the milepost locations for each pump station and each mainline valve that TransCanada proposes to include in the Keystone XL Pipeline, and for each mainline valve location state the type of mainline valve actuation (*i.e.* manual, automatic, or remotely operated).
- **INTERROGATORY NO. 73:** With regard to Condition Paragraphs 8, 34, 35, and 39, for the Keystone XL Pipeline provide the maximum design flow rate and indicate the suction and discharge pressures at each pump station indicated on the elevation profile provided in response to Interrogatory No. 71.

**INTERROGATORY NO. 74:** With regard to Condition Paragraphs 8, 34, 35, and 39, on

the elevation profile provided in response to Interrogatory No. 71 indicate the maximum operating pressure ("MOP") for the pipeline segments.

- **INTERROGATORY NO. 75:** With regard to Condition Paragraphs 8, 34, 35, and 39, for the pipeline segments shown on the elevation profile provided in response to Interrogatory No. 71, describe the main equipment that comprises the Keystone XL Pipeline in these segments and the location of such equipment.
- **INTERROGATORY NO. 76:** With regard to Condition Paragraphs 8, 34, 35, and 39, for the pipeline segments shown on the elevation profile provided in response to Interrogatory No. 71, describe TransCanada's approach to remote determination of possible pipeline releases.
- **INTERROGATORY NO. 77:** With regard to Fact Paragraph 50 and Condition Paragraphs 8, 34, 35, and 39, on the pipeline elevation profile provided in response to Interrogatory No. 71, indicate the approximate location of high consequence areas.
- **INTERROGATORY NO. 78:** With regard to Condition Paragraphs 8, 34, 35, and 39, state whether or not TransCanada intends to operate the Keystone XL Pipeline in slack line (not liquid full) condition. If TransCanada does not intend to operate the Keystone XL Pipeline in slack line condition, provide a description of how TransCanada will design and control the pipeline to maintain non slack line condition.
- **INTERROGATORY NO. 79:** With regard to Condition Paragraphs 8, 34, 35, and 39, provide an estimated range of the peak number of spill response workers that would be required to respond to a worst case discharge in South Dakota.
- **INTERROGATORY NO. 80:** With regard to Fact Paragraph 18, describe the chemical composition and specifications for the fusion bonded epoxy ("FBE") coating applied to

pipe segments to be used to construct the Keystone XL Pipeline in South Dakota.

- **INTERROGATORY NO. 81:** With regard to Condition Paragraph 10, identify all persons, other than TransCanada or its employees or contractors, who provided notice to TransCanada of a spill from Base Keystone Pipeline.
- **INTERROGATORY NO. 82:** With regard to Fact Paragraphs 107 and 108, provide the amount of each annual tax payment made by TransCanada from 2009 to 2013 separately for each county crossed by the Base Keystone Pipeline that together total the \$14,122,951 figure provided in response to Bold Nebraska Interrogatory 59.

### **REQUESTS FOR PRODUCTION OF DOCUMENTS**

**INTERROGATORY NO. 19:** Provide a copy of each document furnished by

TransCanada to each fact witness for the purposes of his or her testimony.

- **INTERROGATORY NO. 20:** With regard to Fact Paragraphs 14, 24, and 27, produce all documents exchanged between TransCanada and each person that has communicated an intention to TransCanada to construct infrastructure that would physically connect to and deliver crude oil into the Keystone XL Pipeline in Montana.
- **INTERROGATORY NO. 21:** With regard to Fact Paragraphs 14, 24, 26, and 27, produce the Canadian Association of Petroleum Producers ("CAPP") 2015 supply forecast update released on or about January 21, 2015, all documents from CAPP describing such update, and all TransCanada documents that discuss such update.

Dated this 20<sup>th</sup> day of February, 2015. <u>/s/ Paul C. Blackburn</u>

Paul C. Blackburn P.O. Box 17234 Minneapolis, MN 55407 (612) 599-5568 paul@paulblackburn.net Attorney for Bold Nebraska

# **CERTIFICATE OF SERVICE**

I hereby certify that on February 20<sup>th</sup>, 2015, I sent by email a true and correct copy of

Bold Nebraska's First Interrogatories and Requests for Production of Documents to TransCanada

Keystone Pipeline, LP, to the following:

Mr. James E. Moore Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 james.moore@woodsfuller.com

Mr. Bill G. Taylor Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 <u>bill.taylor@woodsfuller.com</u>

> /s/ Paul C. Blackburn Paul C. Blackburn

# ATTACHMENT C

# TRANSCANADA'S OBJECTIONS TO BOLD NEBRASKA'S FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

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

#### 

IN THE MATTER OF THE APPLICATION	:	HP 14-001
BY TRANSCANADA KEYSTONE		
PIPELINE, LP FOR A PERMIT UNDER	:	<b>KEYSTONE'S OBJECTIONS TO</b>
THE SOUTH DAKOTA ENERGY		BOLD NEBRASKA'S FIRST
CONVERSION AND TRANSMISSION	:	INTERROGATORIES AND
FACILITIES ACT TO CONSTRUCT THE		<b>REQUESTS FOR PRODUCTION</b>
KEYSTONE XL PROJECT	:	OF DOCUMENTS

:

TransCanada Keystone Pipeline, LP ("Keystone") makes the following objections to interrogatories pursuant to SDCL § 15-6-33 and objections to request for production of documents pursuant to SDCL § 15-6-34(a). Keystone will further respond, as indicated throughout the objections, on or before February 6, 2015. These objections are made within the scope of SDCL § 15-6-26(e) and shall not be deemed continuing nor be supplemented except as required by that rule.

### GENERAL OBJECTION

Keystone objects to the instructions and definitions contained in Bold's Nebraska's First Interrogatories and Requests for Production of Documents to the extent that they are inconsistent with the provisions of SDCL Ch. 15-6. *See* ARSD 20:10:01:01.02. Keystone's answers are based on the requirements of SDCL §§ 15-6-26, 15-6-33, 15-6-34, and 15-6-36.

{01808649.1}

#### **INTERROGATORIES**

**INTERROGATORY NO. 1:** List the name, business address, telephone number, and position of all persons who answered these interrogatories.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 2:** List the name, business address, telephone number, and position of all persons who assisted in you in answering these interrogatories or who provided information that you relied on in answering these interrogatories. As a part of your answer to this interrogatory, state what relationship, if any, each such person has with you or with your attorneys and the subject matter of their knowledge.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 3:** State the full name, current address, telephone number, and present employment of each person who you expect to call as a witness in Docket HP14-001, the subject matter on which each such witness is expected to testify, the substance of the facts and opinions to which each witness is expected to testify, a summary of the grounds for each opinion expected to be expressed by such witness, and for each expert witness also state:

a. the facts supporting each opinion to which the expert is expected to testify;

b. the expert's profession or occupation, educational background, specialized training, and employment history relevant to the expert's proposed testimony;

c. the expert's previous publications within the preceding 10 years; and

d. all other cases in which the witness has testified as an expert at trial.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

Case Number: HP 14-001 Keystone's Objections to Bold Nebraska's First Interrogatories and Request for Production of Documents

**INTERROGATORY NO. 4:** State the name and address of each expert consulted whose report or work product will be relied upon or reviewed in whole or in part by any expert witness whom you expect to call at the trial of this case.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 5:** State specifically what information was furnished by

TransCanada to each expert and what information was gathered by each expert. As to any books or publications upon which any expert's opinions are to be based, state the title, author, publisher and edition of each such publication, together with the page and paragraph utilized by the expert in the formation of any opinion or conclusion.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 6:** Identify all exhibits you intend to introduce in the evidentiary currently scheduled for May 5-8, 2015.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 7:** Describe the relationships between TransCanada and any of its parents, affiliates, and subsidiaries that have or are expected to have any financial interest in the Keystone XL Pipeline, or any responsibility for the design, construction, or possible operation of the Keystone XL Pipeline.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 8:** With regard to Fact Paragraphs 14, 24, and 29:

a. identify the shippers that have committed to long-term binding contracts for capacity on

the Keystone XL Pipeline; {01808649.1}01808649.1}{

b. provide the total capacity of the Keystone XL Pipeline in barrels per day to which shippers have committed for transportation of crude oil from the WCSB in Canada to U.S. delivery locations;

c. provide the total capacity of the Keystone XL Pipeline in barrels per day to which shippers have committed for transportation of crude oil via the Bakken Marketlink Project from Baker, Montana, to U.S. delivery locations;

d. for each committed shipper, provide the capacity of the Keystone XL Pipeline in barrels per day to which the shipper has committed and the origination and delivery locations of its committed shipments and the duration in years of such commitment;

e. describe changes in contracted capacity amounts, delivery locations, and duration since June 29, 2010, identified by shipper; and

g. describe communications between TransCanada and such shippers that relate to shipper intention or desire to reduce the committed capacity for which it contracted, to reduce the duration of such contract, to terminate such contract, or to transfer its rights under such contract to a third party.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Without waiving this objection, Keystone will

 $\{01808649.1\}01808649.1\}\{$ 

provide a response on or before February 6, 2015, to subparts (b), (c), and (e) without disclosing the identity of its shippers or the terms of their contracts.

**INTERROGATORY NO. 9:** With regard to Fact Paragraphs 14, 24, and 29, state whether any transportation services agreement with a committed shipper for transportation of crude oil on the proposed Keystone XL Pipeline has been (a) terminated; of (b) amended with regard to quantity, term, or delivery location, and describe any such terminations or amendments.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Without waiving this objection, Keystone will provide a response on or before February 6, 2015, stating whether any shipper contracts have been terminated or amended since they were signed.

**INTERROGATORY NO. 10:** With regard to Fact Paragraphs 14, 24, and 27, identify each existing and proposed pipeline that is currently capable or would be capable of delivering crude oil produced by Williston Basin oil wells to the proposed Bakken Marketlink Project in Baker, Montana, and for each proposed pipeline describe its regulatory status.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the {01808649.1}01808649.1}

responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana.

**INTERROGATORY NO. 11:** With regard to Fact Paragraphs 14, 24, and 27, identify each existing and proposed railroad line and associated offloading facility that currently are or would be capable of delivering crude oil produced by Williston Basin oil wells to the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana, and for each proposed railroad line and offloading facility describe its regulatory status.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana.

**INTERROGATORY NO. 12:** With regard to Fact Paragraphs 14, 24, and 27, describe the average daily capacity of trucking to deliver crude oil produced by Williston Basin oil wells to the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana. Case Number: HP 14-001 Keystone's Objections to Bold Nebraska's First Interrogatories and Request for Production of Documents

**INTERROGATORY NO. 13:** With regard to Fact Paragraph 14, 24, and 27, describe any existing or proposed crude oil tanks in or near Baker, Montana, that would be used to store crude oil produced by Williston Basin oil wells immediately prior to its injection into the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana, including but not limited to crude oil tanks constructed by TransCanada to serve Bakken Marketlink shippers.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana. Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to crude oil tanks constructed by TransCanada to serve Bakken Marketlink shippers.

**INTERROGATORY NO. 14:** With regard to Fact Paragraphs 14, 24, 26, and 27, describe the impact of increased light crude oil production in southern Petroleum Administration for Defense District ("PADD") 2 (Colorado, Nebraska, Kansas, and Oklahoma) and PADD 3 on the market for Williston Basin light crude oil in PADD 3.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request

{01808649.1}01808649.1}{

also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 15:** With regard to Fact Paragraphs 14, 24, 26, and 27, describe the impact of increased light crude oil production in southern PADD 2 (Colorado, Nebraska, Kansas, and Oklahoma) and PADD 3 on the market for Williston Basin light crude oil in southern PADD 2 that would be transported via the Keystone XL Pipeline and the Keystone Pipeline System to the Cushing, Oklahoma, offramp.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 16:** With regard to Fact Paragraphs 14 and 26, identify the U.S. refineries that could take delivery via pipeline of the Williston Basin light crude oil that would be transported by the proposed Keystone XL Pipeline.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order.

This request also may seek information that is not within Keystone's custody or control and {01808649.1}01808649.1}{

is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-x1.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 17:** With regard to Fact Paragraphs 24, 26, and 27, identify the existing and proposed delivery locations of the Keystone Pipeline System in PADD 3, and identify all pipelines owned by connecting carriers that are connected to the proposed Keystone Pipeline in PADD 3.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does

not make decisions about potential exports of crude oil or refined products. The oil forecast {01808649.1}01808649.1}{

Case Number: HP 14-001 Keystone's Objections to Bold Nebraska's First Interrogatories and Request for Production of Documents

information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 18:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of US refineries that TransCanada expects will increase demand for the WCSB crude oil that would be delivered by the proposed Keystone XL Pipeline, and for each such refinery state the basis for TransCanada's claim that the refinery will increase demand for the crude oil from this basin.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the

following sources: The Final Supplemental Environmental Impact Statement; the CAPP {01808649.1}01808649.1}{

Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 19:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of US refineries that TransCanada expects to increase demand for Williston Basin crude oil that would be delivered by the proposed Keystone XL Pipeline, and for each such refinery state the basis for TransCanada's claim that the refinery will increase demand for the crude oil from this basin.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy

Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, {01808649.1}01808649.1}{

except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 20:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of refineries in PADD 3 that could be served by the proposed Keystone XL Pipeline that are currently expanding refining capacity or have announced plans to expand refining capacity.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

 $\{01808649.1\}01808649.1\}$ 

**INTERROGATORY NO. 21:** With regard to Fact Paragraphs 14, 24, 25, 26, and 27, provide a list of refineries in PADD 3 that TransCanada expects to import less offshore crude oil and replace it with crude oil that would be transported by the proposed Keystone XL Pipeline.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 22:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of PADD 3 refineries that are "optimally configured to process heavy crude slates" and

{01808649.1}01808649.1}{

identify which of these refineries are currently or proposed to be connected directly or via connecting pipeline carriers to the proposed Keystone XL Pipeline.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-x1.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 23:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of new refineries that are under construction or proposed to be constructed in PADD 3 and identify which of these new refineries are currently or proposed to be connected directly or via connecting pipeline carriers to the proposed Keystone XL Pipeline.

{01808649.1}01808649.1}{

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 24:** With regard to Fact Paragraphs 14, 15, 24, 26, and 27, describe the potential to re-export WCSB crude oil from the U.S. Gulf Coast to overseas markets.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the

proposed project is in the national interest, under the applicable Presidential Executive Order. {01808649.1}01808649.1}{

This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 25:** With regard to Fact Paragraphs 14, 24, 25, and 27, provide forecasts of crude oil production in the WCSB and Williston Basin, describe the source of these forecasts, and state whether or not these forecasts take into account current low oil prices.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of

transportation service. It does not own the oil that is transported, is not a refiner, and does  $\{01808649.1\}01808649.1\}\{$ 

Case Number: HP 14-001 Keystone's Objections to Bold Nebraska's First Interrogatories and Request for Production of Documents

not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 26:** With regard to Fact Paragraphs 14, 15, and 24, state the total current pipeline capacity to transport crude oil from the WCSB and the from the Williston Basin to the U.S. Gulf Coast.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 27:** With regard to Fact Paragraphs 14, 15, and 24, describe the impact of the recent completion of the Flanagan South Pipeline and Seaway Pipeline, and its expansion, on the market for crude oil transportation services from the WCSB and the Williston Basin to Cushing and the U.S. Gulf Coast, assuming planned upstream expansions of Enbridge Lines 61 and 67 are completed to allow these pipelines to operate at their maximum capacities.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project

is in the national interest, under the applicable Presidential Executive Order. This request {01808649.1}01808649.1}{

also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 28:** With regard to Fact Paragraphs 14, 15, and 24, describe whether pipelines from the WCSB and the Williston Basin to the U.S. Gulf Coast operated by Enbridge provide service to the refineries that TransCanada claims would be served by the proposed Keystone XL Pipeline, and if they do then identify the refineries that could be served by both Enbridge and TransCanada pipeline systems.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 29:** With regard to Fact Paragraph 24, identify existing pipelines that comprise the "insufficient pipeline capacity" identified by TransCanada as a factor driving need for the proposed Keystone XL Pipeline, and for each such pipeline provide its current utilization as a percentage of its total capacity.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the

proposed project is in the national interest, under the applicable Presidential Executive Order. {01808649.1}01808649.1}{

This request also seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Without waiving the objection, the demand evidenced by Keystone's binding shipper commitments demonstrates insufficient pipeline capacity.

**INTERROGATORY NO. 30:** With regard to Fact Paragraph 15, explain the change in the Keystone XL Pipeline's capacity from the 700,000/900,000 bpd figure approved by the 2010 Final Order in HP09-001 to the 830,000 bpd currently proposed by TransCanada.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 31:** With regard to Fact Paragraphs 14, 15, 24, and 29, identify any committed shippers that have contracted to take delivery from the Keystone XL Pipeline in Cushing, Oklahoma, for delivery to PADD 2 refineries and the amounts and duration of these commitments.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers and Section 15(13) of the Interstate Commerce Act.

**INTERROGATORY NO. 32:** With regard to Fact Paragraph 16, describe any changes to the route of the Keystone XL Pipeline since June 29, 2010.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

Case Number: HP 14-001 Keystone's Objections to Bold Nebraska's First Interrogatories and Request for Production of Documents

**INTERROGATORY NO. 33:** With regard to Fact Paragraphs 17, explain the reason for the reduction in construction spreads from five spreads to between three and four spreads.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 34:** With regard to Fact Paragraph 17, describe the construction schedule for the Keystone XL Pipeline in South Dakota in terms of major milestones by month.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

### **INTERROGATORY NO. 35:** With regard to Fact Paragraph 18, describe:

- a. the impact of UV radiation on fusion bonded epoxy ("FBE") coating over time;
- b. the dates on which pipe segments to be used in South Dakota were delivered from their manufacturer to storage locations in South Dakota or adjacent states;
- c. the dates on which covering was provided over the FBE coating to protect it from damage by weathering, including but not limited to ultraviolet radiation;
- d. the longest time that any FBE on pipe segments to be used in South Dakota was stored without protective covering;
- e. the FBE manufacturer recommendation or directions for protection of the FBE applied to pipe segments to be used in South Dakota;
- f. the maximum amount of time in days that the FBE applied to the pipe segments to be used in South Dakota may be exposed to direct sunlight without damage to the FBE that could reduce the FBE's effectiveness and thereby void applicable manufacturer

warranties and guaranties; and {01808649.1}01808649.1}{

Case Number: HP 14-001 Keystone's Objections to Bold Nebraska's First Interrogatories and Request for Production of Documents

g. the manufacturer warranties and guaranties for the FBE coating applied to pipe segments to be used to construct the Project in South Dakota.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 36:** With regard to Fact Paragraph 18, explain the elimination of use of API 5L X80 high strength steel from use in the Keystone XL Pipeline.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 37:** With regard to Fact Paragraph 19, explain the reason for the reduction in the proposed maximum pressure of the Keystone XL Pipeline, and describe the South Dakota Public Utilities Commission process, if any, that TransCanada would need to complete prior to an increase in this pressure to that permitted by the 2010 Final Order in Docket HP09-001.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 38:** With regard to Fact Paragraph 20, state whether or not any power line extensions have been permitted or constructed by local power providers, the purpose of which is to provide power to pump stations for the proposed Keystone XL Pipeline, and if any such power line extensions have been permitted or constructed, identify the location and owner of each such extension.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 39:** With regard to Fact Paragraph 20, explain the reason that

TransCanada converted all valves to remote control operation, identify the facilities from

{01808649.1}01808649.1}{

which these valves may be remotely operated, and describe whether or not TransCanada will provide these valves with backup electrical power in the event of a loss of grid power.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 40:** With regard to Fact Paragraph 23, provide a break out of the increased estimated costs of the Project due to each of the following factors: new technical requirements, inflation, project management, regulatory, material storage, and preservation.

OBJECTION: This request seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). In addition, Keystone does not maintain a breakdown of the estimated project cost in the way requested, and requiring such a breakdown of costs would require the disclosure of information that has substantial commercial and proprietary value, and is subject to substantial efforts by Keystone to protect it from actual and potential competitors.

**INTERROGATORY NO. 41:** With regard to Fact Paragraph 14 and 24, state the year in which TransCanada forecasts that the full capacity of the proposed Keystone XL Pipeline will be for practical purposes fully utilized over an entire year.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 42:** With regard to Fact Paragraph 14, 24, 25, and 29, provide the percent change in "U.S. demand for petroleum products," meaning petroleum products produced for consumption by U.S. consumers and not produced for export from the U.S. to

other countries, since the most recent data provided in docket HP09-001.  $\{01808649.1\}01808649.1\}\{$ 

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 43:** With regard to Fact Paragraphs 14, 24, 25, and 29, provide a forecast of "U.S. demand for petroleum products," meaning petroleum products produced for consumption by U.S. consumers and not produced for export from the U.S. to other countries.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order.

This request also may seek information that is not within Keystone's custody or control and {01808649.1}01808649.1}{

is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-x1.state.gov/finalseis/index.htm.

**INTERROGATORY NO. 44:** With regard to Fact Paragraph 25, of the 15 million bpd of crude oil demand identified in this revised paragraph, state whether some of this demand is used to produce petroleum products for export from the U.S., and if such demand is used to serve export markets, provide the quantity of crude oil needed for domestic demand for petroleum products and the quantity of crude oil needed to produce petroleum products for export from the U.S.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and

is not maintained by Keystone in the ordinary course of business. Keystone is a provider of  $\{01808649.1\}01808649.1\}\{$ 

transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at

http://keystonepipeline-xl.state.gov/finalseis/index.htm.

# **INTERROGATORY NO. 45:** With regard to Condition Paragraphs 8, 34, 35, and 39, state whether TransCanada has prepared a draft spill response plan for the proposed Keystone XL Pipeline the final version of which would be intended to comply with 49 C.F.R. Part 194.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden under SDCL § 49-41B-27. This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. *See* 49 C.F.R. Part 194; 49 U.S.C. § 60104(c). This request further seeks information that is confidential and proprietary. *See* Amended Final Order, HP 09-001, Condition ¶ 36. Public disclosure of the emergency response plan would commercially disadvantage Keystone. In addition, Keystone is not required to submit its Emergency Response Plan to PHMSA until

sometime close to when the Keystone Pipeline is placed into operation. Keystone's  $_{01808649.1}01808649.1}$ 

Emergency Response Plan is addressed in The Final Supplemental Environmental Impact Statement at <u>http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf</u>.

**INTERROGATORY NO. 46:** With regard to Condition Paragraphs 8, 34, 35, and 39, state whether or not a spill response plan required by 49 C.F.R. Part 194 for the proposed Keystone XL Pipeline must evaluate a potential spill of Williston Basin light crude oil separately from a potential spill of diluted bitumen from the WCSB.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden under SDCL § 49-41B-27. This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. *See* 49 C.F.R. Part 194; 49 U.S.C. § 60104(c). This request further seeks information that is confidential and proprietary. *See* Amended Final Order, HP 09-001, Condition ¶ 36. Public disclosure of the emergency response plan would commercially disadvantage Keystone. In addition, Keystone is not required to submit its Emergency Response Plan to PHMSA until sometime close to when the Keystone Pipeline is placed into operation. Keystone's Emergency Response Plan is addressed in The Final Supplemental Environmental Impact Statement at <a href="http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf">http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf</a>.

**INTERROGATORY NO. 47:** With regard to Condition Paragraphs 8, 34, 35, and 39, describe the differences in the response to a cleanup of diluted bitumen as compared to a

{01808649.1}01808649.1}{

cleanup Williston Basin light crude oil, including but not limited to differences in training, equipment, and spill response techniques.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 48:** With regard to Condition Paragraphs 8, 34, 35, and 39, identify the amounts, types, and locations of existing and proposed oil spill response equipment that are or would be owned by TransCanada that would be used to respond to a spill from the proposed Keystone XL Pipeline, including spills of both Williston Basin light crude oil and WCSB heavy crude oils including but not limited to diluted bitumen.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to South Dakota.

**INTERROGATORY NO. 49:** With regard to Condition Paragraphs 8, 34, 35, and 39, identify the amounts, types, and locations of existing and proposed oil spill response equipment that are or would be owned by contractors to TransCanada that would be used to respond to a spill from the proposed Keystone XL Pipeline, including but not limited to spills of both Williston Basin light crude oil and WCSB heavy crude oils such as diluted bitumen.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's {01808649.1}01808649.1}

jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to South Dakota.

**INTERROGATORY NO. 50:** With regard to Condition Paragraph 10, describe TransCanada's plans to train local emergency responders, including training about response techniques for both Williston Basin light crude oil and WCSB heavy crude oil such as diluted bitumen.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to South Dakota.

**INTERROGATORY NO. 51:** With regard to Condition Paragraphs 8, 34, 35, and 39, describe where TransCanada would house and feed spill response workers in the event of a worst case discharge from the Keystone XL Pipeline in Harding County, South Dakota.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 52:** With regard to Condition Paragraph 10, identify the sources of first notification to TransCanada of each spill from the Base Keystone Pipeline.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 53:** With regard to Condition Paragraphs 31 and 36, describe any improvements in SCADA leak detection technology since 2010 and state whether any such improvements will be incorporated into the proposed Keystone XL Pipeline's SCADA system.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 54:** With regard to Condition Paragraphs 31 and 36, state whether any new or improved remote sensing technologies for leak detection have become commercially available since 2010, and state whether any such technologies will be used by TransCanada for the proposed Keystone XL Pipeline.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 55:** With regard to Condition Paragraphs 35, state whether any additional surficial aquifers have been discovered to date.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 56:** With regard to Fact Paragraph 68, describe the interference with the cathodic protection system identified in revised finding of fact paragraph 68.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 57:** With regard to Fact Paragraph 83, explain why Bridger Creek was added to the list of crossing for which TransCanada will utilize HDD.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

{01808649.1}01808649.1}{

**INTERROGATORY NO. 58:** With regard to Condition Paragraph 23, explain why Keystone believes that the road bond amount should not be adjusted for inflation.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 59:** With regard to Fact Paragraphs 107, provide a revised estimate of the amount of property taxes that would be paid by TransCanada on the proposed Keystone XL Pipeline, and also compare the amount of tax payments made by TransCanada from 2010 to the present in each county crossed by the Base Keystone Pipeline to the tax amount estimate provided in Docket HP07-001 by TransCanada.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 60:** With regard to Condition Paragraph 16, state whether or not TransCanada has drafted crop monitoring protocols and describe its communications with landowners related to such plan.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 61:** With regard to Condition Paragraph 16, state whether or not TransCanada has drafted a plan to control noxious weeds and describe its communications with landowners related to such plan.

ANSWER: Keystone will answer this interrogatory on or before February 6, 2015.

**INTERROGATORY NO. 62:** With regard to Condition Paragraph 28, provide a list of private and new access roads that will be used or required for construction of the proposed Keystone XL Pipeline.

{01808649.1}01808649.1}{

OBJECTION: This request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. In addition, the location of access roads is confidential for reasons related to homeland security.

**INTERROGATORY NO. 63:** With regard to Fact Paragraph 50 and Condition Paragraph 34, provide an explanation of why the HCA length in South Dakota decreased from 34.3 to 19.9 miles, identify HCA segments that were removed or shortened, and describe any HCA's not identified during the docket HP09-001 proceeding that were added to the HCA length.

OBJECTION: The identity and location of High Consequence Areas is confidential by statute and Keystone is required by PHMSA to keep this information confidential. Without waiving the objection, Keystone will respond on or before February 6, 2015, without identifying or disclosing the location of any High Consequence Areas.

# **INTERROGATORY NO. 64:** With regard to Condition Paragraph 44, describe:

a. TransCanada's efforts related to its paleontological literature search; and

b. any pre-construction paleontological field surveys performed by TransCanada.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to South Dakota.

**INTERROGATORY NO. 65:** With regard to Condition Paragraph 45, describe any disputes with landowners related to repair or replacement of property impacted by the Base Keystone Pipeline.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to South Dakota.

**INTERROGATORY NO. 66:** With regard to Condition Paragraph 50, describe any complaints filed by landowners against TransCanada.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will provide a response on or before February 6, 2015, limited to South Dakota.

### **REQUESTS FOR PRODUCTION OF DOCUMENTS**

# **REQUEST FOR PRODUCTION NO. 1:** With regard to Fact Paragraph 14, produce the *pro forma* transportation services agreement provided to prospective shippers for use

of the Bakken Marketlink Project. {01808649.1}01808649.1}{

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Without waiving this objection, Keystone will provide a response on or before February 6, 2015, subject to a protective order, disclosing information provided to prospective shippers for the Bakken Marketlink Project.

**REQUEST FOR PRODUCTION NO. 2:** With regard to Fact Paragraph 14, produce the transportation services agreements currently in effect and executed by the shippers that have entered into long-term commitments for capacity on the proposed Keystone XL Pipeline.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers and Section 15(13) of the Interstate Commerce Act.

# **REQUEST FOR PRODUCTION NO. 3:** With regard to Fact Paragraph 16, produce all maps showing any route changes since issuance of the 2010 Final Order.

{01808649.1}01808649.1}{

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 4</u>**: With regard to Fact Paragraph 18, produce the manufacturers' warranties and guaranties for the FBE applied to pipe segments that have been delivered and would be installed in South Dakota.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 5:</u>** With regard to Fact Paragraph 20, produce a map of the valve locations for the Keystone XL Pipeline.

OBJECTION: This request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. In addition, the location of access roads is confidential for reasons related to homeland security.

# **REQUEST FOR PRODUCTION NO. 6:** With regard to Fact Paragraphs 14, 24, 25,

26, 27, and 28, produce the following forecasts and their supporting data:

a) the forecast of annual crude oil production in the WCSB relied on by TransCanada in this proceeding showing future production of light and heavy crude oil;

b) the forecast of annual crude oil production in the Williston Basin relied on by TransCanada in this proceeding showing future production of light and heavy crude oil;

c) a forecast of annual domestic U.S. consumer demand for petroleum products through 2030;

d) a forecast of annual crude oil imports into PADD 3 from Canada through 2030;  $_{\{01808649.1\}\{01808649.1\}\{}$ 

e) a forecast of annual crude oil imports into PADD 3 from countries other than Canada through 2030;

f) a forecast of annual demand for crude oil by PADD 3 refineries through 2030;

g) a forecast of utilization of the proposed Keystone XL Pipeline from the proposed commencement of normal operations to 2030;

h) a forecast of crude oil production in PADD 3 through 2030;

i) a forecast of exports of petroleum products from PADD 3 through 2030;

j) a forecast of re-exports of WCSB crude oil from PADD 3 through 2030;

k) a forecast of railroad transportation from the WCSB to each PADD in the U.S; and

l) a forecast of railroad transportation from the Williston Basin to each PADD in the U.S.

OBJECTION AND RESPONSE: This request seeks information that is beyond the

scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at http://keystonepipeline-xl.state.gov/finalseis/index.htm.

**REQUEST FOR PRODUCTION NO. 7:** With regard to Condition Paragraph 43, produce the most recent version of the Unanticipated Discovery Plan.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 8:</u>** With regard to Condition Paragraph 15, produce the Con/Rec mapping.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 9:</u>** With regard to Condition Paragraph 7, produce all correspondence between TransCanada's public liaison officer for the Base Keystone Pipeline and the proposed Keystone XL Pipeline.

OBJECTION: Sarah Metcalf is the appointed Public Liaison Officer for both the Keystone Pipeline in eastern South Dakota and the proposed Keystone XL Pipeline. Keystone therefore has no documents responsive to this request.

**<u>REQUEST FOR PRODUCTION NO. 10:</u>** With regard to Condition Paragraph 23, produce all correspondence from June 29, 2010, to the present related to resolution of disputes over repair of roads following construction of the Base Keystone Pipeline.

OBJECTION: To the extent that it seeks information related to the Keystone Pipeline outside South Dakota, this request is overlybroad and unduly burdensome and seeks the discovery of information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the {01808649.1}01808649.1} objection, Keystone will produce responsive documents related to South Dakota on or before February 6, 2015.

**REQUEST FOR PRODUCTION NO. 11:** With regard to Condition Paragraph 36, produce the most recent version of a draft spill response plan for the Proposed Keystone XL Pipeline, the final version of which is intended to meet the requirements of 49 C.F.R. Part 194, as well as any communications related to preparation of a spill response plan for the Keystone XL Pipeline between TransCanada and agencies of the State of South Dakota.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden under SDCL § 49-41B-27. This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. *See* 49 C.F.R. Part 194; 49 U.S.C. § 60104(c). This request further seeks information that is confidential and proprietary. See Amended Final Order, HP 09-001, Condition ¶ 36. Public disclosure of the emergency response plan would commercially disadvantage Keystone. In addition, Keystone is not required to submit its Emergency Response Plan to PHMSA until sometime close to when the Keystone Pipeline is placed into operation. Keystone's Emergency Response Plan is addressed in The Final Supplemental Environmental Impact Statement at

http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf. {01808649.1}01808649.1}{ **<u>REQUEST FOR PRODUCTION NO. 12:</u>** With regard to Condition Paragraph 10, produce copies of all training materials provided to first responders in the State of South Dakota.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 13:</u>** With regard to Condition Paragraph 50, produce copies of complaints filed by landowners against TransCanada related to the Base Keystone Pipeline and the proposed Keystone XL Pipeline.

OBJECTION: To the extent that it seeks information related to the Keystone Pipeline outside South Dakota, this request is overlybroad and unduly burdensome and seeks the discovery of information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Keystone will produce responsive documents related to South Dakota on or before February 6, 2015.

**REQUEST FOR PRODUCTION NO. 14:** With regard to Condition Paragraph 25, produce the latest version of a draft adverse weather land protection plan.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 15:</u>** With regard to Condition Paragraph 29, produce the latest version of a winterization plan.

{01808649.1}01808649.1}{

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 16:</u>** With regard to Condition Paragraph 39, produce noise data showing pump station noise at the Base Keystone Pipeline.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 17:</u>** With regard to Condition Paragraph 44, produce a copy of the latest version of the paleontological resource mitigation plan.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

**<u>REQUEST FOR PRODUCTION NO. 18:</u>** Produce copies of all responses by TransCanada in response to discovery requests submitted to TransCanada by other parties in this proceeding.

ANSWER: Any responsive, non-privileged documents will be provided on or before February 6, 2015.

Dated this 23<sup>rd</sup> day of January, 2015.

## WOODS, FULLER, SHULTZ & SMITH P.C.

By <u>/s/ James E. Moore</u> William Taylor James E. Moore Post Office Box 5027 300 South Phillips Avenue, Suite 300 Sioux Falls, SD 57117-5027 Phone: (605) 336-3890 Fax: (605) 339-3357 Email: <u>Bill.Taylor@woodsfuller.com</u> <u>James.Moore@woodsfuller.com</u> Attorneys for Applicant TransCanada

# **CERTIFICATE OF SERVICE**

I hereby certify that on the 23<sup>rd</sup> day of January, 2015, I sent by e-mail transmission, a true

and correct copy of Keystone's Objections to Bold Nebraska's First Interrogatories and Request

for Production of Documents, to the following:

Paul C. Blackburn PO Box 17234 Minneapolis, MN 55407 paul@paulblackburn.net

> /s/ James E. Moore One of the attorneys for TransCanada

{01808649.1}01808649.1}{

# ATTACHMENT D

# TRANSCANADA'S RESPONSES TO BOLD NEBRASKA'S FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

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

•

#### 

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT HP 14-001

KEYSTONE'S RESPONSES TO BOLD NEBRASKA'S FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

#### 

Applicant TransCanada makes the following responses to interrogatories pursuant to SDCL § 15-6-33, and responses to requests for production of documents pursuant to SDCL § 15-6-34(a). These responses are made within the scope of SDCL 15-6-26(e) and shall not be deemed continuing nor be supplemented except as required by that rule. Applicant objects to definitions and directions in answering the discovery requests to the extent that such definitions and directions deviate from the South Dakota Rules of Civil Procedure.

### GENERAL OBJECTION

Keystone objects to the instructions and definitions contained in Bold Nebraska's First Interrogatories and Requests for Production of Documents to the extent that they are inconsistent with the provisions of SDCL Ch. 15-6. *See* ARSD 20:10:01:01.02. {01814925.1}

Keystone's answers are based on the requirements of SDCL §§ 15-6-26, 15-6-33, 15-6-34, and 15-6-36.

#### INTERROGATORIES

# **INTERROGATORY NO. 1:** List the name, business address, telephone number, and position of all persons who answered these interrogatories.

ANSWER: Given the extremely broad scope volume of more than 800 discovery requests received by Keystone in this docket, a range of personnel were involved in answering the interrogatories. As identified in the answer to number 3, Keystone will designate witnesses with overall responsibility for the responsive information as related to the Conditions and proposed changes to the Findings of Fact, which are identified in Appendix C to Keystone's Certification Petition.

**INTERROGATORY NO. 2:** List the name, business address, telephone number, and position of all persons who assisted in you in answering these interrogatories or who provided information that you relied on in answering these interrogatories. As a part of your answer to this interrogatory, state what relationship, if any, each such person has with you or with your attorneys and the subject matter of their knowledge.

ANSWER: Given the extremely broad scope volume of more than 800 discovery requests received by Keystone in this docket, a range of personnel were involved in answering the interrogatories. As identified in the answer to number 3, Keystone will designate witnesses with overall responsibility for the responsive information as related to the

{01814925.1}01808649.1}{

Conditions and proposed changes to the Findings of Fact, which are identified in Appendix C

to Keystone's Certification Petition.

**INTERROGATORY NO. 3:** State the full name, current address, telephone number, and present employment of each person who you expect to call as a witness in Docket HP14-001, the subject matter on which each such witness is expected to testify, the substance of the facts and opinions to which each witness is expected to testify, a summary of the grounds for each opinion expected to be expressed by such witness, and for each expert witness also state:

a. the facts supporting each opinion to which the expert is expected to testify;

b. the expert's profession or occupation, educational background, specialized training, and

employment history relevant to the expert's proposed testimony;

c. the expert's previous publications within the preceding 10 years; and

d. all other cases in which the witness has testified as an expert at trial.

ANSWER: Keystone will offer prefiled direct testimony from the following persons,

each of whom will testify to the changes identified in Keystone's tracking table for that person's

area of expertise:

(1) Corey Goulet, President, Keystone Projects, 450 1st Street S.W., Calgary, AB Canada T2P 5H1; (403) 920-2546; Project purpose, Overall description; Construction schedule; Operating parameters; Overall design; Cost; Tax Revenues

(2) Steve Marr, Manager, Keystone Pipelines & KXL, TransCanada Corporation, Bank of America Center, 700 Louisiana, Suite 700, Houston, TX 77002; (832) 320-5916; CMR Plan, Con/Rec Units, HDD's

(3) Meera Kothari, P. Eng., 450 1st Street S.W., Calgary, AB Canada T2P 5H1; (832) 320-5190; same; Design and Construction; PHMSA compliance

(4) David Diakow, Vice President, Commercial, Liquids Pipeline, 450 1st Street S.W., Calgary, AB Canada T2P 5H1; (403) 920-6019; Demand for the Facility

{01814925.1}01808649.1}{

(5) Jon Schmidt, Vice President, Environmental & Regulatory, exp Energy Services, Inc., 1300 Metropolitan Boulevard, Suite 200, Tallahassee, FL 32308; (850) 385-5441; Environmental Issues; CMR Plan, Con/Rec Units, HDD's
(6) Heidi Tillquist, Senior Associate, Stantec Consulting Ltd., 2950 E. Harmony Rd., Suite 290, Fort Collins, CO 80528; (970) 449-8609; High Consequence Areas, Spill Calculations

None of these persons is a retained expert, so subparts (a) through (d) do not apply.

**INTERROGATORY NO. 4:** State the name and address of each expert consulted whose report or work product will be relied upon or reviewed in whole or in part by any expert witness whom you expect to call at the trial of this case.

ANSWER: Keystone's fact witnesses may all offer opinion testimony, but none are retained experts.

**INTERROGATORY NO. 5:** State specifically what information was furnished by TransCanada to each expert and what information was gathered by each expert. As to any books or publications upon which any expert's opinions are to be based, state the title, author, publisher and edition of each such publication, together with the page and paragraph utilized by the expert in the formation of any opinion or conclusion.

ANSWER: Keystone's fact witnesses may all offer opinion testimony, but none are retained experts.

**INTERROGATORY NO. 6:** Identify all exhibits you intend to introduce in the evidentiary currently scheduled for May 5-8, 2015.

ANSWER: Keystone has not yet identified exhibits but will do so as required by the PUC.

{01814925.1}01808649.1}{

**INTERROGATORY NO. 7:** Describe the relationships between TransCanada and any of its parents, affiliates, and subsidiaries that have or are expected to have any financial interest in the Keystone XL Pipeline, or any responsibility for the design, construction, or possible operation of the Keystone XL Pipeline.

ANSWER: TransCanada is the parent corporation, as such, its affiliates have no ownership interest.

**INTERROGATORY NO. 8:** With regard to Fact Paragraphs 14, 24, and 29:

a. identify the shippers that have committed to long-term binding contracts for capacity on the Keystone XL Pipeline;

b. provide the total capacity of the Keystone XL Pipeline in barrels per day to which shippers have committed for transportation of crude oil from the WCSB in Canada to U.S. delivery locations;

c. provide the total capacity of the Keystone XL Pipeline in barrels per day to which shippers have committed for transportation of crude oil via the Bakken Marketlink Project from Baker, Montana, to U.S. delivery locations;

d. for each committed shipper, provide the capacity of the Keystone XL Pipeline in barrels per day to which the shipper has committed and the origination and delivery locations of its committed shipments and the duration in years of such commitment;

e. describe changes in contracted capacity amounts, delivery locations, and duration since June 29, 2010, identified by shipper; and

{01814925.1}01808649.1}{

g. describe communications between TransCanada and such shippers that relate to shipper intention or desire to reduce the committed capacity for which it contracted, to reduce the duration of such contract, to terminate such contract, or to transfer its rights under such contract to a third party.

OBJECTION AND ANSWER: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Without waiving the objection:

c. Shippers have committed about 65,000 barrels per day of capacity for transportation services on Bakken Marketlink.

e. Please refer to Answer to BOLD Nebraska Interrogatory No. 8.c. Keystone also received additional commitments on Keystone XL Pipeline that would support an expansion of its total capacity from 700,000 barrels per day to 830,000 barrels per day. The contracted capacity amounts, delivery locations and duration of each of the commitments are confidential.

**INTERROGATORY NO. 9:** With regard to Fact Paragraphs 14, 24, and 29, state whether any transportation services agreement with a committed shipper for transportation of crude oil on the proposed Keystone XL Pipeline has been (a) terminated; of (b) amended with regard to quantity, term, or delivery location, and describe any such terminations or amendments. {01814925.1}01808649.1}

OBJECTION AND ANSWER: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Without waiving the objection, none of the transportation services agreements has been terminated or amended with regards to quantity, term, or delivery location.

**INTERROGATORY NO. 10:** With regard to Fact Paragraphs 14, 24, and 27, identify each existing and proposed pipeline that is currently capable or would be capable of delivering crude oil produced by Williston Basin oil wells to the proposed Bakken Marketlink Project in Baker, Montana, and for each proposed pipeline describe its regulatory status.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana.

**INTERROGATORY NO. 11:** With regard to Fact Paragraphs 14, 24, and 27, identify each existing and proposed railroad line and associated offloading facility that currently are or would be capable of delivering crude oil produced by Williston Basin oil wells to the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker,

```
{01814925.1}01808649.1}{
```

Montana, and for each proposed railroad line and offloading facility describe its regulatory status.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana.

**INTERROGATORY NO. 12:** With regard to Fact Paragraphs 14, 24, and 27, describe the average daily capacity of trucking to deliver crude oil produced by Williston Basin oil wells to the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana.

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana.

**INTERROGATORY NO. 13:** With regard to Fact Paragraph 14, 24, and 27, describe any existing or proposed crude oil tanks in or near Baker, Montana, that would be used to store crude oil produced by Williston Basin oil wells immediately prior to its injection into the proposed Keystone XL Pipeline via the proposed Bakken Marketlink Project in Baker, Montana, including but not limited to crude oil tanks constructed by TransCanada to serve Bakken Marketlink shippers.

{01814925.1}01808649.1}{

OBJECTION: This request seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. It is the responsibility of Keystone's shippers to deliver crude oil to the Bakken Marketlink Project in Baker, Montana. Without waiving the objection, Keystone's proposed tanks are addressed in Section 2.1.12.1 of the FSEIS.

**INTERROGATORY NO. 14:** With regard to Fact Paragraphs 14, 24, 26, and 27, describe the impact of increased light crude oil production in southern Petroleum Administration for Defense District ("PADD") 2 (Colorado, Nebraska, Kansas, and Oklahoma) and PADD 3 on the market for Williston Basin light crude oil in PADD 3.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 15:** With regard to Fact Paragraphs 14, 24, 26, and 27, describe the impact of increased light crude oil production in southern PADD 2 (Colorado, Nebraska, Kansas, and Oklahoma) and PADD 3 on the market for Williston Basin light crude oil in southern PADD 2 that would be transported via the Keystone XL Pipeline and the Keystone Pipeline System to the Cushing, Oklahoma, offramp.

{01814925.1}01808649.1}{

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 16:** With regard to Fact Paragraphs 14 and 26, identify the U.S. refineries that could take delivery via pipeline of the Williston Basin light crude oil that would be transported by the proposed Keystone XL Pipeline.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information

Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is {01814925.1}01808649.1}{

available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467. Without waiving the objection, crude oil will be transported through the Keystone XL Pipeline and delivered to terminals located at Cushing, Oklahoma, Port Arthur, Texas, and Houston, Texas. Crude oil will be transported from those terminals via third-party facilities that Keystone does not own, operate, or control, and could go to any refinery in the U.S.

**INTERROGATORY NO. 17:** With regard to Fact Paragraphs 24, 26, and 27, identify the existing and proposed delivery locations of the Keystone Pipeline System in PADD 3, and identify all pipelines owned by connecting carriers that are connected to the proposed Keystone Pipeline in PADD 3.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP

Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information {01814925.1}01808649.1}{

Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467. Without waiving the objection, crude oil will be transported through the Keystone XL Pipeline and delivered to terminals located at Cushing, Oklahoma, Port Arthur, Texas, and Houston, Texas. Crude oil will be transported from those terminals via third-party facilities that Keystone does not own, operate, or control, and could go to any refinery in the U.S.

**INTERROGATORY NO. 18:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of US refineries that TransCanada expects will increase demand for the WCSB crude oil that would be delivered by the proposed Keystone XL Pipeline, and for each such refinery state the basis for TransCanada's claim that the refinery will increase demand for the crude oil from this basin.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the {01814925.1}01808649.1}

following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467. Without waiving the objection, medium/heavy crude oil demand at the U.S. Gulf Coast is approximately 3.5 million barrels per day (*see* U.S. Energy Information Administration website). Keystone XL would assist in improving North American energy supply security by allowing U.S. Gulf Coast refiners to diversify their crude oil supply sources and help displace declining supplies from Mexico, Venezuela, Colombia, Iraq, Kuwait, and Saudi Arabia.

**INTERROGATORY NO. 19:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of US refineries that TransCanada expects to increase demand for Williston Basin crude oil that would be delivered by the proposed Keystone XL Pipeline, and for each such refinery state the basis for TransCanada's claim that the refinery will increase demand for the crude oil from this basin.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and

is not maintained by Keystone in the ordinary course of business. Keystone is a provider of {01814925.1}01808649.1}{

transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467. Without waiving the objection, crude oil will be transported through the Keystone XL Pipeline and delivered to terminals located at Cushing, Oklahoma, Port Arthur, Texas, and Houston, Texas. Crude oil will be transported from those terminals via third-party facilities that Keystone does not own, operate, or control, and could go to any refinery in the U.S.

**INTERROGATORY NO. 20:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of refineries in PADD 3 that could be served by the proposed Keystone XL Pipeline that are currently expanding refining capacity or have announced plans to expand refining capacity.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order.

This request also may seek information that is not within Keystone's custody or control and {01814925.1}01808649.1}{

is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <a href="http://keystonepipeline-xl.state.gov/finalseis/index.htm">http://keystone</a> provider of the without waiving the objection, crude oil will be transported through the Keystone XL Pipeline and delivered to terminals located at Cushing, Oklahoma, Port Arthur, Texas, and Houston, Texas. Crude oil will be transported from those terminals via third-party facilities that Keystone does not own, operate, or control, and could go to any refinery in the U.S.

**INTERROGATORY NO. 21:** With regard to Fact Paragraphs 14, 24, 25, 26, and 27, provide a list of refineries in PADD 3 that TransCanada expects to import less offshore crude oil and replace it with crude oil that would be transported by the proposed Keystone XL Pipeline.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order.

proposed project is in the national interest, under the applicable Presidential Executive Order. {01814925.1}01808649.1}{

This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <a href="http://keystonepipeline-xl.state.gov/finalseis/index.htm">http://keystone</a> marked as Keystone of the objection, shippers have committed to long-term binding contracts for delivery through the Keystone XL Pipeline, and Keystone does not control where the crude oil will be delivered after leaving our facilities.

**INTERROGATORY NO. 22:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of PADD 3 refineries that are "optimally configured to process heavy crude slates" and identify which of these refineries are currently or proposed to be connected directly or via connecting pipeline carriers to the proposed Keystone XL Pipeline.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order.

This request also may seek information that is not within Keystone's custody or control and {01814925.1}01808649.1}{

is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <a href="http://keystonepipeline-xl.state.gov/finalseis/index.htm">http://keystonepipeline-xl.state.gov/finalseis/index.htm</a>, are marked as Keystone 0001-0467.

**INTERROGATORY NO. 23:** With regard to Fact Paragraphs 14, 24, 26, and 27, provide a list of new refineries that are under construction or proposed to be constructed in PADD 3 and identify which of these new refineries are currently or proposed to be connected directly or via connecting pipeline carriers to the proposed Keystone XL Pipeline.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast

17

information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <a href="http://keystonepipeline-xl.state.gov/finalseis/index.htm">http://keystonepipeline-xl.state.gov/finalseis/index.htm</a>, are marked as Keystone 0001-0467. Without waiving the objection, Keystone is not in the refining business and does not have access to specifics regarding refinery projects.

**INTERROGATORY NO. 24:** With regard to Fact Paragraphs 14, 15, 24, 26, and 27, describe the potential to re-export WCSB crude oil from the U.S. Gulf Coast to overseas markets.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP

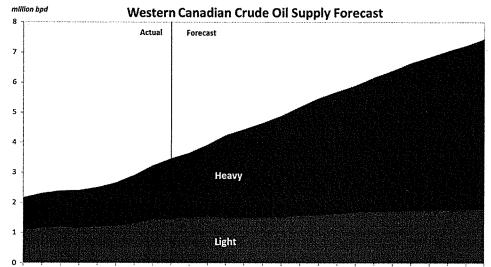
Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information {01814925.1}01808649.1}{

Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467.

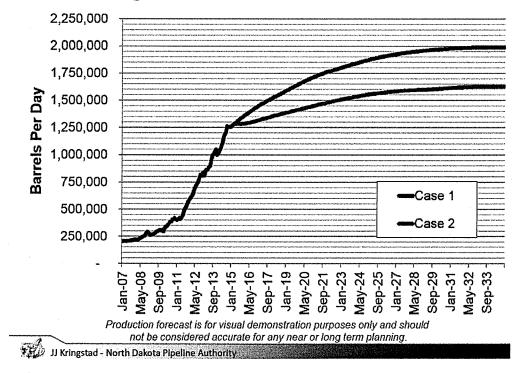
**INTERROGATORY NO. 25:** With regard to Fact Paragraphs 14, 24, 25, and 27, provide forecasts of crude oil production in the WCSB and Williston Basin, describe the source of these forecasts, and state whether or not these forecasts take into account current low oil prices.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <a href="http://keystonepipeline-xl.state.gov/finalseis/index.htm">http://keystonepipeline-xl.state.gov/finalseis/index.htm</a>, are marked as Keystone

0001-0467. Without waiving the objection, the following tables provide demand forecasts. {01814925.1}01808649.1}{



2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 Source: CAPP 2014



# **Forecasting Williston Basin Oil Production, BOPD**

Keystone's shippers are sophisticated third parties and also have a long-term outlook as

evidenced by the nature of the long-term contract commitments to the Keystone XL pipeline. {01814925.1}01808649.1}{

The Keystone XL pipeline will connect one of the world largest remaining reserves of crude oil to the world's largest refining region. It is therefore expected that the pipeline will be used and useful throughout its expected commercial life.

**INTERROGATORY NO. 26:** With regard to Fact Paragraphs 14, 15, and 24, state the total current pipeline capacity to transport crude oil from the WCSB and the from the Williston Basin to the U.S. Gulf Coast.

ANSWER: Specifics to operating capacity of third-party pipelines are under the responsibility of the pipeline owners and beyond Keystone's control.

**INTERROGATORY NO. 27:** With regard to Fact Paragraphs 14, 15, and 24, describe the impact of the recent completion of the Flanagan South Pipeline and Seaway Pipeline, and its expansion, on the market for crude oil transportation services from the WCSB and the Williston Basin to Cushing and the U.S. Gulf Coast, assuming planned upstream expansions of Enbridge Lines 61 and 67 are completed to allow these pipelines to operate at their maximum capacities.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 28:** With regard to Fact Paragraphs 14, 15, and 24, describe whether pipelines from the WCSB and the Williston Basin to the U.S. Gulf Coast operated by Enbridge provide service to the refineries that TransCanada claims would be served by the proposed Keystone XL Pipeline, and if they do then identify the refineries that could be served by both Enbridge and TransCanada pipeline systems.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also seeks information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business.

**INTERROGATORY NO. 29:** With regard to Fact Paragraph 24, identify existing pipelines that comprise the "insufficient pipeline capacity" identified by TransCanada as a factor driving need for the proposed Keystone XL Pipeline, and for each such pipeline provide its current utilization as a percentage of its total capacity.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also seeks information that is not within Keystone's custody or control and is not

maintained by Keystone in the ordinary course of business. Without waiving the objection, {01814925.1}01808649.1}{

the demand evidenced by Keystone's binding shipper commitments demonstrates insufficient pipeline capacity. In addition, the lack of existing pipeline capacity from the WCSB is supported by a significant increase in Canadian crude oil exports by rail to the U.S. According to Canada's National Energy Board data, crude by rail exports to the U.S. increased from approximately 46,000 bpd in 2012 to 170,000 bpd in 2014 or 368%.

**INTERROGATORY NO. 30:** With regard to Fact Paragraph 15, explain the change in the Keystone XL Pipeline's capacity from the 700,000/900,000 bpd figure approved by the 2010 Final Order in HP09-001 to the 830,000 bpd currently proposed by TransCanada.

ANSWER: The capacity of 900,000 bpd was based on a maximum operating pressure of 1,440 psig and a design factor of 0.80. The 830,000 bpd is based on an operating pressure of 1,307 psig and a design factor of 0.72.

**INTERROGATORY NO. 31:** With regard to Fact Paragraphs 14, 15, 24, and 29, identify any committed shippers that have contracted to take delivery from the Keystone XL Pipeline in Cushing, Oklahoma, for delivery to PADD 2 refineries and the amounts and duration of these commitments.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers and Section 15(13) of the Interstate

Commerce Act. {01814925.1}01808649.1}{

**INTERROGATORY NO. 32:** With regard to Fact Paragraph 16, describe any changes to the route of the Keystone XL Pipeline since June 29, 2010.

ANSWER: Please refer to the route variation maps attached as Keystone 0470-0583.

**INTERROGATORY NO. 33:** With regard to Fact Paragraphs 17, explain the reason for the reduction in construction spreads from five spreads to between three and four spreads.

ANSWER: Keystone's Amended Application to the South Dakota Public Utilities Commission dated October 2009 shows five spreads spanning the State of South Dakota comprising three full spreads and two partial spreads. The two partial spreads straddle the Montana/South Dakota and South Dakota/Nebraska borders, respectively.

Since 2009, Keystone has made route refinements to improve constructability, respond to landowner requests, incorporate engineering survey results, account for environmental factors brought to the fore during continued permitting activities (including receipt of the MFSA Certificate in Montana in March 2012), and to incorporate the re-route in the State of Nebraska approved by the Governor of Nebraska in January 2013, which had the effect of increasing the length of the pipeline between Canada/U.S. border and Steele City, Nebraska to approximately 875 miles from its 850.26 mile length in 2009.

The spread plan filed with the SDPUC in October 2009 contemplated 10 spreads from the Canada/U.S. border to Steele City. To maintain a 10-spread configuration after the Nebraska re-route, Keystone re-balanced the spread configuration across the entire length of the project. The current 10-spread configuration is described in the Final SEIS at Table

2.1-13 "Pipeline Construction Spreads Associated with the Proposed Project." Final spread {01814925.1}01808649.1}{

configurations and the final construction schedule may result in the use of more or fewer spreads than those listed in Table 2.1-13. (FSEIS, page 2.1-42 and 43.)

**INTERROGATORY NO. 34:** With regard to Fact Paragraph 17, describe the construction schedule for the Keystone XL Pipeline in South Dakota in terms of major milestones by month.

ANSWER: Currently, Keystone has not set a date to commence construction, nor does it have a pipeline construction contract in place.

Construction of the proposed Project would begin after Keystone obtains all necessary permits, approvals, and authorizations. Keystone anticipates that he proposed Project would be placed into service approximately two years after receiving such authorizations. As currently planned, the proposed Project would be constructed using 10 spreads of approximately 46 to 122 miles long (*see* FSEIS Table 2.1-13). Final spread configurations and the final construction schedule may result in the use of more or fewer spreads than those indicated. Time periods and key milestones including the relationship between contractor mobilization, start of construction (pre-welding), start and end of welding, post-welding and clean-up, and contractor demobilization are described in the FSEIS in Section 2.1.10.1 Schedule and Workforce. (FSEIS, pages 2.1-69 and 70).

Keystone will comply with all conditions set out in its permits including the SDPUC Order, including condition 12 to, once known, inform the Commission of the date construction will commence, report to the Commission on the date construction is started, and keep the Commission updated on construction activities. Keystone will also comply {01814925.1}01808649.1}{ with condition 10 to, not later than six months prior to the commencement of construction, commence a program to notify and educate state, county, and municipal agencies on the planned construction schedule and the measures that such agencies should begin taking to prepare for construction impacts and the commencement of project operations. Additionally, in the Special Conditions Recommended by PHMSA, number 17 Construction Plans and Schedule, Keystone will at least 90 days prior to the anticipated construction start date submit its construction plans and schedule to the appropriate PHMSA Directors for review. Subsequent plans and schedule revisions must also be submitted to the appropriate PHMSA Directors, on a monthly basis. (FSEIS, Appendix Z, Compiled Mitigation Measures, page 70.)

# **INTERROGATORY NO. 35:** With regard to Fact Paragraph 18, describe:

- a. the impact of UV radiation on fusion bonded epoxy ("FBE") coating over time;
- b. the dates on which pipe segments to be used in South Dakota were delivered from their manufacturer to storage locations in South Dakota or adjacent states;
- c. the dates on which covering was provided over the FBE coating to protect it from damage by weathering, including but not limited to ultraviolet radiation;
- d. the longest time that any FBE on pipe segments to be used in South Dakota was stored without protective covering;
- e. the FBE manufacturer recommendation or directions for protection of the FBE applied to pipe segments to be used in South Dakota;

{01814925.1}01808649.1}{

- f. the maximum amount of time in days that the FBE applied to the pipe segments to be used in South Dakota may be exposed to direct sunlight without damage to the FBE that could reduce the FBE's effectiveness and thereby void applicable manufacturer warranties and guaranties; and
- g. the manufacturer warranties and guaranties for the FBE coating applied to pipe segments to be used to construct the Project in South Dakota.

ANSWER:

a. Sunlight exposure over a significantly extended period of time could cause a reduction in coating thickness and coating flexibility due to degradation by UV radiation.

b. Pipe segments for use in South Dakota were delivered to storage between August 2011 and November 2011.

c. Covering application commenced in October 2012 and was completed July 2013.

d. Approximately 18 months

e. The manufacturer did not provide recommendation or direction for storage. Direction for storage is per TransCanada specification.

f. Per manufacture, pipe coated with FBE coatings can be stored for 730 days under most climatic weather conditions without commencement of deterioration of the coating. TransCanada specification provides criteria for minimum coating thickness requirements which would supersede any exposure time period. Applicable manufacturer warranties are related to application and workmanship to the specification.

g. Applicable manufacturer warranties are related to application and workmanship to the

### specification.

# WARRANTY

Unless otherwise specified in the Order for Pipe, the Supplier hereby warrants that the Pipe, including, if applicable, the Work done thereto, shall meet and conform to the Specifications and the Technical Agreements, and such other product characteristics agreed to by the Parties in writing, for a period of twelve (12) calendar months from the day the Pipe is incorporated into the Company's pipeline and the Company's pipeline is commissioned for regular service or eighteen (18) calendar months from the date of delivery of all Pipe to the Delivery Point, whichever is earlier. If during the aforesaid warranty period, the Company discovers any Pipe which fails to conform, the Company shall forthwith notify in writing the Supplier of such non-conformance. The Company and the Supplier shall jointly investigate any such non-conformance in an effort, in good faith, to determine the cause thereof, provided that such investigation shall not unreasonably delay any repair or replacement of the Pipe. If the Parties are unable to agree upon the cause of the non-conformance with this Agreement within ten (10) days of the date of the discovery of such non-conformance, either Party shall have the right to request that the matter be arbitrated pursuant to single party arbitration conducted in accordance with the then current International Chamber of Commerce's Rules of Arbitration.

If such non-conformance is discovered after title to the Pipe passes to the Company, the Company may, after notification to the Supplier, to the extent the Company, acting reasonably, deems practical under the circumstances, repair the same at the Supplier's risk and expense. If repair is not practical in the Company's opinion, acting reasonably, the Company agrees that the Supplier may replace the non-conforming Pipe in the event that the Supplier can secure such replacement at delivery dates at least as favourable as those available to the Company from other sources. –

Any Pipe that is repaired or replaced pursuant to the warranties specified herein shall be warranted for a further period of twelve (12) calendar months from the day the Pipe is incorporated into the Company's pipeline and the Company's pipeline is commissioned for regular service or eighteen (18) calendar months from the date of delivery of the Pipe to the Delivery Point, whichever is earlier.

If the non-conforming Pipe cannot be repaired and the Company elects not to replace such Pipe, the Company shall have the right to return, at the Supplier's expense and risk, any or all of the non-conforming Pipe delivered by the Supplier to the Company

> whereupon the Supplier shall immediately repay the Company, without Interest, all monies previously paid by the Company to the Supplier on account of the non-conforming Pipe so returned, together with all costs and expenses incurred by the Company in returning such Pipe.

The express warranties of the Supplier in this Agreement are the only warranties as to the Pipe and are in lieu of all other warranties in respect thereof, whether written, statutory, oral, express or implied including, without limitation, any warranty of merchantability or fitness for purpose. The rights and remedies contained in this Agreement are the Company's exclusive rights and remedies against the Supplier whatsoever in relation to, or arising out of, or in connection with the performance or conformance of the Supplier's obligations under these warranties.

**INTERROGATORY NO. 36:** With regard to Fact Paragraph 18, explain the elimination

of use of API 5L X80 high strength steel from use in the Keystone XL Pipeline.

ANSWER: API 5L X80 high strength steel was contemplated as an option during the early stages of the Project. Material evaluation and selection was finalized during the detail design phase of the Project at which time Keystone selected grade X70 materials for use in the pipeline.

**INTERROGATORY NO. 37:** With regard to Fact Paragraph 19, explain the reason for the reduction in the proposed maximum pressure of the Keystone XL Pipeline, and describe the South Dakota Public Utilities Commission process, if any, that TransCanada would need to complete prior to an increase in this pressure to that permitted by the 2010 Final Order in Docket HP09-001.

ANSWER: The maximum pressure was reduced as a result of Keystone's withdrawal of its Special Permit application to PHMSA. Keystone does not believe any further SDPUC

process would be required to increase the pressure, if PHMSA were to approve such an increase in the future.

On August 5 2010, TransCanada withdrew its application to the Pipeline Hazardous Materials and Safety Administration (PHMSA) for a special permit to design, construct and operate the pipeline at a 0.8 design factor and adopted the 57 additional safety measures that would have been required under the PHMSA special permit. The operating pressure reduction from 1,440 psig to 1,307 psig is a result of the use of the standard design factor (0.72) in accordance with 49 CFR 195.106 design pressure. TransCanada would be required to re-apply to PHMSA for a special permit in order to operate the pipeline at an increased design factor of 0.8 corresponding to an operating pressure of 1,440 psig.

**INTERROGATORY NO. 38:** With regard to Fact Paragraph 20, state whether or not any power line extensions have been permitted or constructed by local power providers, the purpose of which is to provide power to pump stations for the proposed Keystone XL Pipeline, and if any such power line extensions have been permitted or constructed, identify the location and owner of each such extension.

ANSWER: No power lines have been constructed to pump stations for KXL in South Dakota. All required permits pertaining to power lines are completed by the individual power providers.

**INTERROGATORY NO. 39:** With regard to Fact Paragraph 20, explain the reason that TransCanada converted all valves to remote control operation, identify the facilities from

which these valves may be remotely operated, and describe whether or not TransCanada will provide these valves with backup electrical power in the event of a loss of grid power.

ANSWER: The pipeline design was updated to include remote operability for all mainline isolation valves to comply with PHMSA special condition 32 issued February 10, 2011 as part of the Department of State Supplemental Draft FEIS. Specifically for South Dakota, this design revision was applied to the two manual isolation valves included in the swing check valve assembly located downstream in proximity to the Little Missouri and Cheyenne Rivers. This intermediate mainline valve's specific purpose is to isolate as required river crossings during operational maintenance activities and facilitate testing of the swing check valve. All mainline isolation valves are controlled from the Keystone Oil Control Center in Calgary, Alberta Canada. All mainline valve and pump station sites will be equipped with back-up power per requirements in PHMSA special condition 32.

**INTERROGATORY NO. 40:** With regard to Fact Paragraph 23, provide a break out of the increased estimated costs of the Project due to each of the following factors: new technical requirements, inflation, project management, regulatory, material storage, and preservation.

OBJECTION: This request seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). In addition, Keystone does not maintain a breakdown of the estimated project cost in the way requested, and requiring such a breakdown of costs would require the disclosure of information that has substantial

{01814925.1}01808649.1}{

31

commercial and proprietary value, and is subject to substantial efforts by Keystone to protect

it from actual and potential competitors.

**INTERROGATORY NO. 41:** With regard to Fact Paragraph 14 and 24, state the year in which TransCanada forecasts that the full capacity of the proposed Keystone XL Pipeline will be for practical purposes fully utilized over an entire year.

ANSWER: Keystone XL is fully subscribed by shippers who have committed to long-term binding contracts for delivery of crude oil through the pipeline. Keystone's shippers are sophisticated third parties and also have a long-term outlook as evidenced by the nature of the long-term contract commitments to the Keystone XL pipeline. The Keystone XL pipeline will connect one of the world largest remaining reserves of crude oil to the world's largest refining region. It is therefore expected that the pipeline will be used and useful throughout its expected commercial life.

**INTERROGATORY NO. 42:** With regard to Fact Paragraph 14, 24, 25, and 29, provide the percent change in "U.S. demand for petroleum products," meaning petroleum products produced for consumption by U.S. consumers and not produced for export from the U.S. to other countries, since the most recent data provided in docket HP09-001.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order.

This request also may seek information that is not within Keystone's custody or control and {01814925.1}01808649.1}{

is not maintained by Keystone in the ordinary course of business. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467. Without waiving the objection, please refer to Finding Number 25 in Appendix C to Keystone's Certification Petition.

**INTERROGATORY NO. 43:** With regard to Fact Paragraphs 14, 24, 25, and 29, provide a forecast of "U.S. demand for petroleum products," meaning petroleum products produced for consumption by U.S. consumers and not produced for export from the U.S. to other countries.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the {01814925.1}0180649.1}

following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467.

**INTERROGATORY NO. 44:** With regard to Fact Paragraph 25, of the 15 million bpd of crude oil demand identified in this revised paragraph, state whether some of this demand is used to produce petroleum products for export from the U.S., and if such demand is used to serve export markets, provide the quantity of crude oil needed for domestic demand for petroleum products and the quantity of crude oil needed to produce petroleum products for export from the U.S.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. Keystone is a provider of transportation service. It does not own the oil that is transported, is not a refiner, and does not make decisions about potential exports of crude oil or refined products. The oil forecast information that Keystone relied on in Appendix C to its Certification was derived from the

following sources: The Final Supplemental Environmental Impact Statement; the CAPP {01814925.1}01808649.1}{

Crude Oil Forecast, Markets and Transportation June 2014; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>, are marked as Keystone 0001-0467.

**INTERROGATORY NO. 45:** With regard to Condition Paragraphs 8, 34, 35, and 39, state whether TransCanada has prepared a draft spill response plan for the proposed Keystone XL Pipeline the final version of which would be intended to comply with 49 C.F.R. Part 194.

OBJECTION: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden under SDCL § 49-41B-27. This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. *See* 49 C.F.R. Part 194; 49 U.S.C. § 60104(c). This request further seeks information that is confidential and proprietary. *See* Amended Final Order, HP 09-001, Condition ¶ 36. Public disclosure of the emergency response plan would commercially disadvantage Keystone. In addition, Keystone is not required to submit its Emergency Response Plan to PHMSA until sometime close to when the Keystone Pipeline is placed into operation. Keystone's Emergency Response Plan is addressed in The Final Supplemental Environmental Impact Statement at http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf.

**INTERROGATORY NO. 46:** With regard to Condition Paragraphs 8, 34, 35, and 39,

state whether or not a spill response plan required by 49 C.F.R. Part 194 for the proposed {01814925.1}01808649.1}{

Keystone XL Pipeline must evaluate a potential spill of Williston Basin light crude oil separately from a potential spill of diluted bitumen from the WCSB.

OBJECTION AND ANSWER: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden under SDCL § 49-41B-27. This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. *See* 49 C.F.R. Part 194; 49 U.S.C. § 60104(c). This request further seeks information that is confidential and proprietary. *See* Amended Final Order, HP 09-001, Condition ¶ 36. Public disclosure of the emergency response plan would commercially disadvantage Keystone. In addition, Keystone is not required to submit its Emergency Response Plan to PHMSA until sometime close to when the Keystone Pipeline is placed into operation. Keystone's Emergency Response Plan is addressed in The Final Supplemental Environmental Impact Statement at

#### http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf.

Without waiving the objection, crude oils are naturally variable; however, they share a range of common characteristics and properties that are important for emergency response purposes. The characteristics of the crude oils transported by Keystone XL are not unique and are transported throughout the US by truck, rail, pipelines, barges, and tankers. Crude oils has been safely transported by pipelines for decades. The Emergency Response Plan (ERP) will identify a range of appropriate standard response techniques that may be implemented in the

event of a crude oil release. Ultimately, site-specific conditions, including the type of crude oil released, will assist in characterizing the nature of the release, its movement and fate within the environment, and selecting the most appropriate measures for containment and cleanup. TransCanada has defined the potential events and established procedures to identify, eliminate or mitigate the threat of a Worst Case Discharge due to these events. In compliance with 49 CFR 195.402(d), these procedures are defined in the Company's Operations Manual.

**INTERROGATORY NO. 47:** With regard to Condition Paragraphs 8, 34, 35, and 39, describe the differences in the response to a cleanup of diluted bitumen as compared to a cleanup Williston Basin light crude oil, including but not limited to differences in training, equipment, and spill response techniques.

ANSWER: Crude oils are naturally variable; however, they share a range of common characteristics and properties that are important for emergency response purposes. The characteristics of the crude oils transported by Keystone XL are not unique and are transported throughout the US by truck, rail, pipelines, barges, and tankers. Crude oils has been safely transported by pipelines for decades. The Emergency Response Plan (ERP) will identify a range of appropriate standard response techniques that may be implemented in the event of a crude oil release. Ultimately, site-specific conditions, including the type of crude oil released, will assist in characterizing the nature of the release, its movement and fate within the environment, and selecting the most appropriate measures for containment and cleanup. The final version of the Keystone Pipeline Emergency Response Plan (ERP) is

37

complete and complies with 49 C.F.R. Part 194. The Keystone ERP will be amended to include Keystone XL.

**INTERROGATORY NO. 48:** With regard to Condition Paragraphs 8, 34, 35, and 39, identify the amounts, types, and locations of existing and proposed oil spill response equipment that are or would be owned by TransCanada that would be used to respond to a spill from the proposed Keystone XL Pipeline, including spills of both Williston Basin light crude oil and WCSB heavy crude oils including but not limited to diluted bitumen.

OBJECTION AND ANSWER: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, oil spill response equipment (amounts, types and locations) that are owned by TransCanada are listed in Appendix A of the Keystone Emergency Response Plan in the FSEIS Appendix I.

**INTERROGATORY NO. 49:** With regard to Condition Paragraphs 8, 34, 35, and 39, identify the amounts, types, and locations of existing and proposed oil spill response equipment that are or would be owned by contractors to TransCanada that would be used to respond to a spill from the proposed Keystone XL Pipeline, including but not limited to spills of both Williston Basin light crude oil and WCSB heavy crude oils such as diluted bitumen.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's {01814925.1}01808649.1}{

jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b).

**INTERROGATORY NO. 50:** With regard to Condition Paragraph 10, describe TransCanada's plans to train local emergency responders, including training about response techniques for both Williston Basin light crude oil and WCSB heavy crude oil such as diluted bitumen.

OBJECTION AND RESPONSE: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, Emergency response training is addressed in detail at Appendix D of the Keystone Pipeline System Emergency Response Plan attached as Appendix I of the State Department January 2014 Final Supplemental EIS.

See <u>http://keystonepipeline-xl.state.gov/documents/organization/221231.pdf.</u> Specific training for Keystone XL has not yet been established but will be similar to that described in the Keystone ERP above.

**INTERROGATORY NO. 51:** With regard to Condition Paragraphs 8, 34, 35, and 39, describe where TransCanada would house and feed spill response workers in the event of a worst case discharge from the Keystone XL Pipeline in Harding County, South Dakota.

ANSWER: The Keystone XL ERP will have predestinated Incident Command Posts (ICP). Where response workers are housed and fed depends on the location of the incident. This will be determined at the time of the incident. However, the Keystone XL ERP will have a listing of resources that may be utilized (Hotels, Motels, Lodging). Volunteers will not be utilized by the Company for the response operations. In the U.S., all volunteers will be referred to the Federal Regional Response Team (Keystone ERP, Appendix A, A-2). The Keystone ERP will be amended to include Keystone XL and filed with PHMSA and the PUC as required by Amended Permit Condition 36.

**INTERROGATORY NO. 52:** With regard to Condition Paragraph 10, identify the sources of first notification to TransCanada of each spill from the Base Keystone Pipeline.

ANSWER: The source of notification for each of the spills from the Base Keystone Pipeline is the Operations Control Center (OCC) or field based TransCanada operations personnel.

**INTERROGATORY NO. 53:** With regard to Condition Paragraphs 31 and 36, describe any improvements in SCADA leak detection technology since 2010 and state whether any such improvements will be incorporated into the proposed Keystone XL Pipeline's SCADA system.

{01814925.1}01808649.1}{

40

ANSWER: TransCanada uses a Computational Pipeline Monitoring based Leak Detection System installed and operated in line with industry best practice. This Leak Detection System continues to be the state of the art for liquid transmission pipelines. TransCanada is focusing considerable effort on research and evaluation of potential enhancements as described under Interrogatory No. 54.

**INTERROGATORY NO. 54:** With regard to Condition Paragraphs 31 and 36, state

whether any new or improved remote sensing technologies for leak detection have become

commercially available since 2010, and state whether any such technologies will be used by

TransCanada for the proposed Keystone XL Pipeline.

ANSWER: TransCanada actively funds and participates with Industry in the

evaluation and development of leak detection technologies to augment our current

# systems. Examples of this effort include:

# 1. New Generation of Rarefaction Wave Leak Detection

This technology utilizes negative pressure waves generated to detect the onset of a leak. These waves travel from the origination point down both directions of the pipeline through the pipeline fluid at the speed of sound of the fluid medium and attenuate over distance as they travel. Dynamic pressure sensors installed at facilities with power and communication accesses (pump stations, mainline valves, etc.) can then measure these pulsations and detect the start of a leak and locate the leak by calculating the difference of arrival time of the pulsations at the two ends of the pipeline section.

# 2. In Line Inspection Leak Detection

An acoustic In Line Inspection (ILI) tool that is launched and received on a periodic basis like any other In Line Inspection (ILI) tool and is propelled by the commodity in the line. This technology claims to be able to detect leaks smaller than the current threshold of CPM systems; however, detection only occurs as the tool passes the leak location and is therefore not a continuous real time monitoring system.

# 3. Infrared thermal camera for facilities

The camera based leak detection technology functions by employing Infrared and color video cameras to detect temperature differences between objects of interest and the surrounding environment. Software analytics then attempt to determine whether the detection constitutes a leak or an environmental transient such as a wild animal, weather or other event (snow, rain, etc.). In the event of a detected leak, confirmation can be obtained through color

Case Number: HP 14-001

Keystone's Responses to Bold Nebraska's First Interrogatories and Request for Production of Documents

cameras and real time notifications would be sent the Control Center and/or control room as pre-specified. This technology is still its infancy.

#### 4. Aerial or Ground Patrol Leak Detection

This is a transportable leak detection technology designed for aerial or ground. This technology takes advantage of the difference of light absorption rates between the atmosphere and hydrocarbon vapors to detect hydrocarbon leak. Performance depends on the selected spectrum band, visible or non-visible, and the analysis algorithm vendors choose.

#### 5. Cable Based External Leak Detection Systems

Cable based leak detection systems are buried along the pipeline to provide external means of leak detection. Different cable based technologies apply different physical principles to detect phenomena accompanying a leak as temperature change (DTS), leakage caused sound and vibration (DAS), and existence of hydrocarbon liquid (HSC) or hydrocarbon vapor molecules (VST) outside the pipe. These can be used as independent means of detection outside of the mass balance CPM systems. Despite its long history of use for leak detection at oil and gas facilities and pipeline security, application for leak detection on long-haul transmission pipelines is a recent emerging development.

Some of the above technologies are in a state of development, while others are commercially available today yet their practical application to long haul transmission pipelines such as Keystone XL has not been established. As part of our commitment to safety, TransCanada continues to evaluate these new and evolving leak detection technologies to potentially augment the best in class leak detection capabilities of our current system and for potential implementation on new pipelines including Keystone XL.

**INTERROGATORY NO. 55:** With regard to Condition Paragraphs 35, state whether any

additional surficial aquifers have been discovered to date.

ANSWER: No additional surficial aquifers have been discovered.

# **INTERROGATORY NO. 56:** With regard to Fact Paragraph 68, describe the interference

with the cathodic protection system identified in revised finding of fact paragraph 68.

ANSWER: Base Keystone experienced a localized external corrosion wall loss due to DC stray current interference from foreign utility colocation which caused sacrificing significant amounts of protective current to other pipelines in the shared Right-of-Way. This adversely affected CP current distribution to the Keystone line. This anomaly was found

during proactive and routine high resolution in-line inspection. This issue has been reviewed,

remediated and updates to the CP design where colocation occur have been implemented. In South Dakota specifically, no such location exists for colocation of multiple pipelines in a shared Right-of-Way. However, Keystone's has applied these updates to its design and existing CP "construction bridge to energization" plan to address potential for DC stray current interference due to foreign utility crossings and paralleling utilities.

**INTERROGATORY NO. 57:** With regard to Fact Paragraph 83, explain why Bridger Creek was added to the list of crossing for which TransCanada will utilize HDD.

ANSWER: During the detailed engineering design phase of the Project, the Bridger Creek area was redesigned as an HDD in order to mitigate construction safety risk to personnel and equipment, long term slope stability and pipe integrity concerns due to installation within steeper undulating terrain entering and leaving the area.

**INTERROGATORY NO. 58:** With regard to Condition Paragraph 23, explain why Keystone believes that the road bond amount should not be adjusted for inflation.

ANSWER: The road bond amounts were established by the Commission consistent with the testimony of Keystone and Staff witness Binder. These recommendations did not require an inflation adjustment. (*See* Finding of Fact 88.)

**INTERROGATORY NO. 59:** With regard to Fact Paragraphs 107, provide a revised estimate of the amount of property taxes that would be paid by TransCanada on the proposed Keystone XL Pipeline, and also compare the amount of tax payments made by TransCanada from 2010 to the present in each county crossed by the Base Keystone Pipeline to the tax amount estimate provided in Docket HP07-001 by TransCanada. <sup>{01814925.1}01808649.1}</sup>

ANSWER: Finding of Fact 107 does not discuss real property taxes, although Finding of Fact 108 does. Keystone has not prepared a current estimate of real property taxes that will be paid on the Keystone XL Pipeline, once constructed. The base Keystone project has paid approximately \$14,122,951 in real property taxes from 2009 through 2013 in the counties it crosses. 2014 property taxes are payable in 2015. Keystone estimated that the project would pay approximately \$6.5 million in taxes in the first year of operation. See Paragraph 59 in the HP07-001 PUC Docket. See Finding 132.

**INTERROGATORY NO. 60:** With regard to Condition Paragraph 16, state whether or not TransCanada has drafted crop monitoring protocols and describe its communications with landowners related to such plan.

ANSWER: Crop monitoring protocols have not been drafted. Keystone is in the process of developing specific crop monitoring protocols for agricultural lands. These protocols will be finalized prior to the start of construction and implemented following construction. Once the protocols are completed, details will be communicated to landowners upon request.

**INTERROGATORY NO. 61:** With regard to Condition Paragraph 16, state whether or not TransCanada has drafted a plan to control noxious weeds and describe its communications with landowners related to such plan.

ANSWER: Yes, TransCanada has drafted a plan to control noxious weeds for South Dakota. Upon finalization of the Plan and its approval by the County Weed Board, the Plan will be available to landowners upon request.

44

**INTERROGATORY NO. 62:** With regard to Condition Paragraph 28, provide a list of private and new access roads that will be used or required for construction of the proposed Keystone XL Pipeline.

OBJECTION: This request seeks information that is not relevant and not reasonably calculated to lead to the discovery of admissible evidence. In addition, the location of access roads is confidential for reasons related to homeland security.

**INTERROGATORY NO. 63:** With regard to Fact Paragraph 50 and Condition Paragraph 34, provide an explanation of why the HCA length in South Dakota decreased from 34.3 to 19.9 miles, identify HCA segments that were removed or shortened, and describe any HCA's not identified during the docket HP09-001 proceeding that were added to the HCA length.

OBJECTION AND ANSWER: The identity and location of High Consequence Areas is confidential by statute and Keystone is required by PHMSA to keep this information confidential. Without waiving the objection, during the detailed engineering design phase of the Project, the route was adjusted. In doing so, the route deviated away from DOT designated HCA areas there by reducing total HCA miles crossed by the Project. Please refer to the attached route variation list and maps.

**INTERROGATORY NO. 64:** With regard to Condition Paragraph 44, describe:

a. TransCanada's efforts related to its paleontological literature search; and

b. any pre-construction paleontological field surveys performed by TransCanada.

OBJECTION AND RESPONSE: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the {01814925.1}01808649.1}{

scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection:

a. Paleontological fieldwork methodology, literature search information, and results can be found in Sections 3.1.2.2 and 3.1.2.3 of the Department of State FSEIS (2014).

b. A list of reports detailing the results of all pre-construction paleontological filed surveys can be found in Table 3.1-4 of the Department of State FSEIS (2014).

**INTERROGATORY NO. 65:** With regard to Condition Paragraph 45, describe any disputes with landowners related to repair or replacement of property impacted by the Base Keystone Pipeline.

OBJECTION AND RESPONSE: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, *see* attached documents, marked as Keystone 0785-1115, describing any disputes with landowners related to repair or replacement of property impacted by the Base Keystone Pipeline.

**INTERROGATORY NO. 66:** With regard to Condition Paragraph 50, describe any complaints filed by landowners against TransCanada.

OBJECTION: To the extent that it seeks information related to the Keystone XL Pipeline outside South Dakota, this request seeks information that is beyond the scope of the PUC's {01814925.1}01808649.1}{

jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It also seeks information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, all complaints reported to the liaison by the SDPUC are documented by the liaison and reported quarterly. These reports are available at: <u>http://puc.sd.gof/dockets/hydrocarbonpipeline/2007/construction.aspx</u> for base Keystone; and

https://puc.sd.gov/dockets/hydrocarbonpipeline/2009/publicliaisonreports.aspx for Keystone XL.

Its

ertar

Dated this  $5^{\text{TH}}$  day of February, 2015.

TRANSCANADA KEYSTONE PIPELINE, LP by its agent, TC Oil Pipeline Operations, Inc.

By Segnatory

Subscribed, and sworn to before me this of Februar 2015. 'day

John W. Love, Lawyer Notary Public - Canada

### **REQUESTS FOR PRODUCTION OF DOCUMENTS**

**<u>REQUEST FOR PRODUCTION NO. 1:</u>** With regard to Fact Paragraph 14, produce the *pro forma* transportation services agreement provided to prospective shippers for use of the Bakken Marketlink Project.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers.

**REQUEST FOR PRODUCTION NO. 2:** With regard to Fact Paragraph 14, produce the transportation services agreements currently in effect and executed by the shippers that have entered into long-term commitments for capacity on the proposed Keystone XL Pipeline.

OBJECTION: To the extent that it seeks the identity of Keystone's shippers and the terms of their contracts, this request seeks information that has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers and Section 15(13) of the Interstate Commerce Act.

**REQUEST FOR PRODUCTION NO. 3:** With regard to Fact Paragraph 16, produce

all maps showing any route changes since issuance of the 2010 Final Order. {01814925.1}01808649.1}{

ANSWER: Please refer to the route variation maps attached as Keystone

0470-0583.

### **REQUEST FOR PRODUCTION NO. 4:**

With regard to Fact Paragraph 18, produce

the manufacturers' warranties and guaranties for the FBE applied to pipe segments that

have been delivered and would be installed in South Dakota.

#### ANSWER:

# WARRANTY

Unless otherwise specified in the Order for Pipe, the Supplier hereby warrants that the Pipe, including, if applicable, the Work done thereto, shall meet and conform to the Specifications and the Technical Agreements, and such other product characteristics agreed to by the Parties in writing, for a period of twelve (12) calendar months from the day the Pipe is incorporated into the Company's pipeline and the Company's pipeline is commissioned for regular service or eighteen (18) calendar months from the date of delivery of all Pipe to the Delivery Point, whichever is earlier. If during the aforesaid warranty period, the Company discovers any Pipe which fails to conform, the Company shall forthwith notify in writing the Supplier of such non-conformance. The Company and the Supplier shall jointly investigate any such non-conformance in an effort, in good faith, to determine the cause thereof, provided that such investigation shall not unreasonably delay any repair or replacement of the Pipe. If the Parties are unable to agree upon the cause of the non-conformance with this Agreement within ten (10) days of the date of the discovery of such non-conformance, either Party shall have the right to request that the matter be arbitrated pursuant to single party arbitration conducted in accordance with the then current International Chamber of Commerce's Rules of Arbitration.

If such non-conformance is discovered after title to the Pipe passes to the Company, the Company may, after notification to the Supplier, to the extent the Company, acting reasonably, deems practical under the circumstances, repair the same at the Supplier's risk and expense. If repair is not practical in the Company's opinion, acting reasonably, the Company agrees that the Supplier may replace the non-conforming Pipe in the event that the Supplier can secure such replacement at delivery dates at least as favourable as those available to the Company from other sources.

Any Pipe that is repaired or replaced pursuant to the warranties specified herein shall be warranted for a further period of twelve (12) calendar months from the day the Pipe is incorporated into the Company's pipeline and the Company's pipeline is commissioned for regular service or eighteen (18) calendar months from the date of delivery of the Pipe to the Delivery Point, whichever is earlier.

If the non-conforming Pipe cannot be repaired and the Company elects not to replace such Pipe, the Company shall have the right to return, at the Supplier's expense and risk, any or all of the non-conforming Pipe delivered by the Supplier to the Company whereupon the Supplier shall immediately repay the Company, without Interest, all monies previously paid by the Company to the Supplier on account of the non-conforming Pipe so returned, together with all costs and expenses incurred by the Company in returning such Pipe.

The express warranties of the Supplier in this Agreement are the only warranties as to the Pipe and are in lieu of all other warranties in respect thereof, whether written, statutory, oral, express or implied including, without limitation, any warranty of merchantability or fitness for purpose. The rights and remedies contained in this Agreement are the Company's exclusive rights and remedies against the Supplier whatsoever in relation to, or arising out of, or in connection with the performance or conformance of the Supplier's obligations under these warranties.

# **REQUEST FOR PRODUCTION NO. 5:** With regard to Fact Paragraph 20, produce a

map of the valve locations for the Keystone XL Pipeline.

OBJECTION: This request seeks information that is not relevant and not

reasonably calculated to lead to the discovery of admissible evidence. In addition, the

location of access roads is confidential for reasons related to homeland security.

# **REQUEST FOR PRODUCTION NO. 6:** With regard to Fact Paragraphs 14, 24, 25,

26, 27, and 28, produce the following forecasts and their supporting data:

a) the forecast of annual crude oil production in the WCSB relied on by TransCanada in

this proceeding showing future production of light and heavy crude oil;

b) the forecast of annual crude oil production in the Williston Basin relied on by TransCanada in this proceeding showing future production of light and heavy crude oil;c) a forecast of annual domestic U.S. consumer demand for petroleum products through 2030;

d) a forecast of annual crude oil imports into PADD 3 from Canada through 2030;

e) a forecast of annual crude oil imports into PADD 3 from countries other than Canada through 2030;

f) a forecast of annual demand for crude oil by PADD 3 refineries through 2030;

g) a forecast of utilization of the proposed Keystone XL Pipeline from the proposed commencement of normal operations to 2030;

h) a forecast of crude oil production in PADD 3 through 2030;

i) a forecast of exports of petroleum products from PADD 3 through 2030;

j) a forecast of re-exports of WCSB crude oil from PADD 3 through 2030;

k) a forecast of railroad transportation from the WCSB to each PADD in the U.S; and

l) a forecast of railroad transportation from the Williston Basin to each PADD in the U.S.

OBJECTION AND RESPONSE: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden of proof under SDCL § 49-41B-27. It is within the purview of the United States Department of State to determine whether the proposed project is in the national interest, under the applicable Presidential Executive Order. This request also may seek information that is not within Keystone's custody or control and is not maintained by Keystone in the ordinary course of business. The oil forecast information that {01814925.1}01808649.1}

Keystone relied on in Appendix C to its Certification was derived from the following sources: The Final Supplemental Environmental Impact Statement; the CAPP Crude Oil Forecast; Markets and Transportation June 2014 Forecast; and the Energy Information Agency Annual Energy Outlook 2014. Keystone will produce these documents, except for the FSEIS, which is available at <u>http://keystonepipeline-xl.state.gov/finalseis/index.htm</u>. Without waiving the objection, the following documents are attached as Keystone 0001-0467: the CAPP Crude Oil Forecast, Markets and Transportation June 2014; and The Energy Information Agency Annual Energy Outlook 2014.

**REQUEST FOR PRODUCTION NO. 7:** With regard to Condition Paragraph 43, produce the most recent version of the Unanticipated Discovery Plan.

ANSWER: The Unanticipated Discovery Plan can be found within the Programmatic Agreement in Appendix E of the Department of State FSEIS (2014).

**REQUEST FOR PRODUCTION NO. 8:** With regard to Condition Paragraph 15, produce the Con/Rec mapping.

ANSWER: The 2013 Construction/Reclamation Unit Specifications contain this information and are found in Appendix R of the Department of State FSEIS (2014).

**<u>REQUEST FOR PRODUCTION NO. 9:</u>** With regard to Condition Paragraph 7, produce all correspondence between TransCanada's public liaison officer for the Base Keystone Pipeline and the proposed Keystone XL Pipeline.

> OBJECTION: Sarah Metcalf is the appointed Public Liaison Officer for both the Keystone Pipeline in eastern South Dakota and the proposed Keystone XL Pipeline. Keystone therefore has no documents responsive to this request.

**REQUEST FOR PRODUCTION NO. 10:** With regard to Condition Paragraph 23, produce all correspondence from June 29, 2010, to the present related to resolution of disputes over repair of roads following construction of the Base Keystone Pipeline.

OBJECTION: To the extent that it seeks information related to the Keystone Pipeline outside South Dakota, this request is overlybroad and unduly burdensome and seeks the discovery of information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). It is also overlybroad and unduly burdensome because Keystone has voluminous documents related to road repairs.

**REQUEST FOR PRODUCTION NO. 11:** With regard to Condition Paragraph 36, produce the most recent version of a draft spill response plan for the Proposed Keystone XL Pipeline, the final version of which is intended to meet the requirements of 49 C.F.R. Part 194, as well as any communications related to preparation of a spill response plan for the Keystone XL Pipeline between TransCanada and agencies of the State of South Dakota.

OBJECTION AND ANSWER: This request seeks information that is beyond the scope of the PUC's jurisdiction and Keystone's burden under SDCL § 49-41B-27. This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction

54

over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. *See* 49 C.F.R. Part 194; 49 U.S.C. § 60104(c). This request further seeks information that is confidential and proprietary. See Amended Final Order, HP 09-001, Condition ¶ 36. Public disclosure of the emergency response plan would commercially disadvantage Keystone. In addition, Keystone is not required to submit its Emergency Response Plan to PHMSA until sometime close to when the Keystone Pipeline is placed into operation. Keystone's Emergency Response Plan is addressed in The Final Supplemental Environmental Impact Statement at <u>http://keystonepipeline-xl.state.gov/documents/organization/221189.pdf</u>. Without waiving the objection, please refer to Department of State SFEIS Appendix I Spill Prevention Control and Countermeasure Plan and Emergency Response Plan.

**<u>REQUEST FOR PRODUCTION NO. 12:</u>** With regard to Condition Paragraph 10, produce copies of all training materials provided to first responders in the State of South Dakota.

ANSWER: TransCanada has provided educational information to possibly affected public elected officials, excavators, and first responders. This educational material comes in the form of a pamphlet and is titled Oil Pipeline for Emergency Responders. It is marked as Keystone 1523-1538.

**REQUEST FOR PRODUCTION NO. 13:** With regard to Condition Paragraph 50, produce copies of complaints filed by landowners against TransCanada related to the Base Keystone Pipeline and the proposed Keystone XL Pipeline.

OBJECTION: To the extent that it seeks information related to the Keystone Pipeline outside South Dakota, this request is overlybroad and unduly burdensome and seeks the discovery of information that is not relevant and not likely to lead to the discovery of admissible evidence under SDCL § 15-6-26(b). Without waiving the objection, all complaints reported to the liaison by the SDPUC are documented by the liaison and reported quarterly. These reports are available at:

http://puc.sd.gov/dockets/hydrcarbonpipeline/2007/construction.aspx for base Keystone; and <u>http://puc.sd.gov/dockets/hydrocarbonpipeline/2009/publicliaisonreports.aspx</u> for Keystone XL.

**<u>REQUEST FOR PRODUCTION NO. 14:</u>** With regard to Condition Paragraph 25, produce the latest version of a draft adverse weather land protection plan.

ANSWER: The Adverse Weather Plan will be filed with the Commission two months prior to the start of construction as stated in Condition #25 of the SDPUC certificate.

**<u>REQUEST FOR PRODUCTION NO. 15:</u>** With regard to Condition Paragraph 29, produce the latest version of a winterization plan.

ANSWER: TransCanada/Keystone will have a winterization plan prepared prior to construction. The winterization plan will be provided to affected landowners if winter conditions prevent reclamation until spring.

**REQUEST FOR PRODUCTION NO. 16:** With regard to Condition Paragraph 39,

produce noise data showing pump station noise at the Base Keystone Pipeline. {01814925.1}01808649.1}{

ANSWER: The South Dakota portion of Keystone Pipeline extends from Ferney to Freeman, environmental noise monitoring was conducted at each pump station location and at the corresponding critical receptor location. Published meteorological data was collected from the nearby weather stations. The collected sound level data was analyzed and the sound level results were compared with the noise criteria to determine compliance. The noise level limit of each pump station is established from the South Dakota Public Utility Commission's (PUC) condition in the order granting permit.

The noise monitoring indicates that the South Dakota pump stations of Keystone Pipeline comply with the noise criteria. The result summary is shown in the table below.

Pump Station Name	Measurement Result L10, dBA	Calculated L10 of Max. Load Operation, dBA	Noise Level Limit L10, dBA
Ferney	30	31	55
Carpenter	42	43	55
Roswell	45	46	55
Freeman	41	42	55

**REQUEST FOR PRODUCTION NO. 17:** With regard to Condition Paragraph 44, produce a copy of the latest version of the paleontological resource mitigation plan.

ANSWER: The report is titled Second Confidential Draft – Paleontological Resources Mitigation Plan: Keystone XL Pipeline Project, South Dakota. The report is not provided because it is confidential/privileged information.

## **REQUEST FOR PRODUCTION NO. 18:** Produce copies of all responses by

TransCanada in response to discovery requests submitted to TransCanada by other parties

in this proceeding.

ANSWER: A way to access copies of all responses to discovery requests

submitted to TransCanada will be separately provided.

By

#### OBJECTIONS

The objections stated to Bold Nebraska's Interrogatories and Request for Production of

Documents were made by James E. Moore, one of the attorneys for Applicant TransCanada

herein, for the reasons and upon the grounds stated therein.

Dated this 6<sup>th</sup> day of February, 2015.

WOODS, FULLER, SHULTZ & SMITH P.C.

Amshrow

William Taylor James E. Moore Post Office Box 5027 300 South Phillips Avenue, Suite 300 Sioux Falls, SD 57117-5027 Phone: (605) 336-3890 Fax: (605) 339-3357 Email: <u>Bill.Taylor@woodsfuller.com</u> <u>James.Moore@woodsfuller.com</u> Attorneys for Applicant TransCanada

002376

### **CERTIFICATE OF SERVICE**

I hereby certify that on the 6<sup>th</sup> day of February, 2015, I sent by e-mail transmission, a true

and correct copy of Keystone's Responses to Bold Nebraska's First Interrogatories and Request

for Production of Documents, to the following:

Paul C. Blackburn PO Box 17234 Minneapolis, MN 55407 paul@paulblackburn.net

One of the attorneys for TransCanada

## ATTACHMENT E

# TRANSCANADA'S RESPONSES TO BOLD NEBRASKA'S SECOND INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

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

:

:

#### 

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE **KEYSTONE XL PROJECT** 

HP 14-001

**KEYSTONE'S RESPONSES TO** BOLD NEBRASKA'S SECOND INTERROGATORIES AND **REQUESTS FOR PRODUCTION** OF DOCUMENTS

#### 

Applicant TransCanada makes the following responses to interrogatories pursuant to SDCL § 15-6-33, and responses to requests for production of documents pursuant to SDCL § 15-6-34(a). These responses are made within the scope of SDCL 15-6-26(e) and shall not be deemed continuing nor be supplemented except as required by that rule. Applicant objects to definitions and directions in answering the discovery requests to the extent that such definitions and directions deviate from the South Dakota Rules of Civil Procedure.

### GENERAL OBJECTION

Keystone objects to the instructions and definitions contained in Bold Nebraska's Second Interrogatories and Requests for Production of Documents to the extent that they are inconsistent with the provisions of SDCL Ch. 15-6. See ARSD 20:10:01:01.02. {01844698.1} 1

Keystone's answers are based on the requirements of SDCL §§ 15-6-26, 15-6-33, 15-6-34, and 15-6-36.

### INTERROGATORIES

INTERROGATORY NO. 67: For each person who you expect to call as a fact witness in Docket HP14-001, provide a description of the witness's educational background, specialized training, and employment history relevant to the witness's expected testimony and a description of all exhibits that the witness will attach to his or her testimony.

ANSWER: Resumes for Keystone's witnesses were previously produced as Keystone 1341-1374. Keystone has not yet identified its hearing exhibits, but will disclose them as required by order of the Commission.

INTERROGATORY NO. 68: Describe the information furnished by TransCanada to each fact witness for the purposes of his or her testimony.

ANSWER: Other than a copy of the discovery requests, TransCanada has not furnished any information to its fact witnesses for purposes of providing testimony in this proceeding. The witnesses have provided information used in answering discovery based on their work on the Keystone XL project.

INTERROGATORY NO. 69: With regard to Fact Paragraphs 14, 24, and 27, identify each person that has communicated an intention to TransCanada to construct infrastructure that would physically connect to and deliver crude oil into the Keystone XL

Pipeline in Montana, and provide a description of all communications and documents exchanged between TransCanada and such person or persons.

OBJECTION: The identity of Keystone's shippers has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Moreover, the request is irrelevant and not likely to lead to the discovery of admissible evidence.

INTERROGATORY NO. 70: With regard to Fact Paragraphs 24, 26, and 27, identify the persons that own or control infrastructure that is physically attached to the Keystone XL Pipeline and capable of receiving crude oil delivered by the Keystone XL Pipeline, and the capacity of such attached infrastructure to accept delivery of crude oil from the Keystone XL Pipeline.

OBJECTION: The identity of Keystone's shippers has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Moreover, the request is irrelevant and not likely to lead to the discovery of admissible evidence.

INTERROGATORY NO. 71: With regard to Condition Paragraphs 8, 34, 35, and 39, for the Keystone XL Pipeline provide an approximate elevation profile (elevation versus pipeline milepost) of the proposed pipeline capturing the segments from the nearest upstream pump

station west of the South Dakota state border to the nearest pump station south of the South Dakota state border.

OBJECTION: This request seeks information that is confidential for security reasons. The elevation profile for the pipeline is also not relevant or likely to lead to the discovery of admissible evidence.

INTERROGATORY NO. 72: With regard to Condition Paragraphs 8, 34, 35, and 39, on the elevation profile provided in response to Interrogatory No. 71, indicate the milepost locations for each pump station and each mainline valve that TransCanada proposes to include in the Keystone XL Pipeline, and for each mainline valve location state the type of mainline valve actuation (i.e. manual, automatic, or remotely operated).

OBJECTION AND ANSWER: This request seeks information that is confidential for security reasons. The milepost locations for each pump station and mainline valve are not relevant or likely to lead to the discovery of admissible evidence. Without waiving the objection, each mainline valve located in South Dakota will be remotely operated. INTERROGATORY NO. 73: With regard to Condition Paragraphs 8, 34, 35, and 39, for the Keystone XL Pipeline provide the maximum design flow rate and indicate the suction and discharge pressures at each pump station indicated on the elevation profile provided in response to Interrogatory No. 71.

OBJECTION AND ANSWER: The request for an elevation profile seeks information that is confidential for security reasons. Without waiving the objection, the

maximum capacity of the pipeline is 830,000 bpd with a minimum suction pressure at the pump stations of 50 psig and a maximum discharge pressure of 1,307 psig.

INTERROGATORY NO. 74: With regard to Condition Paragraphs 8, 34, 35, and 39, on the elevation profile provided in response to Interrogatory No. 71 indicate the maximum operating pressure ("MOP") for the pipeline segments.

OBJECTION AND ANSWER: The request for an elevation profile seeks information that is confidential for security reasons. Without waiving the objection, in accordance with 49 CFR 195, Design Pressure, the mainline MOP will be 1,307 psig and at select locations downstream of pump stations, the MOP is 1,600 psig.

INTERROGATORY NO. 75: With regard to Condition Paragraphs 8, 34, 35, and 39, for the pipeline segments shown on the elevation profile provided in response to Interrogatory No. 71, describe the main equipment that comprises the Keystone XL Pipeline in these segments and the location of such equipment.

ANSWER: Please refer to the FSEIS 2.1 Overview of the Proposed Project, section 2.1.4, Aboveground Facilities.

INTERROGATORY NO. 76: With regard to Condition Paragraphs 8, 34, 35, and 39, for the pipeline segments shown on the elevation profile provided in response to Interrogatory No. 71, describe TransCanada's approach to remote determination of possible pipeline releases.

OBJECTION AND ANSWER: The request for an elevation profile seeks information that is confidential for security reasons. Without waiving the objection,

TransCanada will utilize a state of the art Computational Pipeline Monitoring (CPM) leak detection system capable of identifying leaks down to the size of 1.5 to 2.0% of pipeline flow rate within a 2-hour window.

The Keystone pipeline will be monitored 24/7 by a dedicated Leak Detection controller within the Oil Control Center who is trained to identify and to respond to emerging events. INTERROGATORY NO. 77: With regard to Fact Paragraph 50 and Condition Paragraphs 8, 34, 35, and 39, on the pipeline elevation profile provided in response to Interrogatory No. 71, indicate the approximate location of high consequence areas.

OBJECTION: The identity and location of High Consequence Areas is confidential and Keystone is required by PHMSA to keep this information confidential. INTERROGATORY NO. 78: With regard to Condition Paragraphs 8, 34, 35, and 39, state whether or not TransCanada intends to operate the Keystone XL Pipeline in slack line (not liquid full) condition. If TransCanada does not intend to operate the Keystone XL Pipeline in slack line condition, provide a description of how TransCanada will design and control the pipeline to maintain non slack line condition.

ANSWER: TransCanada will not operate the line in slack conditions. Automated controls are in place to maintain minimum line pressures during operation.

INTERROGATORY NO. 79: With regard to Condition Paragraphs 8, 34, 35, and 39, provide an estimated range of the peak number of spill response workers that would be required to respond to a worst case discharge in South Dakota.

ANSWER: Please refer to the FSEIS Appendix I Spill Prevention Control and Countermeasure Plan and Emergency Response Plan; Emergency Response Plan Section 4. The number of positions/personnel required would depend on the size and complexity of the incident. INTERROGATORY NO. 80: With regard to Fact Paragraph 18, describe the chemical composition and specifications for the fusion bonded epoxy ("FBE") coating applied to pipe segments to be used to construct the Keystone XL Pipeline in South Dakota.

ANSWER: The following is the chemical composition for the fusion bond epoxy: BISPHENOL A DIGLYCIDYL ETHER-BISPHENOL A COPOLYMER, CALCIUM SILICATE, 4,4'-ISOPROPYLIDENEDIPHENOL-EPICHLOROHYDRIN POLYMER, EPOXY RESIN-AMINE CONDENSATE, PIGMENT ADDITIVE, DICYANDIAMIDE, TITANIUM DIOXIDE, 4,4'-ISOPROPYLIDENEDIPHENOL, QUARTZ SILICA.

The specifications for fusion bond epoxy follow the manufacturer recommendations and industry standards.

INTERROGATORY NO. 81: With regard to Condition Paragraph 10, identify all persons, other than TransCanada or its employees or contractors, who provided notice to TransCanada of a spill from Base Keystone Pipeline.

ANSWER: The source of notification for each of the spills from the Base Keystone Pipeline is the Operations Control Center (OCC) or field based TransCanada operations personnel.

INTERROGATORY NO. 82: With regard to Fact Paragraphs 107 and 108, provide the amount of each annual tax payment made by TransCanada from 2009 to 2013 separately for each county crossed by the Base Keystone Pipeline that together total the \$14,122,951 figure provided in response to Bold Nebraska Interrogatory 59.

ANSWER: See documents attached as Keystone 0768-0773.

Dated this 10 day of March, 2015.

TRANSCANADA KEYSTONE PIPELINE, LP by its agent, TC Oil Pipeline Operations, Inc.

By\_ Joseph Brown

Its Director, Authorized Signatory

Subscribed and sworn to before me this 10day of March, 2015.

John W. Love, Lawyer Notary Public – Canada

{01844698.1}01808649.1}{

002387

#### **REQUESTS FOR PRODUCTION OF DOCUMENTS**

REQUEST NO. 19: Provide a copy of each document furnished by TransCanada to each fact witness for the purposes of his or her testimony.

RESPONSE: TransCanada has not provided any documents to its fact witnesses for the purpose of providing testimony in this case. Keystone will identify its hearing exhibits as required by order of the Commission.

REQUEST NO. 20: With regard to Fact Paragraphs 14, 24, and 27, produce all documents exchanged between TransCanada and each person that has communicated an intention to TransCanada to construct infrastructure that would physically connect to and deliver crude oil into the Keystone XL Pipeline in Montana.

OBJECTION: The identity of Keystone's shippers has substantial commercial and proprietary value, is subject to substantial efforts by Keystone to protect it from actual and potential competitors, and is required to be maintained on a confidential basis pursuant to the terms of the contracts between Keystone and its shippers. Moreover, the request is irrelevant and not likely to lead to the discovery of admissible evidence.

REQUEST NO. 21: With regard to Fact Paragraphs 14, 24, 26, and 27, produce the Canadian Association of Petroleum Producers ("CAPP") 2015 supply forecast update released on or about January 21, 2015, all documents from CAPP describing such update, and all TransCanada documents that discuss such update.

OBJECTION AND RESPONSE: This request for all TransCanada documents discussing the forecast update is overlybroad and unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the objection, the January 2015 Capital Investment & Drilling Forecast Update and the Short-term 2015/2016 Western Canadian Crude Oil Forecast Update are attached as Keystone 1637-1645.

#### **OBJECTIONS**

The objections stated to Bold Nebraska's Interrogatories and Request for Production of Documents were made by James E. Moore, one of the attorneys for Applicant TransCanada herein, for the reasons and upon the grounds stated therein.

By

Dated this 10<sup>th</sup> day of March, 2015.

WOODS, FULLER, SHULTZ & SMITH P.C.

Amest hom

William Taylor James E. Moore Post Office Box 5027 300 South Phillips Avenue, Suite 300 Sioux Falls, SD 57117-5027 Phone: (605) 336-3890 Fax: (605) 339-3357 Email: <u>Bill.Taylor@woodsfuller.com</u> <u>James.Moore@woodsfuller.com</u> Attorneys for Applicant TransCanada

### **CERTIFICATE OF SERVICE**

I hereby certify that on the 10<sup>th</sup> day of March, 2015, I sent by e-mail transmission, a true

and correct copy of Keystone's Responses to Bold Nebraska's Second Interrogatories and

Request for Production of Documents, to the following:

Paul C. Blackburn PO Box 17234 Minneapolis, MN 55407 paul@paulblackburn.net

Amsshoon

002390

One of the attorneys for TransCanada

## ATTACHMENT F

# TRANSCANADA'S SUPPLEMENTAL RESPONSES TO BOLD NEBRASKA'S FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

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

:

:

:

#### 

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT HP 14-001

KEYSTONE'S SUPPLEMENTAL RESPONSES TO BOLD NEBRASKA'S FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

#### 

Applicant TransCanada makes the following supplemental responses to interrogatories pursuant to SDCL § 15-6-33, and responses to requests for production of documents pursuant to SDCL § 15-6-34(a). These supplemental responses are made within the scope of SDCL 15-6-26(e) and shall not be deemed continuing nor be supplemented except as required by that rule. Applicant objects to definitions and directions in answering the discovery requests to the extent that such definitions and directions deviate from the South Dakota Rules of Civil Procedure.

### GENERAL OBJECTION

Keystone objects to the instructions and definitions contained in Bold Nebraska's First Interrogatories and Requests for Production of Documents to the extent that they are inconsistent with the provisions of SDCL Ch. 15-6. *See* ARSD 20:10:01:01.02. {01855189.1} Keystone's answers are based on the requirements of SDCL §§ 15-6-26, 15-6-33, 15-6-34, and 15-6-36.

#### INTERROGATORIES

**INTERROGATORY NO. 3**: State the full name, current address, telephone number, and present employment of each person who you expect to call as a witness in Docket HP14-001, the subject matter on which each such witness is expected to testify, the substance of the facts and opinions to which each witness is expected to testify, a summary of the grounds for each opinion expected to be expressed by such witness, and for each expert witness also state:

a. the facts supporting each opinion to which the expert is expected to testify;

b. the expert's profession or occupation, educational background, specialized training, and

employment history relevant to the expert's proposed testimony;

c. the expert's previous publications within the preceding 10 years; and

d. all other cases in which the witness has testified as an expert at trial.

ANSWER: Keystone will offer prefiled direct testimony from the following persons, each of whom will testify to the changes identified in Keystone's tracking table for that person's area of expertise:

(1) Corey Goulet, President, Keystone Projects, 450 1st Street S.W., Calgary, AB Canada T2P 5H1; (403) 920-2546; Project purpose, Overall description; Construction schedule; Operating parameters; Overall design; Cost; Tax Revenues

(2) Steve Marr, Manager, Keystone Pipelines & KXL, TransCanada Corporation, Bank of America Center, 700 Louisiana, Suite 700, Houston, TX 77002; (832) 320-5916; CMR Plan, Con/Rec Units, HDD's

(3) Meera Kothari, P. Eng., 450 1st Street S.W., Calgary, AB Canada T2P 5H1; (832) 320-5190; same; Design and Construction; PHMSA compliance

(4) David Diakow, Vice President, Commercial, Liquids Pipeline, 450 1st Street S.W., {01855189.1}01808649.1}{

Calgary, AB Canada T2P 5H1; (403) 920-6019; Demand for the Facility

(5) Jon Schmidt, Vice President, Environmental & Regulatory, exp Energy Services, Inc., 1300 Metropolitan Boulevard, Suite 200, Tallahassee, FL 32308; (850) 385-5441; Environmental Issues; CMR Plan, Con/Rec Units, HDD's

(6) Heidi Tillquist, Senior Associate, Stantec Consulting Ltd., 2950 E. Harmony Rd., Suite 290, Fort Collins, CO 80528; (970) 449-8609; High Consequence Areas, Spill Calculations

None of these persons is a retained expert, so subparts (a) through (d) do not apply.

In addition to the witnesses previously identified, Keystone may offer rebuttal testimony from Danielle Dracy regarding emergency response; Lou Thompson regarding tribal engagement; Steve Klekar regarding tax issues; and Doug Robertson regarding SCADA and leak detection. Resumes for these possible rebuttal witnesses are marked as Keystone 1930-1934.



Dated this 10 day of March, 2015.

2015.

TRANSCANADA KEYSTONE PIPELINE, LP by its agent, TC Oil Pipeline Operations, Inc.

By /Joseph-Brown

Its Director, Authorized Signatory

Subscribed and/sworn to before me

day of March

John W. Love. Lawyer

John W. Love, Lawyer Notary Public - Canada

this

{01855189.1}01808649.1}{

002395

### **CERTIFICATE OF SERVICE**

I hereby certify that on the 10<sup>th</sup> day of March, 2015, I sent by e-mail transmission, a true and correct copy of Keystone's Supplemental Responses to Bold Nebraska's First Interrogatories and Request for Production of Documents, to the following:

Paul C. Blackburn PO Box 17234 Minneapolis, MN 55407 paul@paulblackburn.net

MARAEL

One of the attorneys for TransCanada

{01855189.1}01808649.1}{



## ATTACHMENT G

# BOLD LETTER TO TRANSCANADA SEEKING INFORMAL RESOLUTION OF DISCOVERY DISPUTES

#### VIA EMAIL

March 26, 2015

James E. Moore Woods, Fuller, Shultz & Smith P.C. PO Box 5027 Sioux Falls, SD 57117-5027

#### Re: In the Matter of the Application by TransCanada Keystone Pipeline, LP HP 14-001: Informal Discovery Resolution

Dear Mr. Moore:

The purpose of this letter is to attempt to informally resolve a number of discovery disputes in South Dakota Public Utilities Commission ("Commission") Docket HP14-001 related to the spill response planning of TransCanada Keystone Pipeline, LP ('TransCanada") for spills of petroleum products from the proposed Keystone XL Pipeline in South Dakota ("Project"), which planning is required by the Oil Pollution Act, ("OPA"), 33 U.S.C. § 1321 (2015) and 33 USCS §§ 2701 *et seq.* (2015), and the OPA's implementing regulations at 49 C.F.R. Part 194. Specifically, Bold Nebraska ("Bold") seeks to discuss TransCanada's objections to interrogatories 45, 46, 48, and 49 and 71 to 79.

### **OBJECTIONS TO BOLD INTERROGATORIES 45, 46, 48, AND 49**

Since TransCanada's objections to Bold's interrogatories 45, 46, 48, and 49 are similar, these objections are addressed together.

#### **Objection Based on the Scope of the Commission's Jurisdiction**

TransCanada generally asserts that all matters related to its required response to spills of crude oil from the proposed Project under the OPA are outside of the Commission's jurisdiction.

It is difficult to understand TransCanada's non-specific objection here given that:

- 1) the Commission accepted testimony from TransCanada witness Hayes on TransCanada's spill response planning under the OPA in the evidentiary hearing in Docket HP09-001, Transcript of November 2, 2010 at 97 *et. seq.*;
- the Commission's Amended Final Decision and Order dated June 29, 2010 in Docket HP09-001 ("Final Order") specifically discusses TransCanada's obligations under the OPA at findings of fact paragraphs 98 through 100, and 103;
- 3) the Commission's Final Order condition paragraphs 36 and 42 rely on TransCanada's commitment to file an oil spill response plan under 49 C.F.R. Part 194 and require that TransCanada file such plan with the Commission; and
- 4) TransCanada has stated in its discovery responses in the current docket that it intends to offer the following testimony of Jon Schmidt related variously to "environmental issues" and may offer the rebuttal testimony of Danielle Dracy related to "emergency response."

Letter Bold Nebraska to TransCanada re Informal Discovery Dispute Resolution March 25, 2015

It seems clear that the Commission has previously considered investigation of TransCanada's compliance with the OPA to be within the Commission's jurisdiction. Should you wish to continue this objection, Bold requests that you clarify your basis for it.

#### **Objection that the Requested Information is Beyond Keystone's Burden Under SDCL § 49-41B-27**

TransCanada generally asserts that interrogatories related to emergency response under the OPA are beyond Keystone's Burden Under SDCL § 49-41B-27. In relevant part, this section states:

provided, however, that if such construction, expansion and improvement commences more than four years after a permit has been issued, then the utility must certify to the Public Utilities Commission that such facility continues to meet the conditions upon which the permit was issued.

Since the Commission expressly conditioned the Final Permit on TransCanada's compliance with the response planning requirements of the OPA and its implementing regulations at 49 C.F.R. Part 194, it appears to Bold that TransCanada's burden of proof includes proof of its continued compliance with applicable spill response planning requirements. Therefore, evidence related to such compliance is within the scope of S.D.C.L § 49-41B-27. Should you disagree, Bold requests that you clarify the basis for this objection.

#### <u>Objection that the Commission's Jurisdiction Over the Emergency Response Plan Is Preempted by</u> <u>Federal Law</u>

Your objection states:

This request also seeks information addressing an issue that is governed by federal law and is within the exclusive province of PHMSA. The PUC's jurisdiction over the emergency response plan is preempted by federal law, which has exclusive jurisdiction over issues of pipeline safety. See 49 C.F.R. Part 194; 49 U.S.C. § 60104(c).

Your understanding of federal spill response planning law preemption is incorrect. PHMSA's spill response planning requirements are mandated by the OPA and not the Pipeline Safety Act ("PSA"), 49 U.S.C. § 60101 *et. seq.* 49 C.F.R. Part 194 was promulgated pursuant to the OPA and not the PSA. The PSA merely requires that pipeline companies make the spill response plan required by the OPA available to PHMSA. Neither the PSA itself nor the hazardous liquid pipeline regulations promulgated pursuant to it in 49 C.F.R. Part 195 include detailed standards for spill response, nor do they require that PHMSA approve a spill response plan. Instead, such requirements are contained only in the OPA and its implementing regulations at 49 C.F.R. Part 194.

The OPA includes multiple provisions stating that state action related to oil spill response are not preempted. First, 33 U.S.C. § 1321(o) states:

(o) Obligation for damages unaffected; local authority not preempted; existing Federal authority not modified or affected.
(1) Nothing in this section shall affect or modify in any way the obligations of any owner or operator of any vessel, or of any owner or operator of any onshore facility or offshore facility to any person or agency under any provision of law for damages to any publicly owned or privately owned property resulting from a discharge of any oil or

hazardous substance or from the removal of any such oil or hazardous substance.

(2) Nothing in this section shall be construed as preempting any State or political subdivision thereof from imposing any requirement or liability with respect to the discharge of oil or hazardous substance into any waters within such State, or with respect to any removal activities related to such discharge.

(3) Nothing in this section shall be construed as affecting or modifying any other existing authority of any Federal department, agency, or instrumentality, relative to onshore or offshore facilities under this Act [33 USCS §§ 1251 et seq.] or any other provision of law, or to affect any State or local law not in conflict with this section.

Second, 33 U.S.C. § 2717 also expressly preserves state authority to regulate spill response:

SEC. 1018. Relationship to Other Law.

(A) Preservation of State Authorities; Solid Waste Disposal

Act.-Nothing in this Act or the Act of March 3, 1851 shall-

(1) affect, or be construed or interpreted as preempting, the authority of any State or political subdivision thereof from imposing any additional liability or requirements with respect to—

(A) the discharge of oil or other pollution by oil within such State; or

(B) any removal activities in connection with such a discharge; or (2) affect, or be construed or interpreted to affect or modify in any way

the obligations or liabilities of any person under the Solid Waste Disposal Act (42 U.S.C. 6901 *et seq.*) or State law, including common law.

(b) PRESERVATION OF STATE FUNDS.—Nothing in this Act or in section 9509 of the Internal Revenue Code of 1986 (26 U.S.C. 9509) shall in any way affect, or be construed to affect, the authority of any State—

(1) to establish, or to continue in effect, a fund any purpose of which is to pay for costs or damages arising out of, or directly resulting from, oil pollution or the substantial threat of oil pollution; or

(2) to require any person to contribute to such a fund.

(c) Additional Requirements and Liabilities; Penalties.— Nothing in this Act, the Act of March 3, 1851 (46 U.S.C. 183 *et seq.*), or section 9509 of the Internal Revenue Code of 1986 (26 U.S.C. 9509), shall in any way affect, or be construed to affect, the authority of the United States or any State or political subdivision thereof—

(1) to impose additional liability or additional requirements; or

(2) to impose, or to determine the amount of, any fine or penalty

(whether criminal or civil in nature) for any violation of law;

relating to the discharge, or substantial threat of a discharge, of oil.

Thus, it is abundantly clear that Congress expressly allows states to regulate oil spill response beyond the requirements of federal law.

In addition, a number of states have enacted and for years have implemented their own oil spill planning requirements that exceed federal requirements, including at least the states of:

- Alaska, Alaska Stat. § 46.03.010 *et seq*. (http://dec.alaska.gov/spar/statutes\_regs.htm#perp);
- Maine, 38 MSRA §541 *et seq.* (http://www.maine.gov/dep/spills/emergspillresp/index.html);
- Minnesota, Minn. Stat. Ch. 115E; and
- Washington, RCW Ch. 90.56 (http://www.ecy.wa.gov/programs/spills/spills.html).

The industry has not successfully challenged any of these laws on the grounds that state regulation of oil spill response is preempted by the PSA – because such challenge would be meritless.

Accordingly, Commission action on oil spill response is not preempted by federal law, such that your objection on these grounds appears to be baseless. Should you disagree, please provide Bold with an explanation of the grounds for this objection.

### **Objection that Information about Oil Spill Response Planning is Confidential and Proprietary**

You have generally asserted that information about TransCanada's spill response planning is "confidential and proprietary" and refer to Final Order Condition 36. You also generally allege that public disclosure of TransCanada's response plan would commercially disadvantage your client.

PHMSA has already released unabridged versions of the base Keystone response plan. Likewise, the State of Washington releases unabridged versions of response plans required under state law, including data beyond that required under federal law. Therefore, TransCanada's claims of confidentiality for its spill response plan seem to not be grounded in actual need for confidentiality.

Accordingly, Bold requests that you clarify your claim that response plans are confidential, particularly identifying which specific pieces of information must remain non-public and why. To the extent that the Commission finds that portions of TransCanada's response plan are confidential, Bold and its witness are willing to enter into a nondisclosure agreement pursuant to a Commission confidentiality order, as contemplated by Condition 36.

Likewise, Bold requests that you explain how disclosure of a response plan for the proposed Project would "commercially disadvantage Keystone." Since all interstate crude oil pipelines are required to prepare response plans for approval to PHMSA, presumably all of these entities are impacted equally by these requirements. Moreover, TransCanada's commercial relationships with its customers are defined through both its Transportation Service Agreements and federal tariffs, neither of which appear to be impacted by spill response planning. Disclosure or nondisclosure of TransCanada's spill response plans would seem to have no impact on TransCanada's commercial relationships. Thus, Bold would appreciate clarification of your grounds for this objection, including an explanation about how disclosure of a spill response plan would commercially disadvantage TransCanada.

#### <u>Objection that TransCanada "Is Not Required to Submit Its Emergency Response Plan to PHMSA</u> <u>Until Sometime Close to When the Keystone Pipeline Is Placed into Operation"</u>

You have also objected to discovery requests related to a spill response plan for the Project based on PHMSA's lax rules about when TransCanada is required to submit a spill response for its review. PHMSA's rule does not preempt South Dakota's authority to require disclosure of a draft spill response plan earlier than required by PHMSA.

As for the practicality of providing a spill response plan earlier, in Docket HP09-001, TransCanada witness Hayes testified that TransCanada typically prepares a spill response plan 12 months before the start of operations. He also testified that "80 percent of our base Keystone plan applies to KXL" and that he also expected TransCanada to have a draft plan finished in July of 2010 – now almost five years ago. Transcript in Docket 09-001, November 2, 2009, at 98-100. Moreover, the redacted emergency response plan in the FSEIS is similar to the un-redacted versions of TransCanada's Keystone System plan previously released by PHMSA.

Finally, TransCanada's responses to discovery to date have not disclosed the types of substantial design or route changes that would significantly change worst case discharge amounts or spill response planning for these discharges. Therefore, disclosure of a draft plan would provide useful information, even if it is subject to future minor modifications.

It seems likely to Bold that TransCanada has prepared or could without difficulty prepare a draft spill response plan for the Project for consideration by the Commission. Accordingly, Bold would appreciate a description of why TransCanada is unable to provide a draft spill response plan and why disclosure of such draft plan would be unreasonable.

#### **Objection Based on Irrelevance and Unlikelihood of Leading to Admissible Evidence**

TransCanada has also stated general objections to disclosure of its full spill response equipment and personnel capacity by asserting that such information is irrelevant and unlikely to lead to admissible evidence. Since the Commission has jurisdiction over spill response matters, has investigated them in the past, made findings of fact related to them, and included conditions in the 2010 Final Permit related to them, it is difficult to see how questions about TransCanada's on-the-ground spill response capacity are irrelevant to this proceeding or likely to lead to inadmissible evidence.

This being said, due to the extremely broad nature of these objections it is not possible for Bold to understand TransCanada's reasoning for these objections. Accordingly, Bold requests that you explain these objections as they relate to the specific information requested.

#### **Objection Based on Seeking Information Outside of South Dakota**

TransCanada has objected that information about its spill response capacity is outside of South Dakota and therefore beyond the Commission's jurisdiction. Since this objection is vague, the basis for TransCanada's objection is not clear. It may be that your objection is based on a belief that the Commission has no jurisdiction to know about spill response resources outside of South Dakota that TransCanada would rely on to respond to a spill inside South Dakota. If this is your argument, Bold disagrees because the Commission should know about the resources available to TransCanada that could be moved to South Dakota in the event of a major spill. This being said, you may have a different basis for this objection. Therefore, Bold requests that you provide a more detailed explanation of it.

### **OBJECTIONS TO BOLD INTERROGATORIES 71 TO 79**

#### **Objection Based on Security Reasons**

TransCanada has asserted that Bold's information requests 71 to 79 seek information that is confidential for security reasons, but has not otherwise explained why disclosure of the information creates a security risk. Therefore, Bold requests that TransCanada provide a more detailed explanation about why disclosures requested by these interrogatories creates a security risk. To the extent that TransCanada proves that disclosure of some or all of this information creates a security risk, Bold is willing to enter into a non-disclosure agreement pursuant to a confidentiality order issued by the Commission.

#### Objection Based on the Relevancy or Unlikelihood of Leading to Admissible Evidence

TransCanada has asserted that Bold Interrogatories 71 and 72 seek irrelevant information or information that is not likely to lead to the discovery of admissible evidence. However, TransCanada has not provided any explanation for these objections. Bold seeks this information in order to conduct an independent analysis of the potential worst case discharges at a number of locations in South Dakota. As previously discussed, Bold asserts that information related to potential worst case discharges in South Dakota is both relevant and likely to lead to discovery of admissible evidence. Therefore, Bold requests that TransCanada provide its rationales for these objections.

#### ADEQUACY OF RESPONSES PROVIDED

To the extent that TransCanada has provided substantive responses, Bold finds them inadequate.

In response to Bold Interrogatories 45, 46, 48, and 49, TransCanada points to the Emergency Response Plan ("ERP") in the Final Supplemental Environmental Impact Statement ("FSEIS"). This information is heavily redacted to the point that it is not possible to evaluate TransCanada's on-theground ability to comply with the OPA. Therefore, Bold continues to request access to a current unredacted draft spill response plan applicable to the Project in South Dakota.

In response to Bold Interrogatory 72, TransCanada states that all of the Project's mainline valves will be remotely operated, but fails to provide the milepost locations for each pump station and valve, which information is necessary to prepare accurate worst case discharge analyses for various locations in South Dakota. Therefore, Bold continues to request this information. To the extent such information is found by the Commission to be confidential, Bold is willing to enter into a non-disclosure agreement.

In response to Bold Interrogatory 74, TransCanada states that the maximum operating pressure of the Project will be 1,307 psig, and that at "select locations" the pressure will be as high as 1,600 psig. Since accurate evaluation of worst case discharges requires information about the pressures in each segment of pipeline in South Dakota, Bold continues to seek pressure information for each segment.

In response to Bold Interrogatory 76 related to TransCanada's approach to remote determination of possible pipeline releases, TransCanada merely states that it will remotely monitor the pipeline on a continuous basis without any description of its equipment or personnel training or its leak detection and response protocols. Evaluation of TransCanada's spill response capacity requires access to such information. Therefore, Bold continues to request such information.

In response to Bold Interrogatory 78 related to possible slack line operation of the Project, TransCanada states that it will not operate the Project in a slack line condition, but its explanation for how it intends to prevent such condition says only that "automated controls are in place to maintain minimum line pressures during operation." Bold seeks a detailed description of such controls.

Should you wish to talk through any of the foregoing, please call 612-599-5568 at your earliest convenience. Thank you for your time and attention to this matter.

Very truly yours,

1B

6

# ATTACHMENT H

## TRANSCANADA INITIAL DISCOVERY TO BOLD

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

#### 

IN THE MATTER OF THE	:	HP 14-001
APPLICATION BY TRANSCANADA		
KEYSTONE PIPELINE, LP FOR A	:	KEYSTONE'S
PERMIT UNDER THE SOUTH DAKOTA		INTERROGATORIES AND
ENERGY CONVERSION AND	:	<b>REQUESTS FOR PRODUCTION</b>
TRANSMISSION FACILITIES ACT TO		OF DOCUMENTS
CONSTRUCT THE KEYSTONE XL	:	
PROJECT		

### TO: BOLD NEBRASKA

You are requested to answer the following written Interrogatories and Requests for Production of Documents, which are to be answered by you within the time and in the manner required by SDCL 15-6-33 and 15-6-34.

These Interrogatories and Requests for Production are directed to you, but are likewise intended to obtain any pertinent information and documents possessed by your attorneys of record and any other agents or representatives you may have in this matter. These Interrogatories and Requests for Production are to be deemed continuing and if you or your attorneys and agents obtain any information with respect to them after making the original answers, it is requested that supplemental answers be made.

## **INTERROGATORIES**

1. State the name, current address, and telephone number of the person answering these interrogatories.

2. State the name, current address, and telephone number of any person, other than your legal counsel, who you talked with about answering these interrogatories, who assisted you in answering these interrogatories, or who provided information that you relied on in answering these interrogatories.

3. State the name, current address, and telephone number of each fact witness you intend to call to offer testimony at the evidentiary hearing in this case set for May 2015.

4. State the name, current address, and telephone number of each witnesswhom you intend to call at the evidentiary hearing as an expert witness under SDCL Ch.19-15, and for each expert, state:

a. the subject matter on which the expert is expected to testify;

b. the substance of each opinion to which the expert is expected to testify;

c. the facts supporting each opinion to which the expert is expected to testify;

d. the expert's profession or occupation, educational background, specialized training, and employment history relevant to the expert's proposed testimony;

e. the expert's previous publications within the preceding 10 years; and

f. all other cases in which the witness has testified as an expert at trial or by deposition within the preceding four years.

5. Identify by number each condition in Exhibit A to the Amended Final Decision and Order dated June 29, 2010, entered in HP09-001, that you contend Applicant TransCanada Keystone Pipeline, LP, cannot now or in the future meet, and for each condition that you identify, state:

a. the facts on which your contention is based; and

b. the name, current address, and telephone number of each witness who will testify that Applicant is unable to meet the condition.

6. Identify by number each finding of fact in the Amended Final Decision and Order dated June 29, 2010, entered in HP09-001, that you contend is no longer accurate because of a change in facts or circumstances related to the proposed construction and operation of the Keystone XL Pipeline in South Dakota, and for each finding that you identify, state:

a. the facts on which your contention is based; and

01791566.1

b. the name, current address, and telephone number of each witness who will testify that the finding of fact is no longer accurate.

7. In addition to the facts identified in your responses to interrogatory numbers5 and 6, identify any other reasons that you contend Applicant cannot continue to meetthe conditions on which the Permit granted, and for each reason that you identify, state:

- a. the condition in the Amended Final Decision and Order dated June
  29, 2010 entered in HP09-001, identified by number;
- b. the facts on which your contention is based; and
- c. the name, current address, and telephone number of each witness

who will testify in support of your contention.

8. In addition to the facts identified in your responses to the preceding interrogatories, identify any other reason why the Public Utilities Commission should not accept Applicant's certification filed September 15, 2014 in HP14-001, and for each reason that you identify, state:

a. the facts on which your contention is based; and

b. the name, current address, and telephone number of each witness who will testify in support of your contention.

## **REQUESTS FOR PRODUCTION OF DOCUMENTS**

1. All documents that you intend to offer as exhibits at the evidentiary hearing in this matter.

2. All documents on which you rely in support of your answer to Interrogatory No. 5.

3. All documents on which you rely in support of your answer to Interrogatory

No. 6.

4. All documents on which you rely in support of your answer to Interrogatory

No. 7.

5. All documents on which you rely in support of your answer to Interrogatory No. 8.

6. All documents relied on by any expert whose testimony you intend to offer at the evidentiary hearing in this matter.

7. All documents that you have sent to or received from any expert whose testimony you intend to offer at the evidentiary hearing in this matter.

8. A current resume for each expert whose testimony you intend to offer at the evidentiary hearing in this matter.

# Dated this 18<sup>th</sup> day of December, 2014.

## WOODS, FULLER, SHULTZ & SMITH P.C.

By /s/ James E. Moore

William Taylor James E. Moore PO Box 5027 300 South Phillips Avenue, Suite 300 Sioux Falls, SD 57117-5027 Phone (605) 336-3890 Fax (605) 339-3357 Email james.moore@woodsfuller.com <u>bill.taylor@woodsfuller.com</u> Attorneys for Applicant TransCanada

# **CERTIFICATE OF SERVICE**

I hereby certify that on the 18<sup>th</sup> day of December, 2014, I sent by e-mail

transmission, a true and correct copy of Keystone's Interrogatories and Requests for

Production of Documents, to the following:

Paul C. Blackburn 4145 20<sup>th</sup> Avenue South Minneapolis, MN 55407 paul@paulblackburn.net

Benjamin D. Gotschell 6505 W. Davey Rd. Raymond, NE 68428 ben@boldnebraska.org Jane Kleeb 1010 N. Denver Ave. Hastings, NE 68901 jane@boldnebraska.org

<u>/s/ James E. Moore</u> One of the attorneys for TransCanada

# ATTACHMENT I

# **BOLD'S FIRST RESPONSE TO THE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS OF TRANSCANADA**

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

)

)

)

)

)

)

)

)

)

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT

## HP 14-001

BOLD NEBRASKA'S FIRST RESPONSE TO THE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS OF TRANSCANADA KEYSTONE PIPELINE, LP

Bold Nebraska ("Bold"), by and through its attorney, hereby submits the following responses and objections to the interrogatories sent to it by TransCanada Keystone Pipeline, LP ("TransCanada"), dated December 18, 2014.

Bold's answers are based on its reasonable inquiries and the information known to it as of the date of these responses. Bold's responses, therefore, are not intended to be, nor shall be deemed to be, a representation that no other facts or contentions other than those specified in the responses do or do not exist. Discovery and other investigation or research concerning this action is continuing. Bold reserves the right, therefore, to amend or supplement its responses upon Bold's investigation and acquisition of information which it did not either possess at this time in accordance with South Dakota Rules of Civil Procedure and the South Dakota Public Utility Commission ("Commission") scheduling order dated December 17, 2014. Bold reserves and does not waive any objection it may have to further discovery or admissibility by responding to these interrogatories. Bold's responses and objections are made within the scope of S.D.C.L. § 15-6-26(e) and shall not be deemed continuing nor be supplemented except as required by that rule.

## **INTERROGATORIES**

**INTERROGATORY NO. 1:** State the name, current address, and telephone number of the person answering these interrogatories.

**ANSWER:** Paul C. Blackburn, Esq., Counsel for Bold Nebraska, P.O. Box 17234, Minneapolis, MN 55417, 612-599-5568.

**INTERROGATORY NO. 2:** State the name, current address, and telephone number of any person, other than your legal counsel, who you talked with about answering these interrogatories, who assisted you in answering these interrogatories, or who provided information that you relied on in answering these interrogatories.

**ANSWER:** Bold objects to this interrogatory because it is overly broad, vague, and burdensome. Specifically, identification of all individuals with whom Bold's staff, volunteers, and supporters may have discussed the interrogatories to any degree, including but not limited to their mere existence, would not lead to the discovery of admissible evidence. It would be burdensome to identify all persons with whom Bold's staff, volunteers, and supporters may have had non-substantive communications about these interrogatories. Without waving these objections, Bold has not discussed its substantive answers to these interrogatories with anyone other than its counsel, which communications are protected by the work product doctrine and/or the attorney-client privilege.

**INTERROGATORY NO. 3:** State the name, current address, and telephone number of each fact witness you intend to call to offer testimony at the evidentiary hearing in this case set for May 2015.

2

**ANSWER:** Bold has not yet determined who it intends to call as a fact witness.

**INTERROGATORY NO. 4:** State the name, current address, and telephone number of each witness whom you intend to call at the evidentiary hearing as an expert witness under SDCL Ch. 1915, and for each expert, state:

a. the subject matter on which the expert is expected to testify;

b. the substance of each opinion to which the expert is expected to testify;

c. the facts supporting each opinion to which the expert is expected to testify;

d. the expert's profession or occupation, educational background, specialized training, and employment history relevant to the expert's proposed testimony;

e. the expert's previous publications within the preceding 10 years; and

f. all other cases in which the witness has testified as an expert at trial or by deposition within the preceding four years.

**ANSWER:** Bold objects to this interrogatory because information responsive to it may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving this objection, Bold states that it has not yet determined which individuals, who would qualify as an expert witness under SDCL Ch. 1915, to call as expert witnesses in the evidentiary hearing.

**INTERROGATORY NO. 5:** Identify by number each condition in Exhibit A to the Amended Final Decision and Order dated June 29, 2010, entered in HP09001, that you contend

Applicant TransCanada Keystone Pipeline, LP, cannot now or in the future meet, and for each condition that you identify, state:

a. the facts on which your contention is based; and

b. the name, current address, and telephone number of each witness who will testify that Applicant is unable to meet the condition.

**ANSWER:** Bold objects to this interrogatory because it is vague and unduly burdensome. Providing a separate list containing each individual fact that Bold intends to present would be unduly burdensome. In addition, the word "fact" is vague and overly broad, making it impossible for Bold to understand how to define a single fact. Further, information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving these objections, Bold will claim that TransCanada cannot now or in the future meet the following conditions in Exhibit A: 1, 2, 34, 35, and 36. Bold reserves the right to supplement or remove conditions from this list. Bold has not yet determined the witnesses it intends to call in this proceeding to provide evidence related to these conditions.

**INTERROGATORY NO. 6:** Identify by number each finding of fact in the Amended Final Decision and Order dated June 29, 2010, entered in HP09001, that you contend is no longer accurate because of a change in facts or circumstances related to the proposed construction and operation of the Keystone XL Pipeline in South Dakota, and for each finding that you identify, state:

a. the facts on which your contention is based; and

4

b. the name, current address, and telephone number of each witness who will testify that the finding of fact is no longer accurate.

**ANSWER:** Bold objects to this interrogatory because it is vague and unduly burdensome. Providing a separate list containing each individual fact that Bold intends to present would be unduly burdensome. In addition, the word "fact" is vague and overly broad, making it impossible for Bold to understand how to define a single fact. Further, information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving these objections, Bold will claim that the following findings of fact in the Amended Final Decision and Order dated June 29, 2010, entered in HP09-001, are no longer accurate: 14 - 20, 22 - 29, 32, 40 - 45, 47, 48 - 53, 65 - 68, 70 - 72, 83, 84, 90, 92, 94, 95, 97 - 100, and 113. Bold reserves the right to supplement or remove findings of fact from this list. Bold has not yet determined the witnesses it intends to call in this proceeding to provide evidence related to these fact paragraphs.

**INTERROGATORY NO. 7:** In addition to the facts identified in your responses to interrogatory numbers 5 and 6, identify any other reasons that you contend Applicant cannot continue to meet the conditions on which the Permit granted, and for each reason that you identify, state:

a. the condition in the Amended Final Decision and Order dated June 29, 2010 entered in HP09001, identified by number;

b. the facts on which your contention is based; and

5

c. the name, current address, and telephone number of each witness who will testify in support of your contention.

**ANSWER:** Bold objects to this interrogatory because it is overly broad, vague, and unduly burdensome. Providing a separate list containing each individual fact that Bold intends to present would be unduly burdensome. In addition, the word "fact" is vague and overly broad, making it impossible for Bold to understand how to define a single fact. Further, information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving these objections, Bold has not yet determined which witnesses to call in this proceeding.

**INTERROGATORY NO. 8:** In addition to the facts identified in your responses to the preceding interrogatories, identify any other reason why the Public Utilities Commission should not accept Applicant's certification filed September 15, 2014 in HP14001, and for each reason that you identify, state:

a. the facts on which your contention is based; and

b. the name, current address, and telephone number of each witness who will testify in support of your contention.

**ANSWER:** Bold objects to this interrogatory because it is overly broad, vague, and unduly burdensome. Providing a separate list containing each individual fact that Bold intends to present would be unduly burdensome. In addition, the word "fact" is vague and overly broad, making it impossible for Bold to understand how to define a single fact. Further, information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving these objections, Bold has not yet determined which witnesses to call in this proceeding.

## **REQUESTS FOR PRODUCTION OF DOCUMENTS**

**<u>REQUEST FOR PRODUCTION NO. 1</u>**: All documents that you intend to offer as exhibits at the evidentiary hearing in this matter.

**ANSWER:** Bold has not yet determined which documents it intends to offer as exhibits.

**<u>REQUEST FOR PRODUCTION NO. 2</u>**: All documents on which you rely in support of your answer to Interrogatory No. 5.

**ANSWER:** See Bold's response to Interrogatory No. 5.

**<u>REQUEST FOR PRODUCTION NO. 3</u>**: All documents on which you rely in support of your answer to Interrogatory No. 6.

**ANSWER:** See Bold's response to Interrogatory No. 6.

**<u>REQUEST FOR PRODUCTION NO. 4</u>**: All documents on which you rely in support of your answer to Interrogatory No. 7.

**ANSWER:** See Bold's response to Interrogatory No. 7.

**<u>REQUEST FOR PRODUCTION NO. 5</u>**: All documents on which you rely in support of your answer to Interrogatory No. 8.

**ANSWER:** See Bold's response to Interrogatory No. 8.

**<u>REQUEST FOR PRODUCTION NO. 6</u>**: All documents relied on by any expert whose testimony you intend to offer at the evidentiary hearing in this matter.

**ANSWER:** Bold objects to this request for production of documents because it: (a) is not limited to a reasonable time period; (b) contains vague, ambiguous, and undefined terms and phrases that are open to a variety of meanings and interpretations; (c) seeks information or material that is a matter of public record and/or equally available to TransCanada; (d) is overly broad, unduly burdensome; and (e) seeks information that is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence. The term "relied on" is undefined and unrestricted to any type of information relied on by an expert to any degree at any time in any matter and as such seeks information that is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence. Further, information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving these objections, Bold has not yet determined which expert witnesses to call in this proceeding and thus is unable to provide any documents relied on by such experts.

**<u>REQUEST FOR PRODUCTION NO. 7:</u>** All documents that you have sent to or received from any expert whose testimony you intend to offer at the evidentiary hearing in this matter.

**ANSWER:** Bold objects to this request for production of documents because it: (a) is not limited to a reasonable time period; (b) contains vague, ambiguous, and undefined terms and phrases that are open to a variety of meanings and interpretations; (c) seeks information or

material that is a matter of public record and/or equally available to TransCanada; (d) is overly broad; and (e) seeks information that is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence. The phrase "All documents that you have sent to or received from any expert" seeks documents sent at any time on any matter regardless of relevance to this proceeding or availability to TransCanada. Further, information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving these objections, Bold has not yet determined which expert witnesses to call in this proceeding and thus is unable to provide any documents either sent to or received from any such experts.

**<u>REQUEST FOR PRODUCTION NO. 8:</u>** A current resume for each expert whose testimony you intend to offer at the evidentiary hearing in this matter.

**ANSWER:** Bold has not yet determined which expert witnesses to call in this proceeding and thus is unable to provide resumes for any experts.

Dated this 6th day of February, 2015.

/s/ Paul C. Blackburn Paul C. Blackburn P.O. Box 17234 Minneapolis, MN 55407 (612) 599-5568 paul@paulblackburn.net Attorney for Bold Nebraska

## **CERTIFICATE OF SERVICE**

I hereby certify that on February 6<sup>th</sup>, 2015, I sent by email a true and correct copy of Bold Nebraska's First Response to the Interrogatories and Requests for Production of Documents of

TransCanada Keystone Pipeline, LP, to the following:

Mr. James E. Moore Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 james.moore@woodsfuller.com

Mr. Bill G. Taylor Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 <u>bill.taylor@woodsfuller.com</u>

> <u>/s/ Paul C. Blackburn</u> Paul C. Blackburn

# ATTACHMENT J

# TRANSCANADA LETTER TO BOLD REGARDING DISCOVERY SCHEDULE



February 12, 2015

William Taylor Bill.Taylor@woodsfuller.com Extension 647

Via e-mail

Paul C. Blackburn BOLD Nebraska paul@paulblackburn.net

Re: In the Matter of the Application by TransCanada Keystone Pipeline, LP HP 14-001

Dear Mr. Blackburn:

We received your discovery responses on February 6. While we appreciate the information that you provided, not all of your responses comply with the South Dakota Rules of Civil Procedure. The rules require a good faith effort to fully answer the questions and provide the documents requested. Given the time available for discovery and the fixed hearing date, we need to know the identity of all lay and expert witnesses you intend to call and need all documents that you intend to introduce at the hearing.

Please fully and completely respond to our discovery requests by the close of business March 10, 2015, the date discovery closes per the Public Utilities Commission order. If you do not make a good faith effort to respond, you can expect that TransCanada will seek protections allowed by the Rules of Civil Procedure, which would include limiting your participation in the hearing.

Yours sincerely,

WOODS, FULLER, SHULTZ & SMITH P.C.

illiam laylor

William Taylor

# ATTACHMENT K

# BOLD SUPPLEMENTAL RESPONSE TO TRANSCANADA'S INITIAL DISCOVERY REQUESTS

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

)

)

)

)

)

)

)

)

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT

## HP 14-001

BOLD NEBRASKA'S FIRST SUPPLEMENTAL RESPONSE TO THE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS OF TRANSCANADA KEYSTONE PIPELINE, LP

Bold Nebraska ("Bold"), by and through its attorney, hereby submits the following supplemental responses to the interrogatories sent to it by TransCanada Keystone Pipeline, LP ("TransCanada"), dated December 18, 2014. Bold's answers are based on its reasonable inquiries and the information known to it as of the date of these responses. Bold's responses, therefore, are not intended to be, nor shall be deemed to be, a representation that no other facts or contentions other than those specified in the responses do or do not exist. Discovery and other investigation or research concerning this action is continuing. Bold reserves the right, therefore, to amend or supplement its responses in accordance with the South Dakota Public Utility Commission ("SDPUC") scheduling order dated December 17, 2014. Bold's responses and objections are made within the scope of SDCL § 15-6-26(e) and shall not be deemed continuing nor be supplemented except as required by that rule.

## INTERROGATORIES

**INTERROGATORY NO. 3:** State the name, current address, and telephone number of each fact witness you intend to call to offer testimony at the evidentiary hearing in this case set for May 2015.

**ANSWER:** Bold does not intend to present any non-expert fact witnesses.

**INTERROGATORY NO. 4:** State the name, current address, and telephone number of each witness whom you intend to call at the evidentiary hearing as an expert witness under SDCL Ch. 1915, and for each expert, state:

a. the subject matter on which the expert is expected to testify;

b. the substance of each opinion to which the expert is expected to testify;

c. the facts supporting each opinion to which the expert is expected to testify;

d. the expert's profession or occupation, educational background, specialized training, and employment history relevant to the expert's proposed testimony;

e. the expert's previous publications within the preceding 10 years; and

f. all other cases in which the witness has testified as an expert at trial or by deposition within the preceding four years.

**ANSWER:** Without waiving its prior objections to this interrogatory, Bold states that it intends call Richard B. Kuprewicz, President, ACCUFACTS INC., 4643 192nd Drive NE, Redmond, WA, 98074, (425) 836-4041, as a witness in the evidentiary hearing set for this case.

Mr. Kuprewicz is expected to testify on: (1) the potential worst case discharge volumes from the proposed Keystone XL Pipeline in critical areas within the State of South Dakota and in critical areas in other states immediately adjacent to boundary waters shared with the State of South Dakota, a spill from which could threaten South Dakota waters; (2) the placement of valves and control equipment to minimize the potential impacts of such worst case discharges; (3) the potential impacts of various types of crude oil on the water resources of the State of South Dakota; and (4) the adequacy and effectiveness of TransCanada's planned on-the-ground capacity to respond to such worst case discharges.

Mr. Kuprewicz has not yet developed his opinions or the facts upon which they are based because his analysis requires full responses to the information requested by Bold's interrogatories 71 to 79, which TransCanada has so far refused to provide.

With regard to Mr. Kuprewicz's background, Bold has attached to this response a copy of Mr. Kuprewicz's resume.

**INTERROGATORY NO. 5:** Identify by number each condition in Exhibit A to the Amended Final Decision and Order dated June 29, 2010, entered in HP09001, that you contend Applicant TransCanada Keystone Pipeline, LP, cannot now or in the future meet, and for each condition that you identify, state:

a. the facts on which your contention is based; and

b. the name, current address, and telephone number of each witness who will testify that Applicant is unable to meet the condition.

**ANSWER:** Without waiving its prior objections to this interrogatory, Bold asserts that TransCanada will not now or in the future comply with conditions 1 and 2 related to TransCanada's duty to comply with the oil spill response requirements of the Oil Pollution Act ("OPA"), 33 U.S.C. § 1321 (2015) and 33 USCS §§ 1251 *et seq.* (2015), and the OPS's implementing regulations at 49 C.F.R. Part 194. The facts on which these contentions will be based require full access to the information requested by Bold's interrogatories 71-79, which TransCanada has so far refused to provide. The witness that Bold intends to call on these matters is Richard Kuprewicz.

**INTERROGATORY NO. 6:** Identify by number each finding of fact in the Amended Final Decision and Order dated June 29, 2010, entered in HP09001, that you contend is no longer accurate because of a change in facts or circumstances related to the proposed construction and operation of the Keystone XL Pipeline in South Dakota, and for each finding that you identify, state:

a. the facts on which your contention is based; and

b. the name, current address, and telephone number of each witness who will testify that the finding of fact is no longer accurate.

**ANSWER:** Without waiving its prior objections to this interrogatory, Bold asserts that TransCanada will not now or in the future comply with the oil spill response requirements of the Oil Pollution Act, 33 U.S.C. § 1321 (2015) and 33 USCS §§ 1251 et seq. (2015), and this act's implementing regulations at 49 C.F.R. Part 194, such that fact paragraphs 98, 99, and 100 are no longer accurate. The facts on which this contention will be based require access to the full information requested by Bold's interrogatories 71-79, which TransCanada has so far refused to provide. The witness that Bold intends to call on these matters is Richard Kuprewicz.

## **REQUESTS FOR PRODUCTION OF DOCUMENTS**

**<u>REQUEST FOR PRODUCTION NO. 1</u>**: All documents that you intend to offer as exhibits at the evidentiary hearing in this matter.

**ANSWER:** Without waiving its prior objections to this request for production of documents, Bold has not yet determined which documents it intends to offer as exhibits. Bold intends to offer analysis by Mr. Kuprewicz, but such analysis depends on his access to the full information requested by Bold's interrogatories 71-79. As Mr. Kuprewicz does not yet have access to the information he requires for this analysis, he is not currently able to perform this analysis such that the exhibits that he would present in the evidentiary hearing are unknown.

**<u>REQUEST FOR PRODUCTION NO. 2:</u>** All documents on which you rely in support of your answer to Interrogatory No. 5.

**ANSWER:** Without waiving its prior objections to this request for production of documents, Bold has not yet determined which documents Mr. Kuprewicz intends to rely on in the evidentiary hearing. Bold intends to offer analysis by Mr. Kuprewicz, but such analysis depends on his access to the full information requested in Bold's interrogatories 71-79. As Mr. Kuprewicz does not yet have access to the information he requires for this analysis, he is not currently able to perform this analysis such that the documents on which his testimony would rely in the evidentiary hearing are unknown.

**<u>REQUEST FOR PRODUCTION NO. 3</u>**: All documents on which you rely in support of your answer to Interrogatory No. 6.

**ANSWER:** See Bold's response to request for production 2.

**<u>REQUEST FOR PRODUCTION NO. 6:</u>** All documents relied on by any expert whose testimony you intend to offer at the evidentiary hearing in this matter.

**ANSWER:** See Bold's response to request for production 2.

**<u>REQUEST FOR PRODUCTION NO. 7:</u>** All documents that you have sent to or received from any expert whose testimony you intend to offer at the evidentiary hearing in this matter.

**ANSWER:** Information responsive to this interrogatory may include attorney thought processes and trial strategies and other information that is protected by the work product doctrine and/or the attorney-client privilege. Without waiving this objection, Bold has not yet received any non-privileged documents from Mr. Kuprewicz.

**<u>REQUEST FOR PRODUCTION NO. 8:</u>** A current resume for each expert whose testimony you intend to offer at the evidentiary hearing in this matter.

**ANSWER:** Without waiving its prior objections to this request for production, Bold has attached a resume for Mr. Kuprewicz to this response.

Dated this 23<sup>rd</sup> day of March, 2015.

/s/ Paul C. Blackburn Paul C. Blackburn P.O. Box 17234 Minneapolis, MN 55407 (612) 599-5568 paul@paulblackburn.net Attorney for Bold Nebraska

## **CERTIFICATE OF SERVICE**

I hereby certify that on March 23<sup>rd</sup>, 2015, I sent by email a true and correct copy of Bold Nebraska's First Response to the Interrogatories and Requests for Production of Documents of

TransCanada Keystone Pipeline, LP, to the following:

Mr. James E. Moore Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 james.moore@woodsfuller.com

Mr. Bill G. Taylor Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 <u>bill.taylor@woodsfuller.com</u>

> <u>/s/ Paul C. Blackburn</u> Paul C. Blackburn

> > 7

# **Richard B. Kuprewicz**

Tel: 425-836-4041 (Office) E-mail: kuprewicz@comcast.net 4643 192<sup>nd</sup> Dr. NE Redmond, WA 98074

<u>Profile:</u>	As president of Accufacts Inc., I specialize in gas and liquid pipeline investigation, auditing, risk management, siting, construction, design, operation, maintenance, training, SCADA, leak detection, management review, emergency response, and regulatory development and compliance. I have consulted for various local, state and federal agencies, NGOs, the public, and pipeline industry members on pipeline regulation, operation and design, with particular emphasis on operation in unusually sensitive areas of high population density or environmental sensitivity.				
Employment:	Accufacts Inc.		1999 – Present	1999 – Present	
	Pipeline regulatory advisor, incident investigator, and expert witness on all matters related to gas and liquid pipeline siting, design, operation, maintenance, risk analysis, and management.				
	Position: Duties:	President > Full business resp > Technical Expert	nsibility		
	<u>Alaska Anvi</u>	l Inc.	1993 – 1999		
	Engineering, procurement, and construction (EPC) oversight for various clients on oil production facilities, refining, and transportation pipeline design/operations in Alaska.				
	Position: Duties:	Process Team Lead > Led process engin > Review process de > Perform hazard ar > HAZOP Team lead > Assure regulatory	eers group signs alysis	management	
	ARCO Transportation Alaska, Inc. 1991 - 1993				
	Oversight of Trans Alaska Pipeline System (TAPS) and other Alaska pipeline assets for Arco, after Exxon Valdez event.				
	Position: Duties:		risor a operations with partial Arco ownership f major Alaska pipeline projects		
	ARCO Transportation Co. 1989 – 1991				
	Responsible for strategic planning, design, government interface, and construction of new gas pipeline projects, as well as gas pipeline acquisition/conversions.				
	Position: Duties:	> New distribution p	nt sion to gas transmission	ncluding FERC	

#### Four Corners Pipeline Co.

#### 1985 - 1989

Managed operations of crude oil and product pipelines/terminals/berths/tank farms operating in western U.S., including regulatory compliance/emergency and spill response, and telecommunications and SCADA organizations supporting operations.

Position: Vice President and Manager of Operations

Duties:

- > Full operational responsibility
- > Major ship berth operations
- > New acquisitions
- > Several thousand miles of common carrier and private pipelines

#### **Arco Product CQC Kiln**

1985

Operations manager of new plant acquisition, including major cogeneration power generation, with full profit center responsibility.

Position:

Duties:

- Plant Manager
- > Team building of new facility that had been failing
- > Plant design modifications and troubleshooting
  - > Setting expense and capital budgets, including key gas supply negotiations
  - > Modification of steam plant, power generation, and environmental controls

#### Arco Products Co.

#### 1981 - 1985

Operated Refined Product Blending, Storage and Handling Tank Farms, as well as Utility and Waste Water Treatment Operations for the third largest refinery on the west coast.

#### Position: Duties:

- **Operations Manager of Process Services**
- > Modernize refinery utilities and storage/blending operations
  - > Develop hydrocarbon product blends, including RFGs
  - > Modification of steam plants, power generation, and environmental controls
  - > Coordinated new major cogeneration installation, 400 MW plus

## Arco Products Co.

## 1977 - 1981

Coordinated short and long-range operational and capital planning, and major expansion for two west coast refineries.

Position: Manager of Refinery Planning and Evaluation Duties:

- > Establish monthly refinery volumetric plans
  - > Develop 5-year refinery long range plans
  - > Perform economic analysis for refinery enhancements
  - > Issue authorization for capital/expense major expenditures

## Arco Products Co.

#### 1973 - 1977

Operating Supervisor and Process Engineer for various major refinery complexes.

Position: **Operations Supervisor/Process Engineer** 

Duties: > FCC Complex Supervisor

- > Hydrocracker Complex Supervisor
- > Process engineer throughout major integrated refinery improving process yield and energy efficiency

## **Qualifications:**

<u>Quaincations.</u>	Currently serving as a member representing the public on the federal Technical Hazardous Liquid Pipeline Safety Standards Committee (THLPSSC), a technical committee established by Congress to advise PHMSA on pipeline safety regulations. Committee members are appointed by the Secretary of Transportation.				
	and maintenance. Served on Executive subcommittee advising Co	-			
	As a representative of the public, advised the Office of Pipeline Safety on proposed new liquid and gas transmission pipeline integrity management rulemaking following the pipeline tragedies in Bellingham, Washington (1999) and Carlsbad, New Mexico (2000).				
	Member of Control Room Management committee assisting PHMSA on development of pipelin safety Control Room Management (CRM) regulations.				
	Certified and experienced HAZOP Team Leader associated with process safety management and application.				
Education:	MBA (1976) BS Chemical Engineering (1973) BS Chemistry (1973)	Pepperdine University, Los Angeles, CA University of California, Davis, CA University of California, Davis, CA			

## Publications in the Public Domain:

- 1. "An Assessment of First Responder Readiness for Pipeline Emergencies in the State of Washington," prepared for the Office of the State Fire Marshall, by Hanson Engineers Inc., Elway Research Inc., and Accufacts Inc., and dated June 26, 2001.
- 2. "Preventing Pipeline Failures," prepared for the State of Washington Joint Legislative Audit and Review Committee ("JLARC"), by Richard B. Kuprewicz, President of Accufacts Inc., dated December 30, 2002.
- 3. "Pipelines National Security and the Public's Right-to-Know," prepared for the Washington City and County Pipeline Safety Consortium, by Richard B. Kuprewicz, dated May 14, 2003.
- 4. "Preventing Pipeline Releases," prepared for the Washington City and County Pipeline Safety Consortium, by Richard B. Kuprewicz, dated July 22, 2003.
- 5. "Pipeline Integrity and Direct Assessment, A Layman's Perspective," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated November 18, 2004.
- "Public Safety and FERC's LNG Spin, What Citizens Aren't Being Told," jointly authored by Richard B. Kuprewicz, President of Accufacts Inc., Clifford A. Goudey, Outreach Coordinator MIT Sea Grant College Program, and Carl M. Weimer, Executive Director Pipeline Safety Trust, dated May 14, 2005.
- 7. "A Simple Perspective on Excess Flow Valve Effectiveness in Gas Distribution System Service Lines," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated July 18, 2005.
- 8. "Observations on the Application of Smart Pigging on Transmission Pipelines," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated September 5, 2005.
- 9. "The Proposed Corrib Onshore System An Independent Analysis," prepared for the Centre for Public Inquiry by Richard B. Kuprewicz, dated October 24, 2005.
- 10. "Observations on Sakhalin II Transmission Pipelines," prepared for The Wild Salmon Center by Richard B. Kuprewicz, dated February 24, 2006.
- 11. "Increasing MAOP on U.S. Gas Transmission Pipelines," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated March 31, 2006. This paper was also published in the June 26 and July 1, 2006 issues of the <u>Oil & Gas Journal</u> and in the December 2006 issue of the <u>UK Global Pipeline Monthly</u> magazines.
- 12. "An Independent Analysis of the Proposed Brunswick Pipeline Routes in Saint John, New Brunswick," prepared for the Friends of Rockwood Park, by Richard B. Kuprewicz, dated September 16, 2006.
- 13. "Commentary on the Risk Analysis for the Proposed Emera Brunswick Pipeline Through Saint John, NB," by Richard B. Kuprewicz, dated October 18, 2006.
- 14. "General Observations On the Myth of a Best International Pipeline Standard," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated March 31, 2007.
- 15. "Observations on Practical Leak Detection for Transmission Pipelines An Experienced Perspective," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated August 30, 2007.
- 16. "Recommended Leak Detection Methods for the Keystone Pipeline in the Vicinity of the Fordville Aquifer," prepared for TransCanada Keystone L.P. by Richard B. Kuprewicz, President of Accufacts Inc., dated September 26, 2007.
- 17. "Increasing MOP on the Proposed Keystone XL 36-Inch Liquid Transmission Pipeline," prepared for the Pipeline Safety Trust by Richard B. Kuprewicz, dated February 6, 2009.
- 18. "Observations on Unified Command Drift River Fact Sheet No 1: Water Usage Options for the current Mt.

Page 4 of 6

Redoubt Volcano threat to the Drift River Oil Terminal," prepared for Cook Inletkeeper by Richard B. Kuprewicz, dated April 3, 2009.

- 19. "Observations on the Keystone XL Oil Pipeline DEIS," prepared for Plains Justice by Richard B. Kuprewicz, dated April 10, 2010.
- 20. "PADD III & PADD II Refinery Options for Canadian Bitumen Oil and the Keystone XL Pipeline," prepared for the Natural Resources Defense Council (NRDC), by Richard B. Kuprewicz, dated June 29, 2010.
- 21. "The State of Natural Gas Pipelines in Fort Worth," prepared for the Fort Worth League of Neighborhoods by Richard B. Kuprewicz, President of Accufacts Inc., and Carl M. Weimer, Executive Director Pipeline Safety Trust, dated October, 2010.
- 22. "Accufacts' Independent Observations on the Chevron No. 2 Crude Oil Pipeline," prepared for the City of Salt Lake, Utah, by Richard B. Kuprewicz, dated January 30, 2011.
- 23. "Accufacts' Independent Analysis of New Proposed School Sites and Risks Associated with a Nearby HVL Pipeline," prepared for the Sylvania, Ohio School District, by Richard B. Kuprewicz, dated February 9, 2011.
- 24. "Accufacts' Report Concerning Issues Related to the 36---inch Natural Gas Pipeline and the Application of Appleview, LLC Premises: 7009 and 7010 River Road, North Bergen, NJ," prepared for the Galaxy Towers Condominium Association Inc., by Richard B. Kuprewicz, dated February 28, 2011.
- 25. "Prepared Testimony of Richard Kuprewicz Evaluating PG&E's Pipeline Safety Enhancement Plan," Submitted on behalf of The Utility Reform Network (TURN), by Richard Kuprewicz, Accufacts Inc., dated January 31, 2012.
- 26. "Evaluation of the Valve Automation Component of PG&E's Safety Enhancement Plan," extracted from full testimony submitted on behalf of The Utility Reform Network (TURN), by Richard Kuprewicz, Accufacts Inc., dated January 31, 2012, Extracted Report issued February 20, 2012.
- 27. "Accufacts' Perspective on Enbridge Filing to NEB for Modifications on Line 9 Reversal Phase I Project," prepared for Equiterre Canada, by Richard Kuprewicz, Accufacts Inc., dated April 23, 2012.
- 28. "Accufacts' Evaluation of Tennessee Gas Pipeline 300 Line Expansion Projects in PA & NJ," Prepared for the Delaware RiverKeeper Network, by Richard B. Kuprewicz, Accufacts Inc., dated June 27, 2012.
- 29. "Impact of an ONEOK NGL Pipeline Release in At---Risk Landslide and/or Sinkhole Karst Areas of Crook County, Wyoming," prepared for land owners, by Richard B. Kuprewicz, Accufacts Inc., and submitted to Crook County Commissioners, dated July 16, 2012.
- 30. "Impact of Processing Dilbit on the Proposed NPDES Permit for the BP Cherry Point Washington Refinery," prepared for the Puget Soundkeeper Alliance, by Richard B. Kuprewicz, Accufacts Inc., dated July 31, 2012.
- 31. "Analysis of SWG's Proposed Accelerated EVPP and P70VSP Replacement Plans, Public Utilities Commission of Nevada Docket Nos. 12---02019 and 12---04005," prepared for the State of Nevada Bureau of Consumer Protection, by Richard B. Kuprewicz, Accufacts Inc., dated August 17, 2012.
- 32. "Accufacts Inc. Most Probable Cause Findings of Three Oil Spills in Nigeria," prepared for Bohler Advocaten, by Richard B. Kuprewicz, Accufacts Inc., dated September 3, 2012.
- 33. "Observations on Proposed 12---inch NGL ONEOK Pipeline Route in Crook County Sensitive or Unstable Land Areas," prepared by Richard B. Kuprewicz, Accufacts Inc., dated September 13, 2012.

Page 5 of 6

- "Findings from Analysis of CEII Confidential Data Supplied to Accufacts Concerning the Millennium Pipeline Company L.L.C. Minisink Compressor Project Application to FERC, Docket No. CP11---515---000," prepared by Richard B. Kuprewicz, Accufacts Inc., for Minisink Residents for Environmental Preservation and Safety (MREPS), dated November 25, 2012.
- 35. "Supplemental Observations from Analysis of CEII Confidential Data Supplied to Accufacts Concerning Tennessee Gas Pipeline's Northeast Upgrade Project," prepared by Richard B. Kuprewicz, Accufacts Inc., for Delaware RiverKeeper Network, dated December 19, 2012.
- 36. "Report on Pipeline Safety for Enbridge's Line 9B Application to NEB," prepared by Richard B. Kuprewicz, Accufacts Inc., for Equiterre, dated August 5, 2013.
- 37. "Accufacts' Evaluation of Oil Spill Joint Investigation Visit Field Reporting Process for the Niger Delta Region of Nigeria," prepared for Amnesty International, September 30, 2013.
- 38. "Accufacts' Expert Report on ExxonMobil Pipeline Company Silvertip Pipeline Rupture of July 1, 2011 into the Yellowstone River at the Laurel Crossing," November 25, 2013.
- 39. "Accufacts Inc. Evaluation of Transco's 42-inch Skillman Loop submissions to FERC concerning the Princeton Ridge, NJ segment," prepared for the Princeton Ridge Coalition, dated June 26, 2014, and submitted to FERC Docket No. CP13-551.
- 40. Accufacts report "DTI Myersville Compressor Station and Dominion Cove Point Project Interlinks," prepared for Earthjustice, dated August 13, 2014, and submitted to FERC Docket No. CP13-113-000.
- 41. "Accufacts Inc. Report on EA Concerning the Princeton Ridge, NJ Segment of Transco's Leidy Southeast Expansion Project," prepared for the Princeton Ridge Coalition, dated September 3, 2014, and submitted to FERC Docket No. CP13-551.
- 42. Accufacts' "Evaluation of Actual Velocity Critical Issues Related to Transco's Leidy Expansion Project," prepared for Delaware Riverkeeper Network, dated September 8, 2014, and submitted to FERC Docket No. CP13-551.
- 43. "Accufacts' Report to Portland Water District on the Portland Montreal Pipeline," with Appendix, prepared for the Portland, ME Water District, dated July 28, 1014.

## STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

)

)

)

)

)

## IN THE MATTER OF THE PETITION OF TRANSCANADA KEYSTONE PIPELINE, LP FOR ORDER ACCEPTING CERTIFICATION OF PERMIT ISSUED IN DOCKET HP09-0001 TO CONSTRUCT THE KEYSTONE XL PIPELINE

Docket 14-001 CERTIFICATE OF SERVICE

I, Paul C. Blackburn, hereby certify that I have this day, served a true and correct copy of the following documents for the above captioned matter to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States Mail at Minneapolis, Minnesota.

## RESPONSE OF BOLD NEBRASKA IN SUPPORT OF THE MOTIONS TO AMEND PROCEDURAL SCHEDULE OF THE ROSEBUD SIOUX TRIBE AND THE STANDING ROCK SIOUX TRIBE

Dated this 30<sup>th</sup> Day of March, 2015

Paul C. Blackburn

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 patty.vangerpen@state.sd.us (605) 773-3201 - voice

Ms. Kristen Edwards Staff Attorney South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 Kristen.edwards@state.sd.us (605) 773-3201 - voice Mr. Brian Rounds Staff Analyst South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 brian.rounds@state.sd.us (605) 773-3201- voice

Mr. Darren Kearney Staff Analyst South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 darren.kearney@state.sd.us (605) 773-3201 - voice Mr. James E. Moore - Representing: TransCanada Keystone Pipeline, LP Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 james.moore@woodsfuller.com (605) 336-3890 - voice (605) 339-3357 - fax

Mr. Bill G. Taylor - Representing: TransCanada Keystone Pipeline, LP Attorney Woods, Fuller, Shultz and Smith P.C. PO Box 5027 Sioux Falls, SD 57117 bill.taylor@woodsfuller.com (605) 336-3890 - voice (605) 339-3357 - fax

Mr. Paul F. Seamans 27893 249th St. Draper, SD 57531 jacknife@goldenwest.net (605) 669-2777 - voice

Mr. John H. Harter 28125 307th Ave. Winner, SD 57580 johnharter11@yahoo.com (605) 842-0934 - voice

Ms. Elizabeth Lone Eagle PO Box 160 Howes, SD 57748 bethcbest@gmail.com (605) 538-4224 - voice Serve both by email and regular mail

Mr. Tony Rogers Rosebud Sioux Tribe - Tribal Utility Commission 153 S. Main St. Mission, SD 57555 tuc@rosebudsiouxtribe-nsn.gov (605) 856-2727 - voice Ms. Viola Waln PO Box 937 Rosebud, SD 57570 walnranch@goldenwest.net (605) 747-2440 - voice

Ms. Jane Kleeb Bold Nebraska 1010 N. Denver Ave. Hastings, NE 68901 jane@boldnebraska.org (402) 705-3622 - voice

Mr. Benjamin D. Gotschall Bold Nebraska 6505 W. Davey Rd. Raymond, NE 68428 ben@boldnebraska.org (402) 783-0377 - voice

Mr. Byron T. Steskal & Ms. Diana L. Steskal 707 E. 2nd St. Stuart NE 68780 prairierose@nntc.net (402) 924-3186 - voice

Ms. Cindy Myers, R.N. PO Box 104 Stuart, NE 68780 csmyers77@hotmail.com (402) 709-2920 - voice

Mr. Arthur R. Tanderup 52343 857th Rd. Neligh, NE 68756 atanderu@gmail.com (402) 278-0942 - voice

Mr. Lewis GrassRope PO Box 61 Lower Brule, SD 57548 wisestar8@msn.com (605) 208-0606 - voice Ms. Carolyn P. Smith 305 N. 3rd St. Plainview, NE 68769 peachie\_1234@yahoo.com (402) 582-4708 - voice

Mr. Robert G. Allpress 46165 Badger Rd. Naper, NE 68755 bobandnan2008@hotmail.com (402) 832-5298 - voice

Mr. Jeff Jensen 14376 Laflin Rd. Newell, SD 57760 jensen@sdplains.com (605) 866-4486 - voice

Mr. Louis T. Genung 902 E. 7th St. Hastings, NE 68901 tg64152@windstream.net (402) 984-7548 - voice

Mr. Peter Capossela, P.C. - Representing: Standing Rock Sioux Tribe Attorney at Law PO Box 10643 Eugene, OR 97440 pcapossela@nu-world.com (541) 505-4883 - voice

Ms. Nancy Hilding 6300 W. Elm Black Hawk, SD 57718 nhilshat@rapidnet.com (605) 787-6779 - voice

Mr. Gary F. Dorr 27853 292nd Winner, SD 57580 gfdorr@gmail.com (605) 828-8391 - voice Mr. Bruce & Ms. RoxAnn Boettcher Boettcher Organics 86061 Edgewater Ave. Bassett, NE 68714 boettcherann@abbnebraska.com (402) 244-5348 - voice

Ms. Wrexie Lainson Bardaglio 9748 Arden Rd. Trumansburg, NY 14886 wrexie.bardaglio@gmail.com (607) 229-8819 - voice

Mr. Cyril Scott President Rosebud Sioux Tribe PO Box 430 Rosebud, SD 57570 cscott@gwtc.net ejantoine@hotmail.com (605) 747-2381 - voice

Mr. Eric Antoine Attorney Rosebud Sioux Tribe PO Box 430 Rosebud, SD 57570 ejantoine@hotmail.com (605)747-2381 - voice

Ms. Paula Antoine Sicangu Oyate Land Office Coordinator Rosebud Sioux Tribe PO Box 658 Rosebud, SD 57570 wopila@gwtc.net paula.antoine@rosebudsiouxtribe-nsn.gov (605) 747-4225 - voice

Mr. Harold C. Frazier Chairman Cheyenne River Sioux Tribe PO Box 590 Eagle Butte, SD 57625 haroldcfrazier@yahoo.com (605) 964-4155 - voice Mr. Cody Jones 21648 US HWY 14/63 Midland, SD 57552 (605) 843-2827 - voice

Ms. Amy Schaffer PO Box 114 Louisville, NE 68037 amyannschaffer@gmail.com (402) 234-2590

Mr. Jerry Jones 22584 US HWY 14 Midland SD 57552 (605) 843-2264

Ms. Debbie J. Trapp 24952 US HWY 14 Midland, SD 57552 mtdt@goldenwest.net

Ms. Gena M. Parkhurst 2825 Minnewasta Place Rapid City, SD 57702 gmp66@hotmail.com (605) 716-5147 - voice

Ms. Joye Braun PO Box 484 Eagle Butte, SD 57625 jmbraun57625@gmail.com (605) 964-3813

Mr. Robert Flying Hawk Chairman Yankton Sioux Tribe PO Box 1153 Wagner, SD 57380 Robertflyinghawk@gmail.com (605) 384-3804 - voice Ms. Thomasina Real Bird - Representing -Yankton Sioux Tribe Attorney Fredericks Peebles & Morgan LLP 1900 Plaza Dr. Louisville, CO 80027 trealbird@ndnlaw.com (303) 673-9600 - voice (303) 673-9155 - fax

Ms. Chastity Jewett 1321 Woodridge Dr. Rapid City, SD 57701 chasjewett@gmail.com (605) 431-3594 - voice

Mr. Duncan Meisel 350.org 20 Jay St. #1010 Brooklyn, NY 11201 duncan@350.org (518) 635-0350 - voice

Ms. Sabrina King Dakota Rural Action 518 Sixth Street, #6 Rapid City, SD 57701 sabrina@dakotarural.org (605) 716-2200 - voice

Mr. Frank James Dakota Rural Action PO Box 549 Brookings, SD 57006 fejames@dakotarural.org (605) 697-5204 - voice (605) 697-6230 - fax

Mr. Bruce Ellison Attorney Dakota Rural Action 518 Sixth St. #6 Rapid City, SD 57701 belli4law@aol.com (605) 716-2200 - voice Mr. Tom BK Goldtooth Indigenous Environmental Network (IEN) PO Box 485 Bemidji, MN 56619 ien@igc.org (218) 760-0442 - voice

Mr. Dallas Goldtooth 38371 Res. HWY 1 Morton, MN 56270 goldtoothdallas@gmail.com (507) 412-7609

Mr. Ronald Fees 17401 Fox Ridge Rd. Opal, SD 57758 (605) 748-2422 - voice

Ms. Bonny Kilmurry 47798 888 Rd. Atkinson, NE 68713 bjkilmurry@gmail.com (402) 925-5538 - voice

Mr. Robert P. Gough Secretary Intertribal Council on Utility Policy PO Box 25 Rosebud, SD 57570 bobgough@intertribalCOUP.org (605) 441-8316 - voice

Mr. Terry & Cheryl Frisch 47591 875th Rd. Atkinson, NE 68713 tcfrisch@q.com (402) 925-2656 - voice

Ms. Tracey Zephier - Representing: Cheyenne River Sioux Tribe Fredericks Peebles & Morgan LLP Ste. 104 910 5th St. Rapid City, SD 57701 tzephier@ndnlaw.com (605) 791-1515 - voice Mr. Robin S. Martinez - Representing: Dakota Rural Action Martinez Madrigal & Machicao, LLC 616 W. 26th St. Kansas City, MO 64108 robin.martinez@martinezlaw.net

Ms. Mary Turgeon Wynne, Esq. Rosebud Sioux Tribe - Tribal Utility Commission 153 S. Main St Mission, SD 57555 tuc@rosebudsiouxtribe-nsn.gov (605) 856-2727 - voice

Mr. Matthew L. Rappold - Representing: Rosebud Sioux Tribe Rappold Law Office 816 Sixth St. PO Box 873 Rapid City, SD 57709 Matt.rappold01@gmail.com (605) 828-1680 - voice

Ms. April D. McCart - Representing: Dakota Rural Action Certified Paralegal Martinez Madrigal & Machicao, LLC 616 W. 26th St. Kansas City, MO 64108 april.mccart@martinezlaw.net (816) 415-9503 - voice

Mr. Paul C. Blackburn - Representing: Bold Nebraska Attorney 4145 20th Ave. South Minneapolis, MN 55407 paul@paulblackburn.net (612) 599-5568 - voice

Ms. Kimberly E. Craven - Representing: Indigenous Environmental Network (IEN) Attorney 3560 Catalpa Way Boulder, CO 80304 kimecraven@gmail.com (303) 494-1974 - voice