

**ATTACHMENT D**

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



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

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

(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.

**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

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.

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**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,



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.

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.

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

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available at <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, 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

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

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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 <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, 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 <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, 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 <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, 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. 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; and the Energy Information Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, are marked as Keystone 0001-0467. Without waiving 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  
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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 <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, 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

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

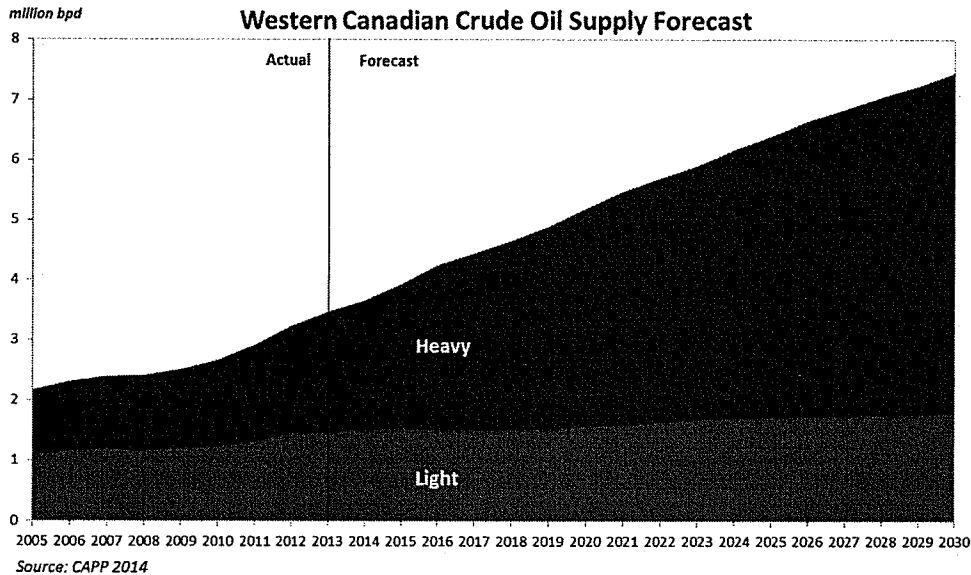
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Agency Annual Energy Outlook 2014. These documents, except for the FSEIS, which is available at <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, are marked as Keystone 0001-0467.

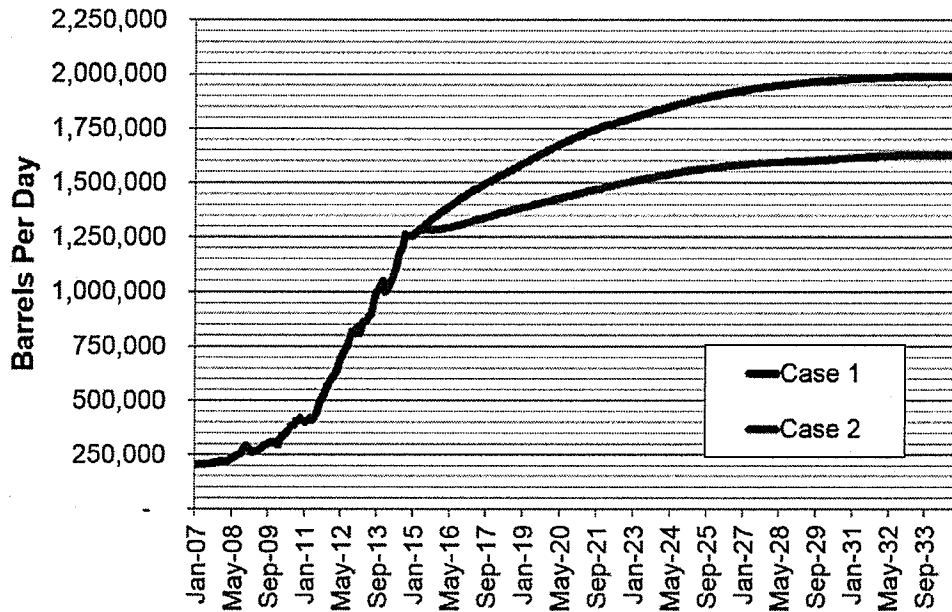
**INTERROGATORY NO. 25:** With regard to Fact Paragraphs 14, 24, 25, and 27, provide forecasts of crude oil production in the WCSB and Williston Basin, describe the source of these forecasts, and state whether or not these forecasts take into account current low oil prices.

**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 <http://keystonepipeline-xl.state.gov/finalseis/index.htm>, are marked as Keystone 0001-0467. Without waiving the objection, the following tables provide demand forecasts.

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### Forecasting Williston Basin Oil Production, BOPD



*Production forecast is for visual demonstration purposes only and should not be considered accurate for any near or long term planning.*



JJ Kringstad - North Dakota Pipeline Authority

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.

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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,

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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.

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**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  
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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 the 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

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;

- 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



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

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

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

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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

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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 {01814925.1}01808649.1}{

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

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 <http://keystonepipeline-xl.state.gov/documents/organization/221231.pdf>.

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.

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

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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.

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.

**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  
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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

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



Case Number: HP 14-001

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

Dated this 5<sup>th</sup> day of February, 2015.

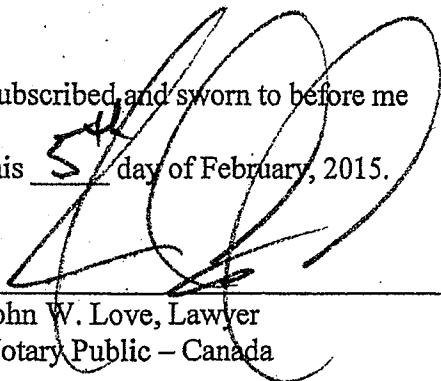
TRANSCANADA KEYSTONE PIPELINE, LP  
by its agent, TC Oil Pipeline Operations, Inc.

By 

Its Director, Authorized Signatory

Subscribed and sworn to before me

this 5<sup>th</sup> day of February, 2015.

  
\_\_\_\_\_  
John W. Love, Lawyer  
Notary Public – Canada

**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.

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.

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

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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>. 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).

**REQUEST FOR PRODUCTION NO. 9:** 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

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, please refer to Department of State SFEIS Appendix I Spill Prevention Control and Countermeasure Plan and Emergency Response Plan.

**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.

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

**REQUEST FOR PRODUCTION NO. 14:** 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.

**REQUEST FOR PRODUCTION NO. 15:** 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.

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.

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.

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Attorneys for Applicant TransCanada

### **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](mailto:paul@paulblackburn.net)



\_\_\_\_\_  
One of the attorneys for TransCanada