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**From:** Semmler, Kara  
**Sent:** Thursday, January 24, 2008 2:43:08 PM  
**To:** PUC Docket Filings  
**Subject:** FW: Proposed pipeline  
**Auto forwarded by a Rule**

Dear Mr. and Mrs. Moller:

Thank you for your concern regarding TransCanada's Keystone Pipeline application filed with the South Dakota Public Utilities Commission. The Commissioners are currently engaged in the decision-making process regarding this application, and consequently, cannot discuss the docket to which you referred in your e-mail. Therefore, your e-mail was forwarded to me to respond to. I work on the TransCanada docket as Commission Staff Attorney.

I assure you the Commission takes its role regarding this docket seriously. It engaged in both a public hearing process and an evidentiary hearing process. The public input hearings held along the pipeline route resulted in more than 20 hours of testimony. The evidentiary hearing also included a public hearing and a week of testimony. Both the public input process and the evidentiary hearing process have come to a close. I expect the Commissioners to render a decision prior to the April 27 deadline, per the timeframe outlined in statute. I assure you that the pipeline location and bonding were topics witnesses testified to at length. The Commissioners have a great deal of testimony and information to study prior to issuing a decision. Filed and audio-recorded testimony is available for your review via the PUC website: [www.puc.sd.gov](http://www.puc.sd.gov). Select Commission Action, Commission Dockets, 2007 Hydrocarbon Pipeline and HP07-001.

As with most things, the answer to your first question regarding the route is not as simple as it may seem. TransCanada outlined the analysis that went into the Keystone pipeline site selection, including consideration of an interstate or highway right-of-way route as you mention and the reasons why such a route was not selected. Another point to be aware of is that according to South Dakota Codified Law 49-41B-36, the Commission cannot dictate a pipeline route. The Commission is restricted to an analysis of whether Keystone followed all federal and state procedures while approving or disapproving the site selection presented in the pipeline company's application.

Your second question deals with bonding. There is no state statute giving the PUC the authority to assess a bond to cover potential damages.

Please let me know if I can provide any further assistance. Thank you again for your e-mail.

Kara Semmler, Staff Attorney  
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-----Original Message-----

**From:** Florence Moller [REDACTED]

**Sent:** Tuesday, January 22, 2008 8:45 AM

**To:** jay.duenwald@state.sd.us; frank.kloucek@state.sd.us; dan.sutton@state.sd.us;  
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**Subject:** Proposed pipeline

1. Why isn't the pipeline run down the existing highway and interstate easements? Ease of access would be much greater and less disruptive of existing rural water pipelines and farm land.
2. Bonding to cover damage from leakage should absolutely be required and preferably between the company and the state of South Dakota.

Chris and Florence Moller  
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