

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION BY)	ORDER FOR AND NOTICE
TRANSCANADA KEYSTONE PIPELINE, LP)	OF PUBLIC HEARING
FOR A PERMIT UNDER THE SOUTH DAKOTA)	
ENERGY CONVERSION AND TRANSMISSION)	HP09-001
FACILITIES ACT TO CONSTRUCT THE)	
KEYSTONE XL PROJECT)	

On March 12, 2009, TransCanada Keystone Pipeline, LP (Keystone) filed a siting permit application for the South Dakota portion of the proposed Keystone XL Project (Project). The Project will transport crude oil starting in Hardisty, Alberta, Canada and ending in Port Arthur and East Houston areas of Texas. The proposed 36 inch diameter pipeline will have a nominal capacity of 900,000 barrels of oil per day. The proposed route will enter South Dakota at the Montana/South Dakota border in Harding County. It will extend in a southeasterly direction through portions of Harding, Butte, Perkins, Meade, Pennington, Haakon, Jones, Lyman, and Tripp counties. It will exit the state at the South Dakota/Nebraska border in Tripp County. The length of pipeline through South Dakota is approximately 313 miles. The Project also includes seven pump stations in South Dakota located in Harding (2), Meade, Haakon, Jones, and Tripp (2) counties along with 16 mainline valves. Mainline valves are proposed at each pump station and along the right-of-way with spacing intervals based upon the location of the pump stations, water bodies greater than 100 feet in width, high consequence areas and other considerations.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-41B and ARSD Chapter 20:10:22.

Pursuant to SDCL 49-41B-15 and 49-41B-16, the Commission will hold a public hearing on Keystone's application on Tuesday, November 3, 2009, from 7:00 – 11:00 p.m. CST in Room 414 of the State Capitol Building, 500 East Capitol Ave., Pierre, SD. The hearing will adjourn at the conclusion of comments from all persons who have arrived before 8:00 p.m.

The purpose of the hearing will be to hear public comment regarding Keystone's application. Interested persons may appear and present their views, comments and questions regarding the application. Pursuant to SDCL 49-41B-15(5), a copy of the application and other case filings are on file in the following counties: Harding, Butte, Perkins, Meade, Pennington, Haakon, Jones, Lyman, and Tripp County. The application is also on file in the Commission's office in the Capitol Building in Pierre, and the application and all other non-confidential documents in the case may be accessed on the Commission's web site at www.puc.sd.gov under "Commission Actions," "Commission Dockets," "2009 Hydrocarbon Pipeline," "HP09-001."

For approval, Keystone must show that the proposed facility will comply with all applicable laws and rules, will not pose a threat of serious injury to the environment nor to the social and economic condition of inhabitants or expected inhabitants in the siting area, will not substantially impair the health, safety or welfare of the inhabitants, and will not unduly interfere with the orderly development of the region with due consideration having been given to the views of governing bodies of affected local units of government. Based upon these factors, the Commission will decide whether the permit should be granted, denied or granted upon such terms, conditions or modifications of the construction, operation or maintenance as the Commission finds appropriate.

It is therefore

ORDERED, that the Commission shall hold a public hearing on Keystone's application on Tuesday, November 3, 2009, from 7:00 – 11:00 p.m. CST in Room 414 of the State Capitol Building, 500 East Capitol Ave., Pierre, SD. The hearing will adjourn at the conclusion of comments from all persons who have arrived before 8:00 p.m.

Pursuant to the Americans with Disabilities Act, these hearings are being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1782 at least 48 hours prior to the hearings if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 15th day of October, 2009.

<p align="center">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.</p> <p>By: <u><i>Delaine Kolbo</i></u></p> <p>Date: <u>10/15/09</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman *dk*

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner