BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE PIPELINE PROJECT	)	**ORDER DENYING MOTION TO WITHDRAW FILINGS, RELEASING DOCUMENTS, REQUESTING NOTICE, GRANTING PARTY STATUS AND ESTABLISHING PUBLIC COMMENT GUIDELINES HP07-001**

On April 27, 2007, TransCanada Keystone Pipeline, LP, (Applicant) filed a siting permit application for the South Dakota portion of the Keystone Pipeline Project (Project). The Project will transport crude oil starting in Hardisty, Alberta, Canada and ending in Patoka, Illinois. The proposed 30 inch diameter pipeline will have a nominal capacity of 435,000 barrels of oil per day (bpd) with a possible expansion to 591,000 bpd. The proposed route will enter South Dakota at the North Dakota/South Dakota border in Marshall County and extend in a southerly direction, exiting the state at the South Dakota/Nebraska border in Yankton County. The length of the pipeline in South Dakota will be approximately 220 miles and it will cross the counties of Marshall, Day, Clark, Beadle, Kingsbury, Miner, Hanson, McCook, Hutchinson and Yankton. The Project also includes four pump stations in South Dakota located in Day, Beadle, Miner and Hutchinson counties along with 15 mainline valves with an average spacing of 15 miles between valves.

On May 24, 2007, the Commission issued its Notice of Application; Order for and Notice of Public Input Hearings; and Notice of Opportunity to Apply for Party Status in this docket. The notice provided that pursuant to SDCL 49-41B-17 and ARSD 20:10:22:40, each municipality, county, and governmental agency in the area where the facility is proposed to be sited; any non-profit organization, formed in whole or in part to promote conservation or natural beauty, to protect the environment, personal health or other biological values, to preserve historical sites, to promote consumer interests, to represent commercial and industrial groups, or to promote the orderly development of the area in which the facility is to be sited; or any interested person, may be granted party status in this proceeding by making written application to the Commission on or before June 26, 2007. On June 5, 2007, Commission Staff requested that the intervention deadline be extended to July 10, 2007, to give interested parties sufficient time to seek intervention. At its regularly scheduled meeting of June 5, 2007, the Commission unanimously voted to extend the intervention deadline to July 10, 2007. On June 6, 2007, Staff filed a Motion for Release of Information Filed Confidential. Numerous persons also filed requests for access to confidential information and Applications for Party Status.

At its ad hoc meeting held on June 12, 2007, the Commission considered a joint motion by Staff and Applicant to remove from Applicant's filing all documents not pertaining to South Dakota in order to make relevant material easier for parties to locate and access, Staff's Motion for Release of Information Filed Confidential, Applications for Party Status received from numerous parties and the noticed agenda item involving procedures to be followed at the June 25-27 public input hearings. The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-41B, specifically 49-41B-2, 49-41B-16 and 49-41B-17 and ARSD 20:10:01:39 through 20:10:01:43. After hearing from the parties who appeared on these issues, the Commission determined (i) that the motion to remove non-South Dakota documents from the record should be denied, (ii) that documents that Applicant stipulated were appropriate for public release should be released, (iii) that Applicant should make a further review of its filing and authorize the release of additional non-confidential information on or before June 15, 2007, (iv) that Applicant should file a letter with the Commission on or before June 15, 2007, advising the Commission if Applicant is unable to re-file redacted

versions of the documents originally filed as confidential by 5:00 p.m. on June 15, 2007, (v) that good cause exists pursuant to ARSD 20:10:01:15.02 to grant party status to those persons who had filed Applications for Party Status prior to the commencement of the meeting and (vi) that certain guidelines should be followed in the taking of public comments at the public input hearings on June 25–27, 2007. It is therefore

ORDERED, that the joint motion of Staff and Applicant to remove all documents filed by Applicant that did not involve South Dakota is denied; it is further

ORDERED, that all documents identified as non-confidential by Applicant in its June 12, 2007, letter to the Commission are determined to be non-confidential and shall be made available for public access; it is further

ORDERED, that Applicant advise the Commission by letter on or before 5:00 p.m. on Friday, June 15, 2007, if Applicant is unable to re-file redacted versions of documents originally filed as confidential by 5:00 p.m. on June 15, 2007; it is further

ORDERED, that party status be granted to all persons that have requested party status prior to commencement of the meeting, including Feller, Liberty, Burger and Burger, but not including Merrill Walters which was received following the beginning of the meeting; and it is further

ORDERED, that the following guidelines will be followed in taking comments at the four public input hearings to be held June 25–27:

- Commenters with brief comments of five minutes or less will be allowed to present their comments first.
- Commenters shall refrain from reading printed articles or other written materials, but shall instead present such articles or written materials for inclusion in the record.
- The same commenters will not be permitted to repeat the same comments at successive hearings to preserve time for others to present their views to the Commission.
- Landowners will be given preference in presenting comments.
- TransCanada will limit its introductory presentation to approximately 45 minutes and in no case more than one hour.

Dated at Pierre, South Dakota, this 26th day of July, 2007.

CERTIFICATE OF SERVICE

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.

By: Delaine Kolbo

Date: 7/26/07

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson

DUSTIN M. JOHNSON, Chairman

Gary Hanson

GARY HANSON, Commissioner

Steve Kolbeck

STEVE KOLBECK, Commissioner