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 GRANTING PARTY STATUS** **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 unanimously voted (i) to deny the joint motion of Staff and Applicant to remove all documents filed by Applicant that did not involve South Dakota; (ii) 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; (iii) 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; (iv) to grant party status to all persons that have requested party status prior to the commencement of the

meeting; and (v) that certain guidelines be followed in taking comments at the four public input hearings to be held June 25–27, 2007.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-41B, specifically 49-41B-1, 49-41B-2, 49-41B-2.1, 49-41B-4, 49-41B-11, 49-41B-12, 49-41B-13, 49-41B-15, 49-41B-16, 49-41B-17, 49-41B-17.1, 49-41B-21, 49-41B-22, 49-41B-26, 49-41B-33, 49-41B-38, and ARSD Chapter 20:10:22.

At its regularly scheduled meeting of July 11, 2007, the Commission considered the Applications for Party Status received from numerous parties after the commencement of the meeting of June 12, 2007, through the intervention deadline of July 10, 2007. The Commission finds, pursuant to ARSD 20:10:01:15.05 that good cause exists to allow intervention and further finds that the Applications for Party Status received after the commencement of the meeting on June 12, 2007, through the intervention deadline of July 10, 2007, shall be granted. It is therefore

ORDERED, that party status be granted to all persons that have requested party status after the commencement of the meeting on June 12, 2007, through the intervention deadline of July 10, 2007.

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 dk

Gary Hanson

GARY HANSON, Commissioner

Steve Kolbeck

STEVE KOLBECK, Commissioner