RSTEXHIBIT

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

HP 14-001

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 XL
PROJECT,

DIRECT TESTIMONY OF MEERA KOTHARI, P.ENG.

Pursuant to the Commission's Order Granting Motion to Define Issues and Setting

Procedural Schedule, Petitioner TransCanada Keystone Pipeline, LP, offers the following direct testimony of Meera Kothari.

1. Please state your name and address for the record.

Answer: My name is Meera Kothari. My business address is 700 Louisiana Street, Houston, Texas 77002.

Please state your position with Keystone and provide a description of your areas of responsibility with respect to the Keystone XL Project.

Answer: I am currently Manager, U.S. Business Development, Liquids Pipelines, for TransCanada, as well as Manager, Technical Services Pipeline Engineering for Keystone Oil Projects. I have oversight responsibility for design and engineering for the Keystone XL Pipeline Project.

 Please state your professional qualifications and experience with pipeline operations.

Answer: My professional background is stated in my resume, a copy of which is attached as Exhibit A. In general, I am a Professional Engineer, with a degree in mechanical and manufacturing engineering. Beginning in October, 2005, I served as the Lead Project Engineer for the Keystone Pipeline Project. I was the Project Manager for the Cushing Extension Pipeline Project from April 2010 to January 2011. I was the Reclamation Project Manager for the Cushing Extension Pipeline from January 2011 to November 2011. I have testified before the Commission in the permit proceedings concerning the Keystone Pipeline in Docket HP07-001 and concerning the Keystone XL Pipeline in Docket HP 09-001.

4. Are you responsible for portions of the Tracking Table of Changes attached as Appendix C to Keystone's certification petition?

Answer: Yes. I am individually or jointly responsible for the information provided with respect to Finding Numbers 60, 61, 62, 63, 68, 83, 90, and 107. In general, I can testify to design and construction of the Keystone XL Pipeline and PHMSA compliance.

5. Please summarize the updated information regarding Finding No. 60.

Answer: Since the Amended Final Order dated June 29, 2010, Keystone withdrew its request to PHMSA for a special permit ("Special Permit") on August 5, 2010. The decision was explained in a media advisory issued on August 5, 2010, a copy of which is attached as Exhibit B. As a result of the withdrawal, Keystone will implement 59 additional safety measures as set forth in Appendix Z to the Department of State Final Supplemental Environmental Impact

Statement. These measures provide an enhanced level of safety equivalent to or greater than those that would have applied under the previously requested Special Permit.

6. Please summarize the updated information regarding Finding No. 61.

Answer: This finding is no longer relevant as Keystone has withdrawn its request for a Special Permit.

7. Please summarize the updated information regarding Finding No. 62.

Answer: This finding is no longer relevant as Keystone has withdrawn its request for a Special Permit.

8. Please summarize the updated information regarding Finding No. 63.

Answer: As a result of withdrawing the Special Permit application, Keystone will build the Keystone XL Pipeline using the as-proposed high strength steel, API 5L grade X70M steel with a nominal wall thickness of 0.465 inches, but will operate the pipeline at a lower pressure of 1,307 psig to comply with internal pressure design requirements in accordance with federal code of regulation title 49 CFR 195.106. For location specific low elevation segments close to the discharge of pump stations, the maximum operating pressure will be 1,600 psig. Pipe associated with these segments of 1,600 psig MOP will have a design factor of 0.72 and a nominal pipe wall thickness of 0.572 inches (X-70M).

9. Please summarize the updated information regarding Finding No. 68.

Answer: This Finding was updated because TransCanada has four more years of experience in the use of FBE coated pipe. On one occasion when TransCanada excavated pipe to validate FBE coating performance, there was one instance in which an adjacent foreign utility interfered with the cathodic protection system in a shared utility corridor. The situation was [01867097.1]

remedied, and no similar situation could exist in South Dakota because there are no shared utility corridors.

10. Please summarize the updated information regarding Finding No. 83.

Answer: Keystone will use Horizontal Directional Drilling ("HDD") for the Bridger Creek and Bad River crossings, in addition to the Little Missouri, Cheyenne, and White River crossings. Attachment B to Keystone's Tracking Table of Changes contains the preliminary site-specific crossing plans for the HDD crossings of the Bad River and Bridger Creek.

11. Please summarize the updated information regarding Finding No. 90.

Answer: The updated information for this finding is based on the withdrawal of the Special Permit application. Keystone will comply with the 59 additional conditions as set forth in the FSEIS, Appendix Z, which provide an enhanced level of safety equivalent to or greater than those that would have applied under the Special Permit.

12. Please summarize the updated information regarding Finding No. 107.

Answer: To the extent that Finding No. 107 included reference to the Special Permit, Keystone has withdrawn its application, but will comply with the 59 additional conditions as set forth in the FSEIS, Appendix Z.

13. Are you aware of any reason that Keystone cannot continue to meet the conditions on which the Permit was granted by the Commission?

Answer: No. I have reviewed the conditions contained in the Amended Final Decision and Order dated June 29, 2010. The changes discussed in Finding Nos. 60, 61, 62, 63, 68, 83, 90, and 107 do not affect Keystone's ability to meet the conditions on which the Permit was granted.

{01867097.1}

Case Number: HP 14-001 Direct Testimony of Meera Kothari, P.Eng.

14.	Does this	conclude	your prepared	direct	testimony.
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Answer: Yes.

Dated this ___ day of April, 2015.