

RECEIVED

OCT 30 2007

TO: South Dakota Public Utilities Commission

FROM: Delwin Hofer

40916 – 192 Street, Carpenter, SD 57322

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

RE: Testimony in the Matter of Application by TransCanada Keystone Crude Oil
Pipeline – HP07-001

A TransCanada land agent called me in the middle of May and asked if he could come out and have me sign an easement for the pipeline to cross my land. He said all my neighbors had signed. I asked if TransCanada had all the permits for the pipeline, he said they had all the permits and everything was ready to go. I knew he was not telling the truth since they had not got the South Dakota PUC permit to construct. We had a few words and I hung up on him. This is not negotiating for a right-of-way easement, this is trying to push it on us. This contact indicated to me that TransCanada had very poor landowner relationship.

Later I received the easement in the mail. I took it along to the PUC hearing in Clark on June 26th, and gave it back to TransCanada and told them I could not sign an easement like this. I told them when they get all the permits to construct the pipeline to contact me and we would go meet in my lawyer's office and draw up an easement I could sign and live with. They agreed.

Since then we have had 2 calls from Paul Klust wanting us to sign the easement again. He said he would mail it to us. About 3 weeks later we received it in the mail and we have turned it over to our lawyer.

At the place we were to sign on the signature page of the easement, TransCanada has Delwin Hofer, husband, and Pamela Hofer, husband. If TransCanada can't see a mistake like this how are they going to take care of a large high pressure oil pipeline?

The route of the proposed pipeline runs at an angle across my property and could make it impossible to farm. This quarter of land is the most productive land I own. There is only one way to get to access the land to farm it. During the time of construction will I have

access to the west side of my field? The land will never be as productive in the area of the pipeline as the temperature would be 80 degrees.

At the PUC hearing at Clark, Buster Grey said that the pipe will be bent hydraulically to fit the land. I am a farmer, I work with iron. When you bend pipe it has to stretch. That weakens the pipe no matter how heavy the pipe is. At the meeting Buster Grey said 'the pipe would have a protective coating during bending'. This protective coating will also be damaged, and shorten the life time of the pipe and cause leaks. The soil in the area of the pipeline is heavy and stays wet. It is very corrosive. Being close to pumping station 21 it is very likely there would be greater possibility of leaks and contamination of the land as a result of operation failures at the pump and changes in pressure.

My land drains toward the creek that serves as the water supply for our cattle. This creek flows into Shue Creek and on to the James River. Oil leaks at the location of our land would contaminate the water supply for our cattle, and pollute the creek and river.

I am a conservationist. I have served on the County Conservation Board for years, and have encouraged no till farming, planting trees and preserving wetlands. As a farmer I cannot destroy or drain wetlands, nor take trees out of wetlands. TransCanada's plan for the pipeline seems to go against these conservation practices and rules that we have worked for many years. According to the plans for the pipeline, TransCanada will go through wetlands and over aquifers, take out trees and destroy native grasses. Don't trees, aquifers, and wetlands have any value at all?

On the map filed with TransCanada's application to the PUC entitled "Land Use Type – Map 29-46", our land is marked as 'pastureland or rangeland, which includes lands that were plowed or sometime in the past and replanted to pasture grass and wetlands'. This is not true. Their description of kinds of land is not even correct as in their 3 miles of graph. By their description are they trying to tell us there will be a strip of grass planted through our tilled field when they are finished?

What standards are TransCanada going to follow in building and operating a high pressure oil pipeline? They have already been granted a waiver to use thinner pipe that lowers the safety standards of the pipeline. If the PUC approves this pipeline will the PUC take responsibility to protect the public and the land from leaks and pipe failures? Is the PUC going to inspect the pipeline during construction to make sure the contractors follow all legal requirements and all material and construction specifications for a high pressure oil line? At the meeting in Carpenter I asked what liabilities does TransCanada have? Jeff Rauh said he didn't know but would get back to me – he never did.

I have attended 7 meetings concerning the TransCanada pipeline. I have taken time off my work, and I don't get paid. The pressure of the whole thing dealing with the easement and the possibility of eminent domain, and with the concerns for the land and my farming operation and family, and dealing with the pressure of untruths and misleading information from TransCanada causes me a lot of anxiety. The fact that I have had heart problems in the past and a four bypass surgery this stress does not help me any.

I do not think it is legal for a private company of a foreign country to use eminent domain on us. TransCanada shows no respect for property owners and people, and no respect for land, water, and wildlife. My property is in the hands of the Public Utilities commission. I ask you to deny TransCanada from pushing this project on us. Take care of the farmers in South Dakota and not a big company from a foreign country who will destroy and ruin land.

Signed: Delewin Hoper
Date: 10-29-07

Before me Fawn Glanzer the above named person signed this document on 10-29-07.

My commission expires 4-27-2009

Fawn Glanzer
Notary Public