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SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

October 30, 2007

Public Utilities Commission  
Capitol Building, 1<sup>st</sup> Floor  
500 East Capitol Avenue  
Pierre, SD 57501-5070

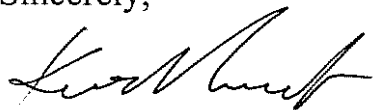
Re: Intervener Testimony for  
Kent Moeckly  
Merl Moeckly Co  
MMP, INC.

Dear Commissioners:

Please find enclosed one original and one copy of my testimony for the  
TransCanada/Keystone pipeline matter.

Thank you.

Sincerely,



Kent Moeckly  
Box 903  
Britton, SD 57430

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Re: Intervener Testimony for  
Kent Moeckly  
Merl Moeckly Co  
MMP, INC.

Dear Commissioners:

My name is Kent Moeckly. My address is Box 903, Britton, SD 57430. My telephone number is 605-448-2577. I am an officer in the Merl Moeckly Co. and MMP, INC. This testimony is for the formal hearing regarding the TransCanada/Keystone pipeline application.

I am against the granting of a permit to cross this state with a crude oil pipeline. South Dakota has much more to lose in this matter than it stands to gain. The landowners of this state stand to lose incredibly more than they could ever gain. The federal government calls this crude oil pipeline a hazardous liquid pipeline. The federal government has allowed this company to reduce the thickness of the walls of this hazardous liquid pipeline, and to increase the internal pressure of this hazardous liquid pipeline from over 1400 psi to over 1700 psi.

Onlookers are struck by the indifference of our federal and state officials, who instead of coming to the defense of our landowners, threatened by this foreign company, have turned a blind eye and deaf ear to the draconian tactics of this company, against the taxpaying citizens of this state.

Something is so terribly wrong with this whole process and yet it charges forward like a runaway locomotive. South Dakotans historically are reasonable, methodical people, not easily swayed and misled by the smoke and mirrors of snake oil salesmen and the like. Yet we have this project which is being pushed

through our beautiful state with little or no questions by those who are charged with the responsibility to protect this state and the people who live here.

TransCanada has lied to the people of South Dakota by saying the chances of a crude oil leak are insignificant, when the statistics of our own federal government and of a leading Canadian pipeline company are just the opposite. TransCanada's agents have lied to landowners while attempting to obtain signatures on their easements. TransCanada has failed to negotiate with landowners and then sued them in state court under the eminent domain statutes. While all of this is going on, our state officials are looking the other way, instead of challenging TransCanada on their questionable tactics.

The proposed path of this dangerous pipeline is directly through our farm. My family, my friends and I are completely in harms way. It is a tremendous threat to our health, safety and welfare. When this pipeline breaks and leaks crude oil into our environment, all ground water is vulnerable to contamination and destruction. Once our ground water is compromised by this toxic material, our very existence is threatened. TransCanada is perfectly content to have us take this risk. The citizens of this state should never accept such a risk. Not even an energy crisis should force us to accept such a risk. This is a high stakes game and we can not afford to risk our resources, such as our water supplies, among others, to a bunch of money crazed global vagabonds who are pandering to our masses, by offering us a supply of fossil fuel, which is old hazardous technology, and which amounts to a continuation of the business-as-usual mentality of the oil industry.

This pipeline will interfere with the orderly development of this region by its very existence. It will influence and interfere with wind generation projects, which have long been considered by my family for this property. Wind generation is cleaner, safer and environmentally compatible with the land, as opposed to fossil fuel generation, which is a threat to the land and a disaster to the earth's environment.

The easiest part of the valuation issue is to determine the land's value in relation to recent land sales in the locale. TransCanada is avoiding the difficult part of the valuation issue which involves the perpetual risk TransCanada wants the landowner to assume, and the literal loss of productivity on the strip of ground crossed by the pipeline, and the inevitable decrease in land value due to the presence of the pipeline on the property. TransCanada is also avoiding the loss of value due to the land being less desirable to farm because of the threat of crossing

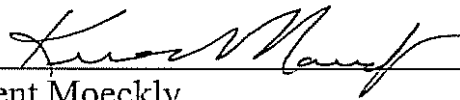
the pipeline and damaging the pipeline with large/heavy agricultural equipment. TransCanada would like to sneak through this state and make huge profits with the transmission of dangerous crude oil, without shouldering up to their responsibility to the landowners, who are an integral part of their plan.

You owe nothing to TransCanada. You owe everything to the people of this state, to the landowners of this state and to the sanctity of this pristine state. Should you decide to choose TransCanada's interests over the interests of the people of South Dakota, you must place the following terms and conditions on any permit issued:

1. A trust account must be funded by TransCanada, which can be used by any damaged landowners, to clean up all oil spills from TransCanada's pipeline.
2. TransCanada must in writing assume all liability and responsibility for any damages caused by the pipeline, to the landowners and any third parties involved in the damages.
3. TransCanada must either bury the pipeline line deeper than 4 feet or accept full responsibility for any farm equipment damage to the pipeline, except for willful and wanton misconduct.
4. TransCanada must, by an officer of the company, personally sign a document with each landowner expressing their commitment to the agreement.
5. TransCanada must pay each landowner an annual stipend to compensate them for the perpetual risk assumed by them.
6. TransCanada must pay the state of South Dakota a fee per barrel of oil transported through the state each year. (Contrasted with the Governor's plan of meagerly accepting six to eight million dollars in property tax revenues which will undoubtedly diminish as time goes on giving the oil company another free ride through our state while landowners continue to be taxed beyond belief.)
7. TransCanada must agree in writing to obligate any party who purchases or takes control of this pipeline from TransCanada, and further obligates any subsequent parties thereafter.

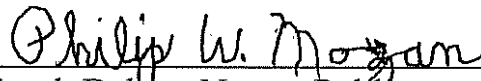
8. TransCanada must agree to the continuing compensation of all landowners for the decreased productivity of the land crossed.

Anything short of the requirement and inclusion of the above conditions, plus any more you may order of this Canadian company, would amount to a fraud on the people of this state. Your authority and responsibility requires you to protect South Dakota and its citizens. Crude oil pipelines break and damage property. TransCanada's pipeline will break and damage property. We will all look to whom was in power when permits were granted, and whether safeguards were in place to protect our citizens and environment. The populace of this state will not go lightly on anyone deemed irresponsible in this matter. You as commissioners have the power and the obligation to protect our landowners, our water supplies and our environment. Anything less is unacceptable. Our destiny is in your hands. Do not take part in the beginning of the demise of this great state.



Kent Moeckly  
Intervener

Subscribed and sworn to before me this 30<sup>th</sup> day of October, 2007.



South Dakota Notary Public  
My Commission Expires: 8-11-11

