



December 21, 2021

James E. Moore
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Extension 613

VIA E-MAIL

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Avenue
Pierre, SD 57501

patty.vangerpen@state.sd.us

Re: TransCanada Keystone Pipeline Quarterly Report, Docket HP09-001

Dear Ms. Van Gerpen:

I attach for filing KXL Pipeline Project South Dakota Public Utilities Commission Final Report for Period Ending December 21, 2021.

Yours very truly,

WOODS, FULLER, SHULTZ & SMITH P.C.

A handwritten signature in blue ink that reads 'James E. Moore'.

James E. Moore

Attachments



KEYSTONE XL PIPELINE PROJECT

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION FINAL REPORT

For the Period Ending: **December 21, 2021**

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1.0 EXECUTIVE SUMMARY

This narrative discussion addresses events and activities that have occurred since the last quarterly report was filed.

On June 9, 2021, TC Energy terminated the KXL Pipeline Project. TC Energy has ceased conducting pre-construction activities including pursuing remaining outstanding permits; and acquiring necessary land rights; procuring pipe, materials, equipment, and other long lead-time items; and inspecting and refurbishing workforce camp modules, and associated materials and equipment that was previously purchased. TC Energy is maintaining environmental protections as required by permits and best management practices. Development of the Emergency Response Plan and the Integrity Management Plan has ended. All field offices are closed. KXL officials, as well as the Liaison, are available by phone to address landowner and other stakeholder questions and concerns. TC Energy has now disposed of almost all of its project-related assets in South Dakota as described in this report.

2.0 WORKFORCE CAMPS

The Opal camp had grading work and some primary electrical work installed, but was never occupied. The Phillip camp was open for workers, but has been closed. Keystone has returned those two sites to the landowners and transferred the storm water prevention plan permits to the landowners, who took the sites as is.

3.0 PUMP STATIONS

Before the project was terminated, construction was underway at PS 18 Haakon in Haakon County, PS 19 Murdo in Jones County, and PS 20 Winner in Tripp County. The pump stations were approximately 80% complete. Keystone has sold these pump stations to a salvage company who is taking the properties in fee simple and will salvage the physical assets on the property. The salvage company opened new environmental permits in its name for these sites, and the environmental permits associated with the project have been terminated. The other four pump stations in South Dakota did not have any ground disturbance or construction.

4.0 PIPE AND CONTRACTOR YARDS

Keystone has sold the pipe that has been stored in Pipe yard 15 in Haakon County to a buyer. Keystone extended the lease at Pipe yard 15 for another year, to allow additional time for the buyer to remove the

pipe, and Keystone has extended its lease at the Philip rail siding in Jackson County, South Dakota for another year, to allow the buyer to use the facility to transport the pipe at the appropriate time.

Environmental permits at both sites still remain in Keystone's name. None of the other pipe yards in South Dakota are storing pipe. The only construction done at the vacant pipe yards was grading, and those pipe yards have been returned to each landowner.

The Hayes contractor yard had ground disturbance only. That site has been returned to the landowner and the environmental permits associated with it have been terminated. No other contractor yards had any construction activity, and they have all been returned to the landowners.

5.0 ROADS

Keystone had negotiated haul road agreements with counties and townships containing roads Keystone intended to use for the project, Keystone has terminated each of the agreements.

6.0 COMPLIANCE WITH PERMIT CONDITIONS

Because the project has been terminated, this report does not include Appendix A, which had been attached to previous quarterly reports and which addressed the status of implementation of the conditions imposed in the Commission's Amended Final Decision and Order dated June 29, 2010. Keystone will comply with Condition 16 requiring reclamation of areas disturbed by construction and Condition 45 requiring repair or replacement of property removed or damaged during construction