BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION

BY TRANSCANADA KEYSTONE DOCKET NUMBER HP09-001

PIPELINE, LP FOR A PERMIT UNDER

THE SOUTH DAKOTA ENERGY

CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE

KEYSTONE XL PROJECT

REBUTTAL TESTIMONY OF MEERA KOTHARI

1. State your name and occupation.

Answer: My name is Meera Kothari. I am a project engineer with Keystone and serve as technical advisor with the Keystone XL Pipeline Project.

2. Did you provide direct testimony in this proceeding?

Answer:

Yes.

3. To whose testimony are you responding?

Answer:

I am responding to the direct testimony of William Mampre.

4. On page 4 of his testimony, Mampre states that the "reduction in the design factor [from 72% to 80%] reduces the safety margins built into the design during upset conditions in the pipeline," and refers to "the reduced safety factor (80% vs 72%)." What is your response?

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Answer: A design factor of 0.8 instead of 0.72 does not reduce the safety

margin built into the design during an upset condition in the pipeline. Keystone requires

that the pipeline be hydrostatically tested to a minimum of 125% maximum operating

pressure and 100% of its specific minimum yield strength to a maximum of 110% SMYS.

In granting a permit for the Keystone Pipeline to use a 0.8 design factor, PHMSA made a

finding that the special permit is not inconsistent with pipeline safety and that the permit

will provide a level of safety equal to or greater than that which would be provided if the

pipeline were operated under the otherwise applicable regulations.

5. Does this conclude your rebuttal testimony?

Answer:

Yes.

Dated this 16 day of October, 2009.

Meera Kothari

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