

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION BY)	
TRANSCANADA KEYSTONE PIPELINE, LP)	
FOR A PERMIT UNDER THE SOUTH DAKOTA)	SCHEDULING AND
ENERGY CONVERSION AND TRANSMISSION)	PROCEDURAL ORDER
FACILITIES ACT TO CONSTRUCT THE)	
KEYSTONE PIPELINE PROJECT)	HP07-001

On April 27, 2007, TransCanada Keystone Pipeline, LP, (Applicant) filed a siting permit application for the South Dakota portion of the Keystone Pipeline Project (Project). The Project will transport crude oil starting in Hardisty, Alberta, Canada and ending in Patoka, Illinois. The proposed 30 inch diameter pipeline will have a nominal capacity of 435,000 barrels of oil per day (bpd) with a possible expansion to 591,000 bpd. The proposed route will enter South Dakota at the North Dakota/South Dakota border in Marshall County and extend in a southerly direction, exiting the state at the South Dakota/Nebraska border in Yankton County. The length of the pipeline in South Dakota will be approximately 220 miles and it will cross the counties of Marshall, Day, Clark, Beadle, Kingsbury, Miner, Hanson, McCook, Hutchinson and Yankton. The Project also includes four pump stations in South Dakota located in Day, Beadle, Miner and Hutchinson counties along with 15 mainline valves with an average spacing of 15 miles between valves.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-41B, specifically 49-41B-2, 49-41B-16 and 49-41B-17 and ARSD 20:10:01:39 through 20:10:01:43.

At its regularly scheduled meeting of August 7, 2007, the Commission considered whether to require parties who intend to present evidence in the case to file pre-filed testimony and whether to issue a scheduling order. The Commission heard comments and argument from Applicant, certain intervenors who appeared and Staff. The Commission decided to require parties who intend to present evidence in the case to file pre-filed testimony and to issue a scheduling order based upon hearing dates of December 3-14, 2007, with Commission Counsel to hold a scheduling conference among those parties who had appeared and commented on the schedule in an effort to reach agreement on the schedule for testimony. Following the Commission's August 7 meeting, on August 8, 2007, the North Dakota Public Service Commission issued a Notice of Hearing Continuation on Keystone for additional hearings to be held on September 5-6, 2007, and on August 10, 2007, the United States Department of State issued the Draft Environmental Impact Statement and Keystone Pipeline Public Comment Meeting Schedule scheduling public comment meetings throughout the Project area from September 4-20, 2007. On September 4, 2007, Commission Counsel filed a draft Scheduling and Procedural Order. Following e-mail notice to the parties who had participated in scheduling discussions at the August 7, 2007 Commission meeting, on September 10, 2007, a scheduling conference was held telephonically among the participating parties. The participating parties agreed to the following schedule for filing of pre-filed testimony. At its regularly scheduled meeting on September 11, 2007, the Commission considered the matter of how to proceed regarding a scheduling and procedural order. The Commission voted unanimously to approve the schedule agreed to by the participating parties and to provide for electronic service by and upon persons having the capability to send and receive electronic service, with parties having the right to request paper service of specific documents having particular characteristics or for other good cause.

It is therefore:

ORDERED that parties who intend to present evidence in this case must pre-file their testimony and supporting exhibits in writing with the Commission in accordance with the following procedural schedule.

ORDERED that the parties shall comply with the following procedural schedule except as the Commission shall otherwise order:

September 21, 2007	Applicant's Direct Testimony filed and served
October 31, 2007	Intervenors' and Staff's Direct Testimony filed and served
November 14, 2007	Applicant's Rebuttal Testimony filed and served
November 28, 2007	Intervenors' and Staff's Surrebuttal Testimony filed and served
December 3-14, 2007	Evidentiary hearing, Rm. 412, State Capitol Bldg., Pierre, SD – 9:30 a.m. on Dec. 3 and Dec. 10; following Commission meeting on December 4; and 8:30 a.m. all other days
December 6, 2007	Public Input Hearing, Rm. 412 State Capitol Bldg., Pierre, SD – 7:00 p.m. – 11:00 p.m.

If a party believes they will be unable to meet these deadlines due to circumstances beyond their control, they may move the Commission for relief from the deadline which the Commission will grant only if the Commission finds good cause has been demonstrated for the extension.

ORDERED that filing of testimony, exhibits, motions, other pleadings and other documents shall be through the Commission's E-Filing system to the extent possible.

ORDERED that all parties shall serve their testimony, exhibits, motions and other pleadings and filings with the Commission upon all persons listed on the E-Service and Mail Service Lists on the Commission's web page for Docket HP07-001, a copy of which shall be served upon all parties in conjunction with the service of this order. Service shall be made electronically via e-mail and e-mail attachment(s) by persons on the E-Service List upon all other persons on the E-Service List. Service shall be by first class mail upon persons on the Mail Service List and by persons on the Mail Service List upon all persons on both the E-Service List and the Mail Service List. Any person who is served electronically may request of the party making the service that one or more specified documents be provided in paper form due to the particular characteristics of the document or other good cause. Such documents shall be promptly mailed unless there is good cause for not doing so. Upon request by the affected party and for good cause shown, the Commission's administrative staff may transfer persons from the E-Service List to the Mail Service List or from the Mail Service List to the E-Service List and, upon request by the affected party, may remove persons from either service list. If the staff disputes the justification offered for not accepting electronic service or other action requested with respect to service, the matter shall be determined by the Commission. The Commission shall create, regularly update and make available on its web site both an E-Service List

and a Mail Service List. The E-Service List shall consist of all parties and their attorneys and other representatives who have provided e-mail addresses to the Commission or whose e-mail addresses are otherwise available to the Commission, such as from the Membership Directory of the State Bar of South Dakota. The Mail Service List shall consist of only (i) the attorney of record in this state of all parties who have made a specific request for personal service of the material as provided in SDCL 49-41B-17.1, and for whom an attorney, whose e-mail address is unavailable, has made an appearance or filing in this docket, (ii) all parties, not represented by an attorney, whose e-mail addresses are not available to the Commission and who have made a specific request for personal service of the material as provided in SDCL 49-41B-17.1, and (iii) all persons, or their attorneys of record, who have been placed on the Mail Service List by the Commission's staff or the Commission upon request as provided above.

ORDERED, that pursuant to ARSD 20:10:01:22.01, discovery requests and responses thereto shall be governed by SDCL 15-6-5(g) and are not subject to the filing and service requirements of this order except as such documents may become filings or evidence in the case pursuant to SDCL 15-6-5(g) or by order of the Commission.

Dated at Pierre, South Dakota, this 14th day of September, 2007.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u>Heather K. Finney</u>
Date: <u>09.14.07</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman #F

Gary Hanson
GARY HANSON, Commissioner

Steve Kolbeck
STEVE KOLBECK, Commissioner