

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

IN THE MATTER OF THE APPLICATION BY)	ORDER OF ASSESSMENT
TRANSCANADA KEYSTONE PIPELINE, LP)	OF FILING FEE
FOR A PERMIT UNDER THE SOUTH DAKOTA)	
ENERGY CONVERSION AND TRANSMISSION)	HP09-001
FACILITIES ACT TO CONSTRUCT THE)	
KEYSTONE XL PROJECT)	

On March 12, 2009, TransCanada Keystone Pipeline, LP, (Keystone) filed a siting permit application for the South Dakota portion of the proposed Keystone XL Project (Project). The Project will transport crude oil starting in Hardisty, Alberta, Canada and ending in Port Arthur and East Houston areas of Texas. The proposed 36 inch diameter pipeline will have a nominal capacity of 900,000 barrels of oil per day. The proposed route will enter South Dakota at the Montana/South Dakota border in Harding County. It will extend in a southeasterly direction through portions of Harding, Butte, Perkins, Meade, Pennington, Haakon, Jones, Lyman, and Tripp counties. It will exit the state at the South Dakota/Nebraska border in Tripp County. The length of pipeline through South Dakota is approximately 313 miles. The Project also includes seven pump stations in South Dakota located in Harding (2), Meade, Haakon, Jones, and Tripp (2) counties along with 16 mainline valves. Mainline valves are proposed at each pump station and along the right-of-way with spacing intervals based upon the location of the pump stations, water bodies greater than 100 feet in width, high consequence areas and other considerations.

On March 19, 2009, the Commission electronically transmitted notice of the filing and the intervention deadline of May 11, 2009, to interested individuals and entities.

SDCL 49-41B-12 authorizes the Commission to assess a maximum fee not to exceed one-quarter of one percent of the first one hundred million dollars of estimated construction costs, and may not exceed one-twentieth of one percent of all additional estimated construction costs of the facility. However, the minimum total deposit chargeable may not be less than eight thousand dollars. The fee shall be deposited in the South Dakota Public Utilities Commission's (SDPUC) regulatory assessment fee fund to defray Commission expenses incident to analyzing and ruling upon this type of filing. According to Keystone's application, the estimated construction cost for the project is \$921,400,000.

The Commission asserts jurisdiction over this matter pursuant to SDCL Chapter 49-41B, specifically 49-41B-1, 49-41B-2, 49-41B-2.1, 49-41B-4, 49-41B-11, 49-41B-12, 49-41B-13, 49-41B-15, 49-41B-16, 49-41B-17, 49-41B-17.1, 49-41B-21, 49-41B-22, 49-41B-26, 49-41B-33, 49-41B-38, and ARSD Chapter 20:10:22.

On March 24, 2009, at its regularly scheduled meeting, the Commission, pursuant to SDCL 49-41B-12, unanimously voted to assess Keystone a filing fee not to exceed \$660,700, with an initial deposit of \$8,000, the minimum deposit allowed by law and such additional deposits up to the maximum fee as requested by the Deputy Executive Director. It is therefore

ORDERED, that Keystone shall be assessed a filing fee of not to exceed \$660,700. It is further

ORDERED, that Keystone shall make an initial deposit in the SDPUC regulatory assessment fee fund in the amount of the minimum deposit of \$8,000 and shall from time to time make such additional deposits up to the total amount of the assessment as requested by the Deputy Executive Director.

Dated at Pierre, South Dakota, this 31st day of March, 2009.

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><i>Arlaine Kolbe</i></u>
Date: <u><i>4/1/09</i></u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner