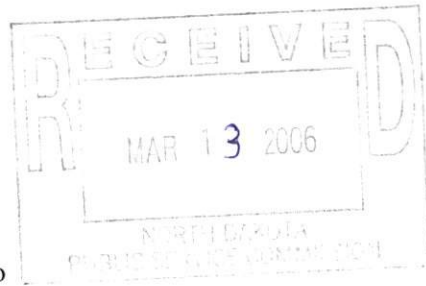


March 6, 2006

Ms. Illona Jeffcoat-Sacco  
 Director  
 ND Public Service Commission, Public Utilities Div  
 600 E Boulevard Ave Dept 408  
 Bismarck, ND 58505-0602



Neil Palmer & Associates LLC  
 890 Elm Grove Road, Ste. 100  
 Elm Grove, WI 53122  
 Phone: 262-821-5230

tel 262.821.5230  
 fax 262.821.9204  
 email keystone@transcanada.com  
 web www.transcanada.com/keystone

Dear Ms. Illona Jeffcoat-Sacco:

You may have recently heard about TransCanada's announcement regarding long-term commitments from shippers for the proposed Keystone Pipeline project. In late 2005, we held a series of open houses along the proposed pipeline corridor. Recently, the preliminary route has been modified and the revised route may affect property owners in your area. We are writing to provide information about the project, to apprise you of our interactions with landowners in your area and to seek your input as part of the siting and permitting process.

The Keystone Pipeline will be capable of transporting approximately 435,000 barrels per day of crude oil from Hardisty, Alberta, to Patoka, Illinois, through a 1,830-mile buried pipeline system. The project includes 1,070 miles of new pipeline construction in the United States, 230 miles of new pipeline in Canada and the conversion of 530 miles of existing TransCanada pipeline facilities from natural gas to crude oil transmission.

Keystone is designed to deliver oil from Canadian oil sands deposits to U.S. energy markets. Crude oil production from these deposits is expected to grow substantially over the next 10 years. The Keystone project will help meet a critical need for additional pipeline and energy infrastructure.

Public input is an important part of the process to develop this project. Two public consultation activities will occur shortly, which we want you to be aware of.

- Landowners will soon be receiving a letter providing basic information about the project, requesting their input, and informing them that survey teams may be visiting their property to ask permission to conduct studies on their property. The studies of environmental, cultural, archeological and constructability issues are important for Keystone to understand local issues. The information gathered in these studies is also used by state and federal agencies in their review for permits necessary to build the proposed pipeline.
- To complement open houses held in November, we will conduct open houses along modified portions of the proposed corridor, beginning in late March 2006. These meetings will be concentrated in areas new to the project, including southern South Dakota, eastern Nebraska, northeastern Kansas, and western Missouri. Additional open houses will also be held in some communities where less significant changes have been made to the proposed route, to supplement input received in previous open houses in those areas.
- You are invited to attend any of these informative sessions, if you find it convenient for you, to learn more about this important energy project and provide insights to be considered in project planning. Your ideas about the project, potential environmental impacts and other factors will help us develop a pipeline route that will serve the interests of your community. **At 3:00 pm there will be a presentation to update community leaders and the media about the project. Landowners and interested members of the public will be invited to attend anytime between 4:00 and 7:30 pm.** The schedule of open house events is listed below.

If attending an open house is not convenient for you, we would value your input through other means. You may have received information from our project representatives. You are also welcome to visit our website, or to contact us by e-mail at [www.transcanada.com/keystone](http://www.transcanada.com/keystone) or telephone at 866-717-7473. Please let us know of any questions or concerns you or others in your area may have.

TransCanada has been in the pipeline business for more than 50 years and is proud of having earned the trust and respect of landowners, communities, regulators and our customers. We look forward to working cooperatively with you in the development of this new project.

Sincerely,



Brian Peterson  
Keystone Pipeline Project Manager

**Keystone Open Houses will be held from 4:00 to 7:30 p.m. in the following communities:**

**North Dakota**

**Monday, March 27** - Michigan, ND  
Michigan Civic Center 113 Broadway N  
Michigan, ND 58259  
(Across the street from the water tower)

**Tuesday, March 28** - Lisbon, ND  
Lisbon High School Commons Room  
P.O. Box 593  
502 Ash Street  
Lisbon, ND 58054

**South Dakota**

**Wednesday, March 29** - Alexandria, SD  
Alexandria Auditorium  
511 Main Street  
Alexandria, SD 57311  
(Next to the Post Office on Main Street)

**Thursday, March 30** - Yankton, SD  
Minerva Convention Centre at the  
Best Western Kelly Inn  
1607 East Highway 50  
Yankton, SD 57078

**Nebraska**

**Monday, April 3** - Stanton, NE  
VFW  
1106 Veteran's Avenue  
Stanton, NE 68779

**Tuesday, April 4** - Seward, NE  
Seward Civic Center - East Basement  
616 Bradford Street  
Seward, NE 68434

**Wednesday, April 05** - Odell, NE  
Odell Community Building  
202 Main Street  
Odell, NE 68415

**Kansas**

**Thursday, April 06** - Seneca, KS  
Seneca Community Center  
1500 Community Drive  
Seneca, KS 66538

**Missouri**

**Monday, April 10** - Faucett, MO  
Mid-Buchanan R5 School District  
3221 SE State Route H  
Faucett, MO 64448

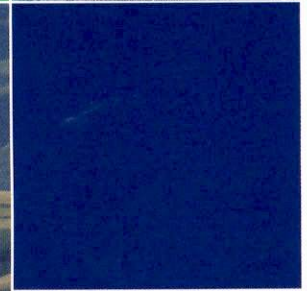
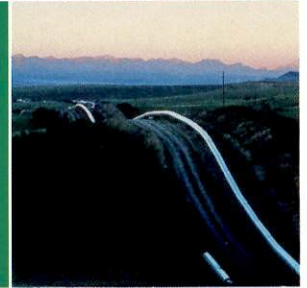
**Tuesday, April 11** - Carrollton, MO  
Rupe Community Center  
710 Harvest Hills Road  
Carrollton, MO 64633  
(Behind the Fire Station)

**Wednesday, April 12** - Troy, MO  
VFW Hall #8828  
444 Highway J  
Troy, MO 63379

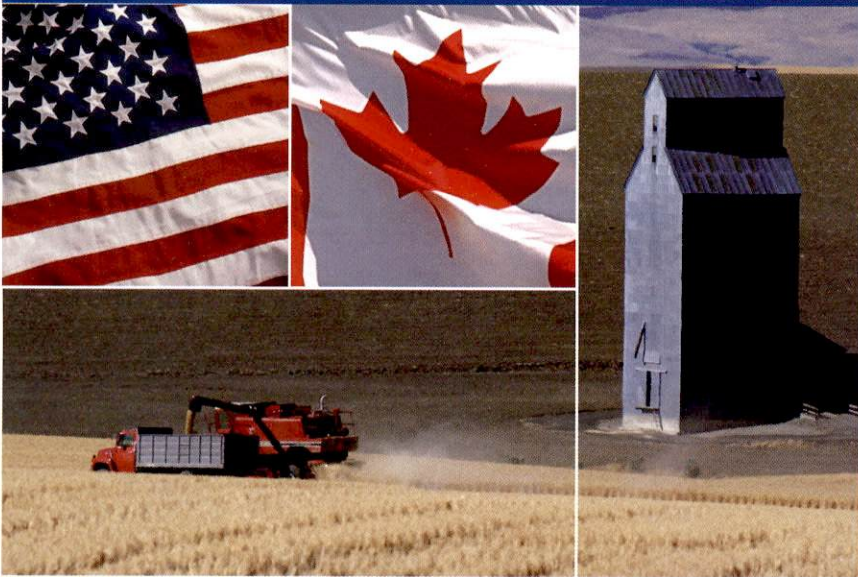
**Illinois**

**Thursday, April 13** - Collinsville, IL  
Gateway Center  
1 Gateway Drive  
Collinsville, IL 62234  
(Highway 157 & Eastport Plaza Drive)

# The Proposed TransCanada Keystone Pipeline Project

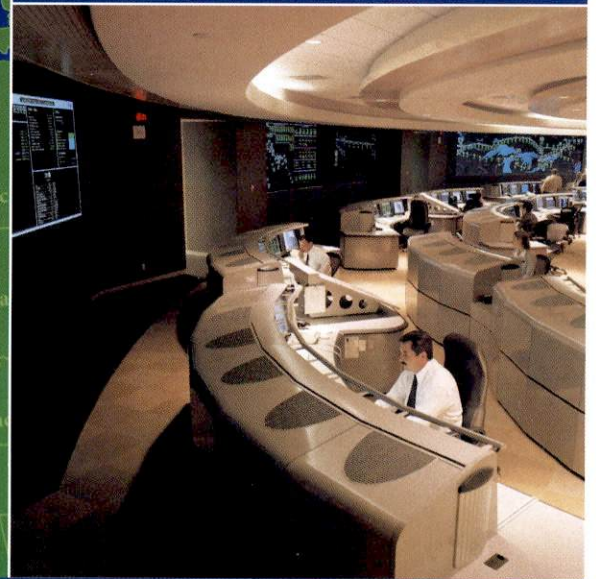


# THE PROPOSED TRANSCANADA KEYSTONE PIPELINE PROJECT

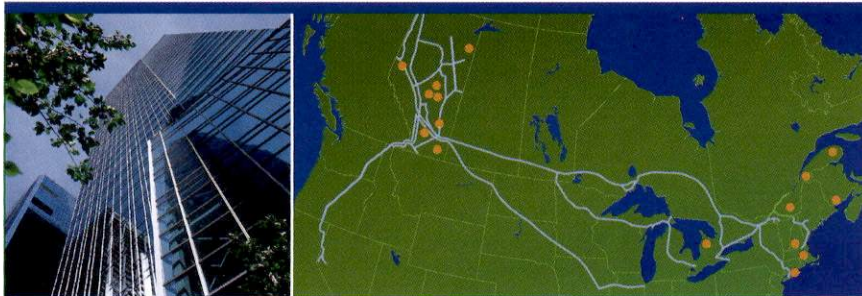


Our company, TransCanada, is proposing to transport approximately 435,000 barrels per day of crude oil from an oil-supply hub near Hardisty, Alberta to Wood River and Patoka, Illinois through an approximate 1,830 mile pipeline system. Nearly 1,070 miles of new pipeline will be constructed in the United States. The pipeline will run on a north-south path through eastern North Dakota, South Dakota and Nebraska. At the Nebraska-Kansas border, the proposed route turns in a south-easterly direction through Kansas, Missouri and Illinois. Approximately 23 new pump stations will also be required in the United States to transport the crude oil.

In addition to the new pipeline construction in the United States, the Canadian portion of the proposed project includes the construction of approximately 230 miles of new pipeline and the conversion of approximately 530 miles of existing TransCanada pipeline facilities from natural gas to crude oil transmission.



## THE PROPOSED TRANSCANADA KEYSTONE PIPELINE PROJECT



### Who is TransCanada?

TransCanada is a leader in the responsible development and reliable operation of North American energy infrastructure. TransCanada's network of approximately 41,000 kilometres (25,600 miles) of pipeline transports the majority of Western Canada's natural gas production to key Canadian and U.S. markets. A growing independent power producer, TransCanada owns, or has interests in, approximately 6,700 megawatts of power generation in Canada and the United States.

### Design and Construction

The proposed pipeline will be 30 inches in diameter and will be buried, with a minimum depth of cover of four feet in agriculture areas. The permanent right-of-way easements, the strips of land set aside to construct and operate a pipeline, will measure approximately 50 feet in width, although additional temporary workspace will be required during construction of the pipeline. We will use advanced materials, technology, and construction methods to ensure the pipeline is built safely and efficiently, in a way that minimizes its impact on people, land and the environment.

### Your Safety, Our Integrity

The safety of the public and our employees is TransCanada's top priority. We have more than 50 years of experience building and operating one of the largest underground pipeline systems in North America. We meet or exceed industry and government standards that have been designed to ensure public safety. Our commitment is reflected in the design and construction of our facilities, as well as in our operating and maintenance practices.

When designing facilities, TransCanada uses high quality steel and specialized welding techniques developed specifically for high pressure pipelines. During construction, we use non-destructive examination equipment to inspect all welds, and then apply a coating to the weld to help protect it from corrosion. All pipe is delivered from the manufacturer with a corrosion resistant protective coating. Additionally, all new pipeline sections are pressure tested with water up to at least 125 percent of the pipeline's maximum allowable operating pressure prior to being placed into operation.

Our pipeline maintenance activities include regular aerial patrols, pipeline leak detection, in-line (internal pipeline) inspection using specialized electronic inspection tools and corrosion protection system monitoring and adjustment.

We maintain an ongoing public awareness program to keep the lines of communication open with our neighbors about our facilities and how to live and work safely around pipelines. As part of this program, we involve local emergency response agencies to ensure there is an understanding about the specifics of our pipeline, which will lead to the safe and effective response in the unlikely event of an incident involving a TransCanada facility.

### Commitment to Consultation

We recognize the importance of incorporating public input into our proposed project plans. We believe that through consultation with impacted landowners, communities, and other interested stakeholders, we can ensure that questions and concerns are addressed, and important public input can be integrated into our project plans. We will be sharing project information and gathering input throughout this planning phase and will be incorporating feedback into our project design and implementation as appropriate. Specifically, we will seek to address landowner concerns prior to construction activities and landowners will be compensated for the right-of-way easement, as well as resulting damages associated with construction activities.



# THE PROPOSED TRANSCANADA KEYSTONE PIPELINE PROJECT

## Respecting the Environment

TransCanada conducts its business to meet or exceed all applicable laws and regulations and minimize risks to our employees, the public and the environment. We respect the diverse environments and culture in which we operate. TransCanada goes to great lengths to ensure all our facilities are designed, constructed and operated to minimize impact on the natural environment. Our goal is to conserve environmental resources by avoiding or lessening certain activities and by re-establishing the essential physical, chemical and biological characteristics of the environment. The proposed pipeline route will traverse primarily agricultural lands; therefore, considerable focus will be placed on the handling, conservation and reclamation of the soils and vegetation to ensure the land's equivalent capability is sustained. Great care and planning will be taken to minimize and avoid impacting rare or endangered species, habitat and significant water crossings.

By using existing TransCanada facilities for the majority of the proposed project in Canada, and by utilizing existing corridors as much as possible for new construction sections in the United States, we will strive to minimize impacts to the environment. TransCanada is proud of its environmental performance and leadership in developing new approaches and techniques to conserve the natural resources encountered on more than 25,000 miles of pipeline right-of-way throughout the last 50 years.

## Regulatory Requirements

We will be seeking regulatory approvals from a number of regulatory bodies for this proposed project. In the United States, the project will require federal approvals from agencies such as the U.S. Department of State and the Army Corp of Engineers. State approvals will be required in accordance with state siting acts and/or other applicable legislation. In Canada, this project will be subject to approvals from the National Energy Board (NEB). The project may also require various local and regional approvals.

## Proposed Schedule

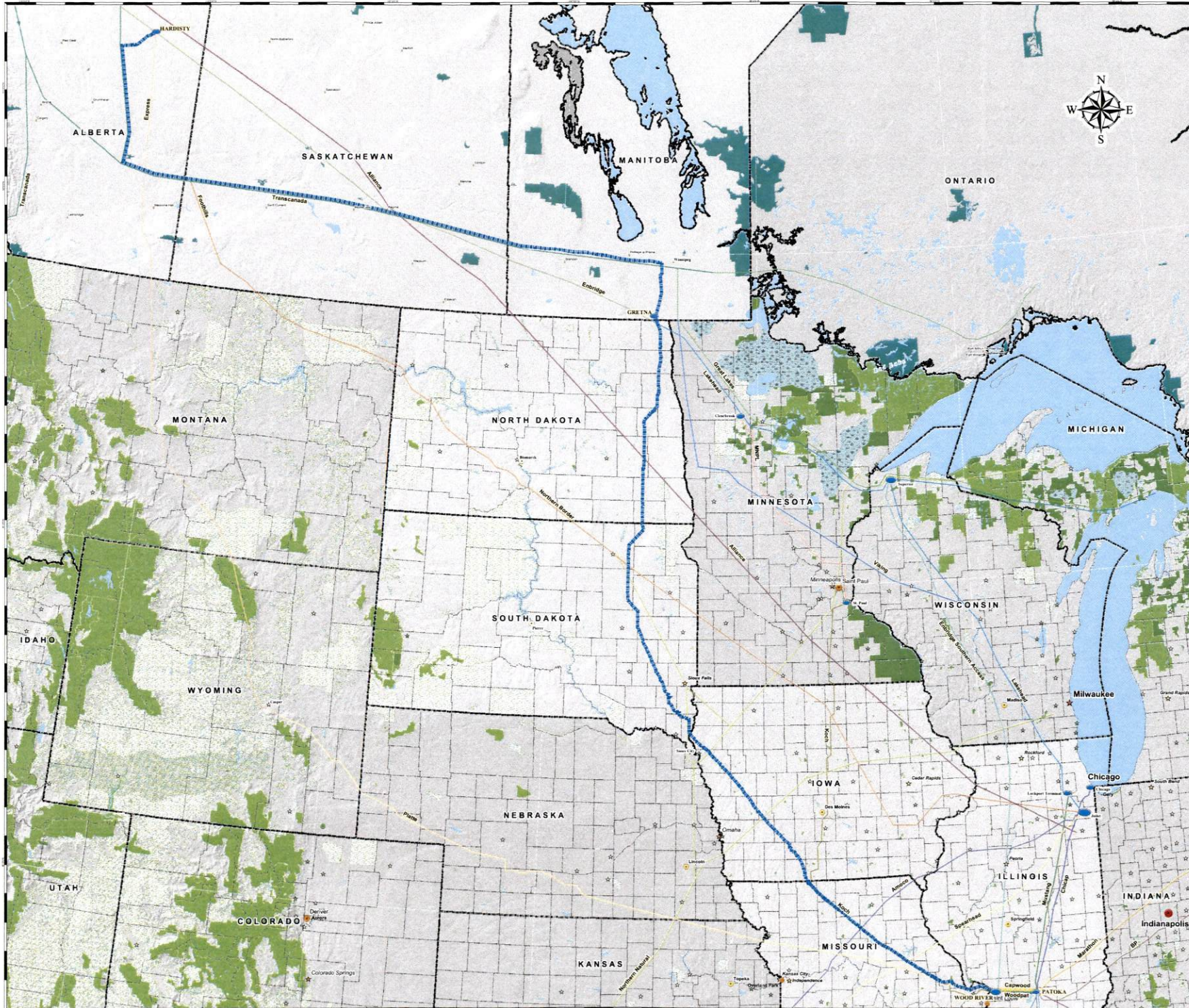
- **2005**
  - Project announcement.
  - Begin public consultation with stakeholders.
- **2006**
  - Preparation and submission of all major regulatory applications.
  - Begin environmental assessments and field studies along with engineering design.
- **2007**
  - Engineering design and material procurement.
  - Receive approvals and licences.
- **2008 and 2009**
  - Construction of the new facilities and conversion of existing facilities.
  - System in service and operating.

## Contact

For more information, please call our toll free project number (1.866.717.7473) or use our project-specific email address [keystone@transcanada.com](mailto:keystone@transcanada.com)

Alternatively, you can write attention to:  
TransCanada Keystone Project Team  
P.O. Box 3247  
Oak Park, IL  
60303-3247

Project web page:  
[www.transcanada.com/keystone](http://www.transcanada.com/keystone)



- Legend**
- Cities US**
- 10,000 to 49,000 County Seat
  - ◌ 10,000 to 49,000 State Capital
  - ★ 100,000 to 249,000 County Seat
  - 100,000 to 249,000 State Capital
  - 250,000 to 499,999
  - ★ 250,000 to 499,999 County Seat
  - 250,000 to 499,999 State Capital
  - 500,000 to 999,999 County Seat
  - 500,000 to 999,999 State Capital
- Cities Canada**
- City
  - City
- Park or Forest Type**
- National Park or Forest - US
  - State or Local Park or Forest - US
  - National Wildlife Refuge - US
  - Provincial Parks - Canada
  - National Parks - Canada
- Water Body Features**
- Swamp or Marsh
  - Lake
- Proposed Routes**
- Preferred Option-Canada (156km new, 1243km conversion)
  - Western Option US (202 miles)
  - Wood River to Patoka Extension US (56 miles)
  - Tamarac



PIPELINE LOCATIONS ARE APPROXIMATE

PREPARED BY:  
**UNIVERSAL ENSCO, INC.**  
 4848 Loop Central Drive  
 Houston, Texas 77051  
 Phone: 1-713-871-7772



PREPARED BY:  
**ENSR**  
 2 Technology Park Drive  
 Westborough, MA 01581-2148  
 U.S.A. Phone: 1 (978) 368-3800  
 Phone: 1-800-368-5441  
 Fax: 1 (978) 368-3700



PREPARED BY:  
**TROW ENGINEERING CONSULTANTS INC.**  
 1300 Metropolitan Boulevard, Suite 200  
 Tallahassee, Florida, USA 32308  
 Phone: 1-850-285-5441  
 Fax: 1-850-385-3523



**TRANSCANADA PIPELINES  
 KEYSTONE PIPELINE  
 FEASIBILITY STUDY**

**REGIONAL BASE MAP**

MAP PARAMETERS  
 PROJECTION: GCS - Clarke  
 UNITS - METERS

SCALE 1 : 2,000,000

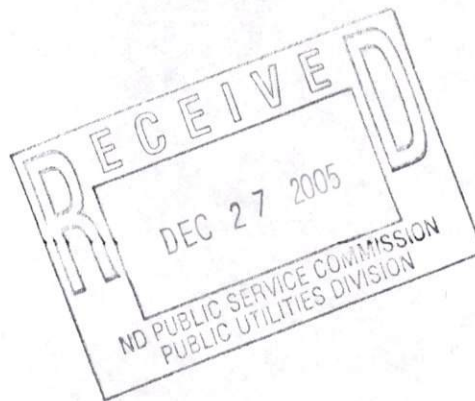
PROJECT: THE0050388A	DRAWING:
REVISION: 009	<b>0001</b>
DATE: AUGUST 2004	

# City of Park River

PO Box C  
Park River, ND 58270-0702  
Phone: 701-284-6150  
Fax: 701-284-6380  
prcity@polarcomm.com

December 22, 2005

Mr. Brian Peterson  
Keystone Pipeline Project Manager  
HMA Land Services Ltd.  
Suite 100, 7710 5<sup>th</sup> Street SE  
Calgary, Alberta T2H 2L9



RE: Keystone Pipeline Project

Dear Mr. Peterson:

The City of Park River, North Dakota will soon be receiving its potable water supply from the Fordville Aquifer. The proposed route of the Keystone Pipeline places it right through the aquifer. This is not acceptable.

Walsh Rural Water District also receives its water from this aquifer, as do the cities of Fordville and Minto, North Dakota. Several individuals pump water directly from the aquifer and others are using this source for irrigation. Siting a 30-inch crude oil pipeline in this proximity to an underground water supply would not be in the best interest of any of the parties involved.

Enclosed is a map of the area in Walsh County, North Dakota that encompasses the Fordville Aquifer.

The July 2005 edition of the Keystone Connection newsletter states that, "great care and planning will be taken to minimize and avoid impacting significant water crossings." We trust you will take all steps necessary to avoid the Fordville Aquifer entirely.

If you have any questions or require additional information please contact Tom Larson, Business Manager, City of Park River at the above address and phone number or prcity@polarcomm.com.

Sincerely,

A handwritten signature in black ink that reads "George Walstad". The signature is written in a cursive style.

George Walstad  
Mayor

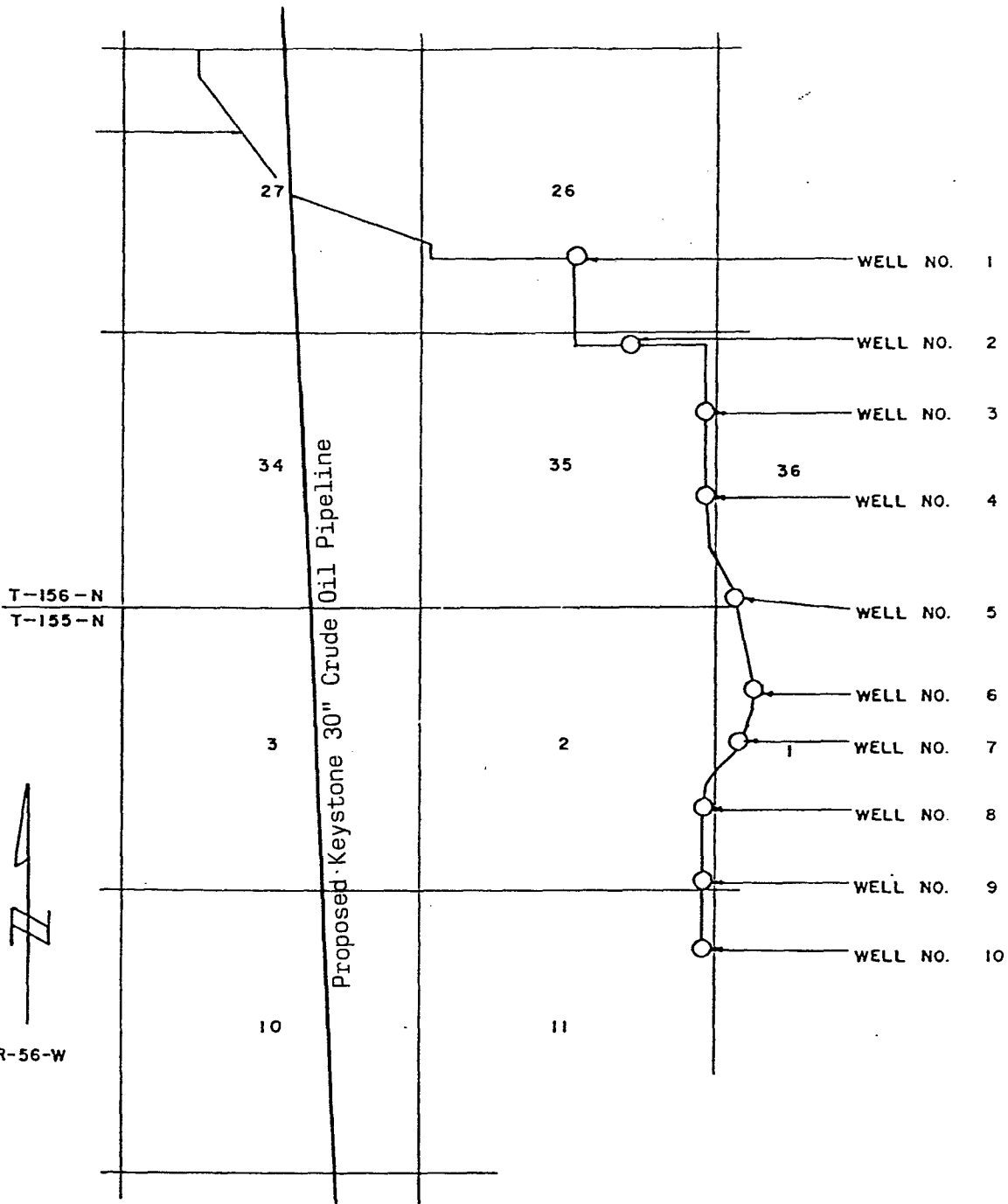
© Comm  
Regal  
Pub



Mr. Brian Peterson  
Keystone Pipeline Project Manager  
December 22, 2005  
Page 2

Enclosures

cc: ND Governor John Hoeven  
ND State Water Commission  
ND Department of Health  
ND Public Service Commission  
US Environmental Protection Agency



SCALE: 2" = 1 MILE

WALSH CO.

CERTIFICATE OF SURVEYOR

STATE OF NORTH DAKOTA )  
 ) SS  
 COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_ of \_\_\_\_\_  
 Name Address

do hereby certify that this map was prepared from notes or information obtained from an  
 \_\_\_\_\_  
 (actual survey, aerial photograph, or topographic map)

made by \_\_\_\_\_ (or made under my direction)

by \_\_\_\_\_ (person or firm who performed survey)  
 on the \_\_\_\_\_ day of

\_\_\_\_\_, 19\_\_\_\_, for whose work I stand personally

responsible, and that it correctly represents the \_\_\_\_\_  
 (irrigation, municipal, industrial,  
 fish & wildlife or recreation)

works for the accompanying application, together with a meander of streams, (and  
 shows accurately the location and area of lands to be irrigated in each subdivision.)

\_\_\_\_\_  
 Signature of Surveyor

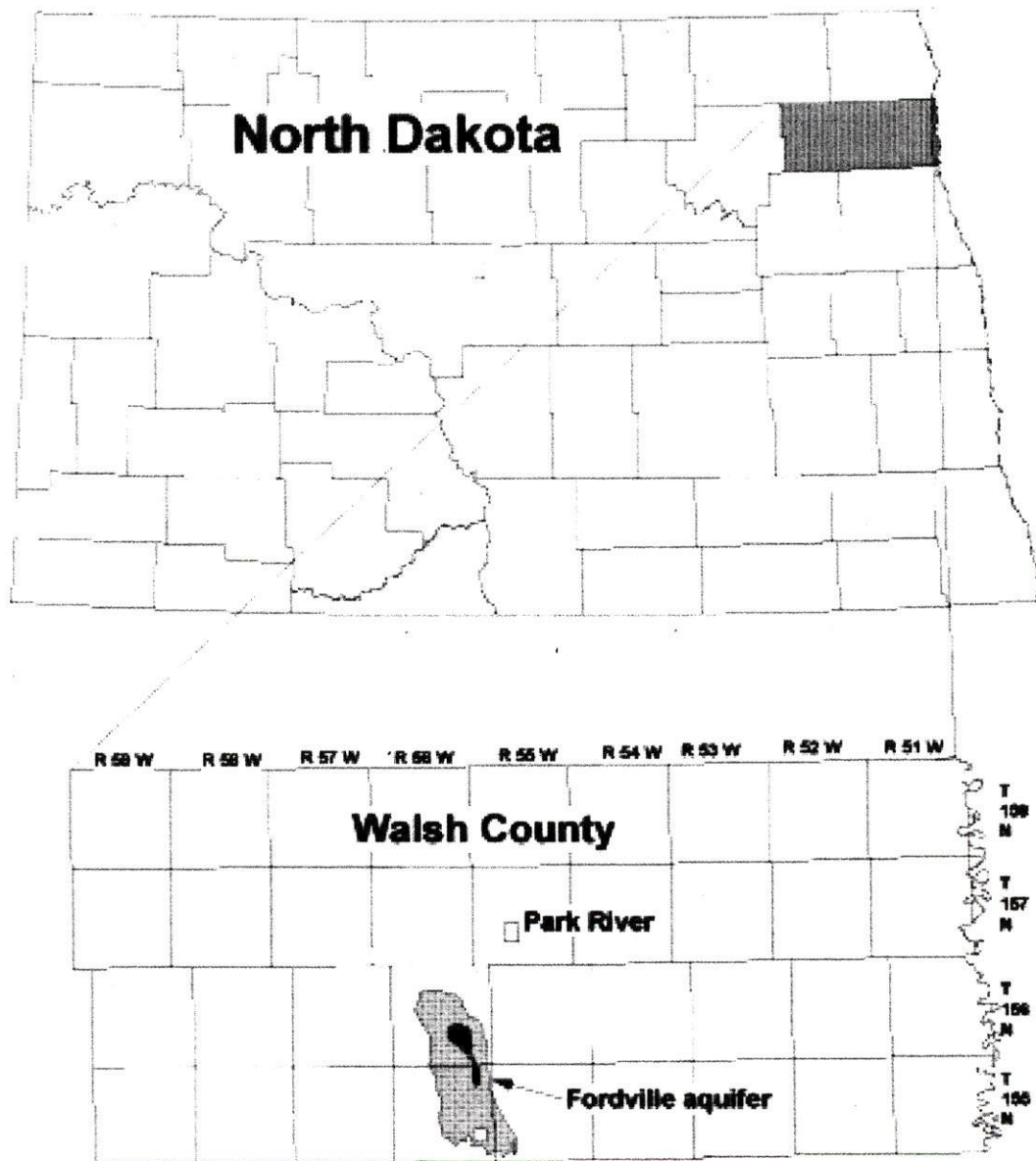


Figure 1. Location of the Fordville aquifer.

Dear Pauline,

Last week I participated in a brief informational meeting on this pipeline project. Since the Commission will be the siting agency for this project, I cannot comment on your attachment.

However, I will make sure that the comments in the attachment are placed in our public input file for this case.

Also, if you wish to intervene in this case, please contact a member of our public utilities or legal staff for more information. The phone number of the Commission is 701-328-2400. Also, please call our staff if you do not wish to intervene, but you wish to receive all official notices regarding hearings, etc in this case.

Thank you for your interest.

Sincerely, Commissioner Susan Wefald  
North Dakota Public Service Commission

-----Original Message-----

From: pauline [mailto:pawtrees@yahoo.com]

Sent: Saturday, February 26, 2005 11:58 AM

To: senator@conrad.senate.gov; senator@dorgan.senate.gov; Cramer, Kevin; mnorton@mncenter.org; epomeroy@hr.house.gov; rejohnson@state.nd.us; Johnson, Roger L.; -Info-Governor's Office; Wefald, Susan E.; Clark, Tony T.

Subject: Re: Keystone Pipeline

Please read the above attachment and let us know your stand on this issue.

Thank you for your time.

Sincerely,

Pauline Wolf  
Editor@Amazing Grains Food Coop

---

Do you Yahoo!?

Take Yahoo! Mail with you! Get it on your mobile phone.

<http://mobile.yahoo.com/mailedemo>

re: keystone pipeline

The Canadian based energy company Trans Canada Corporation will be running a crude oil pipeline, the Keystone Pipeline, through out backyards. Are we going to stand by and allow them to invade our lands?

Do we realize what this means? The impact this will have on our safety, our health, our pocketbook, our land, our air, our environment, and our future generations here in North Dakota and Minnesota.

In a number of cases the accidental oil and gas spills and blowouts on the on-land main pipelines can pose danger to all land, air, and water- ways. This can happen and has happened over and over again in the past. Numerous accidents have happened elsewhere. We must be alert of this very real danger in our area.

There will be atmospheric, emissions and the impact of this will be great to our environment and us all.

We will become a prime target for terrorists.

We must be alert of these shortsighted and irresponsible groups.

This is a real concern regarding an obvious technology out of control. This is a battle to be fought and needs our vigilance and the political control of technology is an important challenge.

We must have concern on our long-term energy problems. We must be careful not to squander our attention on problems that are trivial or illusory. We must sort out these energy issues now before we are lead to make the wrong decisions. Decisions which will haunt us with long lasting health effects on us, our water, our air, our pocket books-for taxes will go way up. Long lasting effects on all human and environmental entities long after the oil is gone.

We need long-term solutions for our people and our land. Not quick, temporary, expensive, and very damaging “fixes”.

Let us work together to keep these greedy controlling corporations out of our beautiful, clean, safe state.

What are we willing to trade, exchange, give up, sell out for, in the name of progress?

There are many other cheap, safer energy sources. Let us embrace these sources and move on from there together to keep North Dakota a clean, safe place to live and raise our families.

Let us not be manipulated or brain-washed into something we will deeply regret just down the road or around the next bend.

There are many accidents too numerous to mention. Let us all do our homework. The long-term consequences are kept secret- Do we need our incidence of cancer and birth defects to increase? Is not our environment in jeopardy now? Why make it all worse?

The bigwigs say this will contribute to our economic growth at what expense? By raising our taxes, to jeopardize our health or to drastically change our quality of life.

One of the many sites to read and review:

<http://www.med.harvard.edu/chge/fullreport.pdf#search>

Title: Oil

Subtitle: A Life Cycle Analysis of its Health And Environmental Impacts