

STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

TransCanada Keystone Pipeline, LP
30-Inch Crude Oil Pipeline/Cavalier to
Sargent Ctys

Case No. PU-06-421

APPLICATION FOR WAIVER OR REDUCTION OF PROCEDURES AND TIME SCHEDULES

A Letter of Intent was filed on September 22, 2006 by TransCanada Keystone Pipeline (Keystone) pursuant to Section 49-22-07.1 of the North Dakota Century Code and Chapter 69-06-03 of the North Dakota Administrative Code. On October 25, 2006 the Commission acknowledged Keystone's September 6, 2006 Letter of Intent to construct a 30-inch crude oil pipeline in North Dakota.

A December 1, 2006 Application to Shorten One Year Period was filed with the Commission. On December 29, 2006 the Commission shortened the one year waiting period between the filing of the Letter of Intent and the application to construct a 30-inch pipeline to four months.

Keystone is submitting herewith its applications for the corridor and route permit with respect to the construction of the 30-inch crude oil pipeline along with an application for public convenience and necessity.

Section 49-22-07.2 of the North Dakota Century Code and Chapter 69-06-06 of the North Dakota Administrative Code provides for the filing of an application with the Commission for a waiver of any procedure or time schedules.

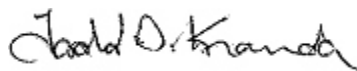
This Application for Waiver or Reduction by Keystone requests that the Commission approve and allow a joint and simultaneous filing of its applications for a Certificate of Corridor

Compatibility and a Route Permit. Justification for a combination of the filing of these applications exist to allow an expeditious decision and there is no adverse effect to allow such joint and simultaneous filing.

Additionally, Keystone requests that the Commission approve and allow the width of the corridor for the proposed pipeline to be set at one mile. Pursuant to Section 69-06-04-02(1)(b) of the North Dakota Administrative Code, the width of the corridor is to be at least ten percent of the length of the pipeline, but not less than one mile nor more than six miles. The proposed pipeline project would require a six mile wide corridor. However this application requests that the Commission approve a width of one mile for the corridor. This request is made in consideration of the extensively studied route and based on the extensive public input and agency input with the proposed route. A comprehensive filing is being made with regard to the corridor and route and no adverse effect is anticipated if a corridor width is allowed of one mile as requested.

Accordingly, it is respectfully requested by Keystone that the Commission approve this Application for the joint and simultaneous filing of the corridor and route applications and for the approval of the one mile corridor width.

Dated this 4th day of April, 2007.



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