

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

TransCanada Keystone Pipeline, LP
30-Inch Crude Oil Pipeline/Cavalier to Sargent Counties
Siting Application

Case No. PU-06-421

ORDER FOR HEARING ON EXPEDITED NOTICE

November 8, 2007

On April 11, 2007, TransCanada Keystone Pipeline, LP (TransCanada) filed an application for a waiver of procedures and time schedules, and consolidated applications for a certificate of corridor compatibility and a route permit authorizing construction of approximately 218 miles of 30-inch crude oil pipeline and associated facilities in Cavalier, Pembina, Walsh, Nelson, Steele, Barnes, Ransom, and Sargent Counties of North Dakota.

Public Hearings on this application were held July 23, 2007 at the Valley City Auditorium in Valley City, ND and on July 24, 2007 at the City Office Building in Park River, ND and continued hearings were held in the Commission Hearing Room, State Capitol, Bismarck, North Dakota on September 5 and 6, 2007.

On November 7, 2007, the Public Service Commission ("Commission") issued an order granting motions by the City of Fargo to intervene as a party and to reopen the proceeding.

A further hearing is required in this proceeding to allow the City of Fargo to provide evidence to the Commission regarding safety and public health issues relating to the water supply from Lake Ashtabula and the Sheyenne River. The parties to the proceeding have agreed to a hearing date.

TransCanada asserts that a substantial delay in a decision concerning the applications for a certificate of corridor compatibility and a route permit may result in the inability to complete construction planned in 2008 and could result in an estimated additional cost to TransCanada of \$65 to \$100 million.

The Commission has discretion under Section 49-22-13(4) to notice a hearing upon less than twenty days in an emergency. The Commission finds that unless a hearing on the limited issues set forth in the Commission's November 7, 2007 order to reopen the proceeding is held upon an expedited time frame, there will likely be significant delay in issuance of a decision in this proceeding. The Commission further finds that the exposure to substantial increases in costs that could result from a significant delay in issuance of a decision constitutes an emergency under the circumstances of this proceeding.

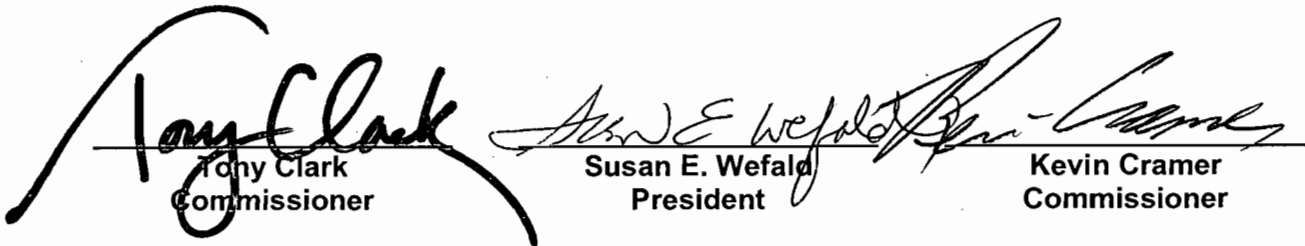
Order

The Commission orders;

1. That an emergency exists under the circumstances of this proceeding.

2. That a hearing be scheduled on an expedited basis to hear evidence regarding safety and health issues relating to the City of Fargo's water supply from Lake Ashtabula and the Sheyenne River

PUBLIC SERVICE COMMISSION



Handwritten signatures of three individuals are shown above their respective titles. The signatures are written in black ink and are somewhat stylized. The first signature is for Tony Clark, the second for Susan E. Wefald, and the third for Kevin Cramer.

Tony Clark
Commissioner

Susan E. Wefald
President

Kevin Cramer
Commissioner