

Kelsch Kelsch Ruff & Kranda

C.F. Kelsch
1890-1987

Attorneys at Law
Mandan, North Dakota

William C. Kelsch
Retired

THOMAS F. KELSCH
ARLEN M. RUFF, P.C.
THOMAS D. KELSCH, P.C.
TODD D. KRANDA, P.C.*
WILLIAM J. DELMORE
DANIEL NAGLE

*Also Licensed in Minnesota

 MERITAS LAW FIRMS WORLDWIDE

103 Collins Avenue
P.O. Box 1266
Mandan, ND 58554-7266
Phone (701) 663-9818
1-888-663-9818
Fax (701) 663-9810
Website www.kelschlaw.com

June 13, 2008

RECEIVED

JUN 13 2008

PUBLIC SERVICE COMMISSION

MS ILLONA A JEFFCOAT-SACCO
EXECUTIVE SECRETARY
PUBLIC SERVICE COMMISSION
600 EAST BOULEVARD, DEPT 408
BISMARCK ND 58505-0480

Re: TransCanada - Keystone Pipeline Project
Case No: PU-06-421
OAH File No. 20070181
Our File No. 11815

Dear Ms. Jeffcoat-Sacco:

Enclosed for filing is an original and seven copies of the Affidavit of Loys A. Gray, III, in Support of Prior Motion for Two Additional Route Deviations Since Keystone's PSC Application Filing and Affidavit of Service.

An electronic copy will be submitted to the Public Service Commission separately. If you have any questions, please feel free to contact me.

Sincerely,



Todd D. Kranda

TK:ls
Encs

c: TransCanada Keystone



525 PU-06-421 Filed: 6/13/2008 Pages: 4
Affidavit of Loys A. Gray, III in Support of June 12, 2008 Substitute Exhibit D

TransCanada Keystone Pipeline, LP

KelschKelschRuff&Kranda

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

TRANSCANADA KEYSTONE PIPELINE, LP) CASE NO. PU-06-421
30-INCH CRUDE OIL PIPELINE/CAVALIER TO)
SARGENT COUNTIES SITING APPLICATION)

AFFIDAVIT OF SERVICE

The undersigned hereby certifies that on the 13 day of June, 2008, the undersigned deposited in the United States Post Office at Mandan, North Dakota, a true and correct copy of the following document(s) in the above-captioned action:

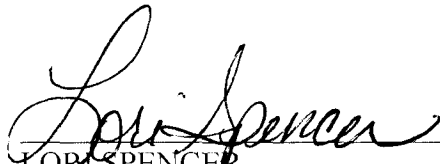
Letter to PSC dated June 13, 2008;
Affidavit of Loys A. Gray, III, in Support of Prior Motion for Two Additional Route Deviations Since Keystone's PSC Application Filing

That a copy of the above document(s) was securely enclosed in an envelope with postage duly prepaid, and addressed as follows:

WILLIAM BINEK
ATTORNEY AT LAW
PUBLIC SERVICE COMMISSION
600 E BOULEVARD, DEPT 408
BISMARCK ND 58505-0480

JOHN & JANIE CAPP
12466 60TH ST NE
LANKIN ND 58250

JANA LINDERMAN
ATTORNEY AT LAW
100 FIRST STREET SW
CEDAR RAPIDS IA 52404

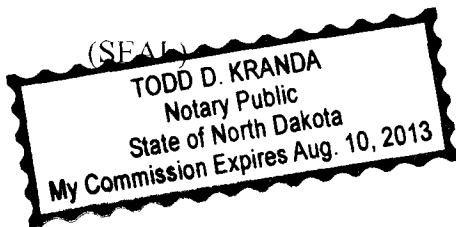


LORI SPENCER

Subscribed and sworn to before me this 13 day of June, 2008.



Notary Public, State of North Dakota



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

AFFIDAVIT OF LOYS A. GRAY, III

**IN SUPPORT OF PRIOR MOTION FOR TWO ADDITIONAL ROUTE DEVIATIONS
SINCE KEYSTONE'S PSC APPLICATION FILING**

LOYS A. GRAY, III, BEING FIRST DULY SWORN, ON OATH, DEPOSES AND STATES, AS FOLLOWS

- I have previously submitted a copy of my resume with my educational background and qualifications.
- I am submitting this Affidavit in support of the previously filed Motion dated May 27, 2008. This information is in direct response to comments that were made during the informal hearing held on the Motion and the recently filed Substitute Exhibit D.
- The Substitute Exhibit D document that has been filed is a map which slightly adjusts the route refinement to avoid a residence by at least 500 feet which residence existed along one of the two proposed route refinements that were submitted. The adjustment relates to what is referred to as the Capp Route Refinement in Walsh County.
- The May 27, 2008 Motion was partially approved by the PSC for one of the two route refinements and is pending regarding the second route refinement in order to allow either the filing of a waiver or an adjustment of the route to accommodate for the 500 foot buffer for the residential avoidance requirement.
- Keystone has adjusted the route to avoid the Capp residence by more than 500 feet. The map that has been submitted as Substitute Exhibit D has the route located 525 feet away from and to the west of the Capp residence. The route is even substantially further than the 525 feet from the second residence that was mentioned at the hearing as being located on the Capp farm which residence apparently is not occupied.
- The route refinement moves the approved route off of the Capp property and onto adjacent landowners' property to the west of Capps. Those adjacent landowners are involved with negotiations for a voluntary easement with Keystone for the pipeline route as shown on Substitute Exhibit D.
- This route deviation is within the PSC's approved 1 mile corridor.
- It is my professional opinion that this route deviation developed since Keystone's February 19, 2007 route permit application is required and is justified to satisfy landowner requests and is contingent upon acquisition of voluntary easements.

