

Keystone Pipeline Project Tree Replacement Plan Summary August 2010

The Keystone Pipeline Project's North Dakota Public Service Commission's Certificate and Findings of Facts, Conclusions and Order dated February 21, 2008 (Case # PU-06-421) required the Keystone Project to replace trees and shrubs lost or destroyed during construction of the project at a 2:1 ratio. For unique situations on the Keystone Project, a 5:1 ration was mandated. A minimum of 75% of these replacement trees and shrubs must be living at the end of three growing seasons in order to meet the mitigation requirements.

Keystone's environmental consultant conducted an inventory of trees and shrubs to be removed by the project in April. A copy of the Inventory Report is included as Attachment A. This Inventory Report details the survey methodology, species and numbers of tree and shrubs to be removed in native growth areas (i.e., woodlots) and windbreaks, and the replacement ratio for tree and shrub replanting.

As noted in the Inventory Report, 69,152 trees and shrubs must be planted to satisfy the mitigation requirements for the Keystone Pipeline Project.

Landowners impacted by the project have been offered a choice of having replacement trees and shrubs planted on the landowner's property or planted elsewhere at alternative locations. Keystone has contacted landowners where trees and shrubs were removed from their properties and have identified which landowners wish to have trees and shrubs replaced on their properties. Trees and shrubs that landowners do not wish to have replanted on their properties will be planted at alternate locations within the state of North Dakota.

Keystone plans to work in partnership with the North Dakota Forest Service (NDFS) to complete the tree and shrub replanting project. The NDFS will coordinate with the local soil conservation districts to plant/replace trees and shrubs on landowners properties where requested. The trees and shrubs targeted for planting at alternative locations will also be administered by the NDFS. These conservation tree planting opportunities are targeted at the entire state of North Dakota through local soil conservation districts (SCDs). Willing landowners, with appropriate conservation trees plantings, will be encouraged to participate by working directly with soil conservation district employees. These projects will be developed using the standard CONS-4 planting plan by a resource professional, based on soils, topography, land-form and landowner's goals using Natural Resources Conservation Service (NRCS) practice specifications.

Proposed Program

Highlights of the proposed Mitigation Tree Planting Partnership are as follows:

- The initial emphasis of the program will be to complete tree planting on those private property owners crossed by the pipeline who requested that the trees and shrubs be

- replanted on their properties.
- The program's remaining tree planting opportunities will be targeted at the entire State of North Dakota. Willing landowners, both public and private, will be encouraged to participate. A three-year effort ending December 31, 2013, will be implemented to attain the program's goals.
 - The *Trees for North Dakota Trust Fund* will be used as a vehicle to orchestrate tree and shrub replanting on private property owners, as well as to make tree planting grants available to public and private landowners. Legislative oversight provides security and assurances that the funds are used for intended tree planting purposes.
 - Funding for the program will be provided by the TransCanada Keystone Pipeline LP.
 - North Dakota Forest Service staff and the NDSU Business Office will provide an effective tracking and reporting mechanism for project resource information, location and accounting.
 - An existing review committee will be utilized to provide prioritization, oversight and coordination for the community tree planting portion of the program.
 - The soil conservation districts, Natural Resources Conservation Service, shade tree committees, city foresters and service foresters will coordinate projects at the local level.
 - The program will include funds for site preparation, tree stock and tree planting services and weed control including fabric weed barrier.

Keystone will provide reporting to the ND PSC as required in the Tree and Shrub Mitigation Specifications.

The Partnership between Keystone and the NDFS represents an effective mechanism for meeting mitigation requirements for the project, and for successfully establishing mitigation tree and shrub plantings in North Dakota.