



Public Service Commission

State of North Dakota

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December 28, 2011

Lukas D. Andrud
Ohnstad Twichell
P.O. Box 458
West Fargo, ND 58078-0458

Re: TransCanada Keystone Pipeline, LP – PU-06-421 – Response to Mr. Pantzke's Informal Complaint

Mr. Andrud,

Thank you for your December 12, 2011 letter / informal complaint. It is unfortunate that Mr. Pantzke feels that he was not provided proper notice. However, a review of our docket indicates that notice was given pursuant to N.D.C.C. Chapter 49-22 and N.D. Admin. 69-06-01-02, including multiple hearing notice publications in the Fargo Forum, the Valley City Times Record and the Ransom County Gazette. Additionally, it is my understanding that due to the nature and scope of this project at the time of the hearings, this matter received notable attention from the media.

Concerning Mr. Pantzke's noise concerns, I reviewed the record in an attempt to determine whether such an issue had been brought to the Commissioners' attention. Paragraph 110 of the Commission's February 21, 2008 Order discusses the noise impact of pump stations to nearby locations. As indicated TransCanada Keystone (TransCanada) is obligated to manage the sound levels of the five pump stations in North Dakota to 55 dBA at the nearest sound sensitive area.

In reference to your informal complaint, PSC Staff will be in contact with TransCanada shortly to obtain further information.

It should be noted that, if your client wishes to file a formal complaint, please refer to N.D. Admin 69-02-02-02 in doing so.

Thank You,

Mark Gruman
Legal Counsel

c: w/enclosure Todd Kranda

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Response to informal complaint re Keystone Pipeline noise issues

Public Service Commission
Mark Gruman, Legal Counsel



Manfred R. Ohnstad 1914 - 1987
Bradley J. Burgum 1952 - 2010

December 12, 2011

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Re: Keystone Pipeline - Noise Issues

Dear Commissioners:

This office represents Bruce Pantzke both as the owner of land in Sections 14, 22, and 24, Township 136 North, Range 58 West, Ransom County, North Dakota, and as a user of the numerous recreational and scenic attractions in the area regarding the excessive noise caused by TransCanada's Keystone Pipeline Pumping Facility located in Section 23 of said Township and Range (the "Pumping Station"). This letter is intended to be considered an informal complaint pursuant to North Dakota Administrative Rule 69-02-02-01.

Mr. Pantzke has spent fourteen years improving his property and has a home on his Section 24 property. Additionally, he has plans to build his retirement home on the same property. However, the Pumping Station was constructed without any notice being delivered to Mr. Pantzke. The disappointment my client felt by being excluded from the notice and hearing process is nothing compared to the level of frustration and anger he is experiencing by being continually exposed to the unnecessary levels of noise from the pumping station whenever he sets foot on his property. He has diligently attempted to work with TransCanada to come up with a workable solution, however, this has proven impossible since TransCanada has refused to even acknowledge that there is a problem.

Mr. Pantzke's property as well as the Pumping Station are located in the geographically unique Sheyenne River Valley, in extremely close proximity to Fort Ransom State Park, Little Yellowstone Park, the Sheyenne River Valley National Scenic Byway and the North Country Trail. While my client's land is certainly valuable for agricultural production, its unique and scenic location close to so many area attractions gives it

significantly increased value among recreationalists. If the present level of noise intrusion is permitted to continue unmitigated, his property values will diminish dramatically. Mr. Pantzke received no notice this intrusion was going to occur; he did not grant an easement, license or otherwise permit his property to be so encumbered by this intrusion; he has not received any compensation for this intrusion, but still he is asked to bear the costs of diminished property values while TransCanada, a large multinational corporation receives all the benefits.

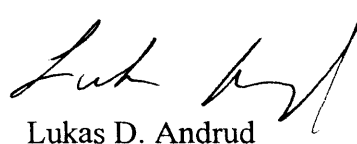
Impacts on recreation in the area caused by noise from the Pumping Station have already been felt. Mr. Pantzke has been approached about granting an easement across his property for use as a portion of the North Country National Scenic Trail, which is a hiking trail administered by the National Park Service and will eventually cover 4600 miles. The Sheyenne River Valley Chapter of the North Country Trail Association has expressed concern with the diminished quality of the experience the North Country Trail would offer in the area bypassing close to the constant drone from the Pumping Station. Additionally, several visitors to Fort Ransom State Park have complained about noise from the Pumping Station being a constant during their entire visit to the State Park. This is not surprising since the Pumping Station is less than one and a half miles from the Park. Furthermore, it is commonly heard at Little Yellowstone Park, two and a half miles North of the Pumping Station.

I have reviewed the Public Service Commissioner's Findings of Fact, Conclusions of Law and Order and find it disconcerting that it does not appear the impact on these recreational areas was even considered by the PSC. It is amazing the Pumping Station was allowed to be located at the epicenter of so many unique recreational areas and it is even more amazing no noise mitigation of any kind was required by the PSC.

Prior to construction of the Pumping Station, TransCanada representatives spoke at a township meeting. When asked if noise would be an issue, TransCanada provided assurances that noise would not be an issue. The Findings of Fact, Conclusions of Law and Order indicate TransCanada will insure compliance with commitments made to landowners. The promises made at the township meeting are just such a commitment. My client respectfully requests the Commissioners order TransCanada to honor its commitment and implement the necessary sound mitigation measures as soon as practically possible. Please do not hesitate to contact me if you have any questions or need anything further.

Sincerely,

OHNSTAD TWICHELL, P.C.



Lukas D. Andrud

LDA:brj