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PUBLIC SERVICE COMMISSION

June 20, 2011

Mr. Patrick Fahn
Director –Compliance and Competitive Markets
North Dakota Public Service Commission
600 East Boulevard Avenue
Bismarck, ND 58505-0480

Re: **Contract Number PU-58109 - Keystone Pipeline**

Dear Mr. Fahn:

Enclosed please find five copies of the final inspection reports for the segment of the referenced project from Mile 1 through Mile 146 (near I-94). We were unable to continue the route review south to the South Dakota border due to heavy snow at the end of 2010 and into 2011. We were also unable to complete the remaining route review this spring due to the heavy amount of precipitation, flooding, inaccessible road network and wet conditions. Since our contract expires on June 30, 2011, and we will not be able to review and visit the remaining pipeline route by that date, please let us know if you would like us to proceed with any further review or terminate at our current point. With the existing wet conditions and disaster we are in; and the likelihood of a late harvest, the most economical and efficient timeframe for us to review the remaining route would be in October, November or December.

Please review the reports and if you have any questions, comments or require additional clarification, please contact us at any time.

We certainly appreciate all of the guidance and support from the Commission during this project. We are thankful of the working relationship we have developed and if we can be of further service to the Commission, please contact us at any time. Thank you.

Sincerely,

**Kadrmas, Lee & Jackson, Inc.**

Mark Anderson, PE

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**Inspection reports**

Kadrmas Lee & Jackson

Mark Anderson