



Public Service Commission  
State of North Dakota

COMMISSIONERS

Susan E. Wefald, President  
Kevin Cramer  
Tony Clark

Executive Director  
Illona A. Jeffcoat-Sacco

600 E. Boulevard Ave. Dept 408  
Bismarck, North Dakota 58505-0480  
web: [www.nd.gov/psc](http://www.nd.gov/psc)  
e-mail: [ndpsc@nd.gov](mailto:ndpsc@nd.gov)  
TTY 800-366-6888 or 711  
Fax 701-328-2410  
Phone 701-328-2400

## Memorandum

**To:** Illona Jeffcoat-Sacco  
**From:** Mike Diller  
**Date:** June 5, 2007  
**Re:** **TransCanada Keystone Pipeline, LP  
Public Convenience and Necessity  
Case No. PU-07-152**

The following is written to provide the commission with a very limited review of this case regarding the applicant's financial ability to construct and operate the Keystone Pipeline. According to the applicant's siting application (PU-07-152), the total cost to construct the pipeline is \$2.1 billion of which \$277 million will be located in North Dakota.

The applicant is owned by TransCanada Corporation a publicly owned company traded under the symbol TRP on the New York Stock Exchange. According to its application and the financial information available on the website of Yahoo! Finance, TransCanada has been a very successful company in every respect. According to its application, the parent company reported shareholder equity of \$7.7 billion for the year ended 2006.

The commission has used stockholder equity of the parent company as a litmus test for showing financial ability to provide service. Based on its review, staff concludes that the applicant has access to sufficient capital through its parent company to provide service in North Dakota.

Staff sees no reason to deny this application and will provide this document to the applicant's representatives.

