

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue Pierre, South Dakota 57501-5070 www.puc.sd.gov Capitol Office (605) 773-3201 1-866-757-6031 fax

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Consumer Hotline 1-800-332-1782

September 12, 2007

«LName» «Address» «City» «State» «Zip»

Dear «FName» «LName»:

On April 27, 2007, TransCanada Keystone Pipeline LP filed an application with the South Dakota Public Utilities Commission to site an underground hydrocarbon pipeline in South Dakota. Enclosed please find a map depicting the general location of the proposed pipeline.

According to South Dakota codified law and administrative rules, TransCanada must file a variety of information with the Commission and be granted a construction permit prior to constructing such a structure. Specifically, the applicant has the burden to prove the following statutory elements prior to the Public Utilities Commission's approval of a construction permit:

- 49-41B-22. Applicant's burden of proof. The applicant has the burden of proof to establish that:
- (1) The proposed facility will comply with all applicable laws and rules;
- (2) The facility will not pose a threat of serious injury to the environment nor to the social and economic condition of inhabitants or expected inhabitants in the siting area;
- (3) The facility will not substantially impair the health, safety or welfare of the inhabitants; and
- (4) The facility will not unduly interfere with the orderly development of the region with due consideration having been given to? the views of governing bodies of affected local units of government.

South Dakota law requires that the Commission send a notice of the proceeding to all landowners within one-half mile of the pipeline. On May 29, 2007, the Commission sent out such notice. Unfortunately, due to an administrative error, some landowners including you were inadvertently omitted from the initial mailing list. We apologize for the error.

However, there is still plenty of time for you to become involved and have your voice heard in this case if you choose to do so.

You have the right to request to intervene as a formal party in this case. If you make such a request and are granted intervention, you will be considered a legal party. You then have the right to participate in the formal evidentiary hearing. Please be aware, however, as a legal party you also have additional obligations. For example, you may be called as a witness, be deposed or be required to participate in the discovery process. Enclosed you will find an Application for Party Status form. If after review, you desire to be made a party to this docket, complete the form and return it to our office by October 5, 2007. We do wish to emphasize, however, that this case involves whether a construction permit should be issued for TransCanada's proposed project as a whole and will not involve individual landowners' rights with respect to TransCanada.

The Commission has scheduled this case for hearing on December 3-14 in Room 412 of the State Capitol in Pierre. Additionally, the Commission has scheduled an additional informal public meeting on December 6, 2007 from 7:00-11:00 p.m. in Room 412 of the State Capitol Building in Pierre at which interested persons who have not elected to become formal parties to the case may present their views to the Commission. You need not be a party to participate in the informal public meeting. Rather, we invite you to share your thoughts regarding the pipeline and how it will impact you.

You may also submit written comments to the docket for the public and the Commissioners to access via the Commission's E-Filing system on the Web site at www.puc.sd.gov or by e-mailing puc@state.sd.us. You may also write to: South Dakota Public Utilities Commission, Attention: Patricia Van Gerpen, Executive Director, 500 East Capitol Avenue, Pierre, SD 57501.

The docket, containing all legal documents and public comment, is accessible on our Web site. Click on "Commission Actions," "Commission Dockets," "2007 Hydrocarbon Pipeline" and "HP07-001." Your County Auditor's office also has a hard copy of the initial application along with supplementary material from the docket, which is available for you to review.

Please contact us with questions by e-mailing puc@state.sd.us or calling (605) 773-3201.

Sincerely,

Patricia Van Gerpen Executive Director

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE PIPELINE PROJECT		INE, LP) DAKOTA) MISSION)	APPLICATION FOR PARTY STATUS HP07-001	
Pursuant to SI	DCL 49-41B-17 and ARSD 20:	10:22:40,	(Name of Applicant)	
petitions the P	ublic Utilities Commission to b	e granted party	status in the above-referenced facility	
permit procee	ding.			
		Signature of Applicant		
	Print Name			
		Address:		
		Phone Number	er	
		E-Mail Address		
		Name of Orga	nization if applicable	
		Date		
Subsc	ribed and sworn to before me	this d	ay of, 2007.	
(SEAL)		Notary Public		
		My Commission	on expires:	
NOTE:	Consistent with SDCL 49-41B-17 and ARSD 20:10:22:40, this application must be filed with the Public Utilities Commission within 60 days from the date the application			

was filed. The facility application was filed April 27, 2007. Therefore, this Application for Party Status form must be filed in the Commission's offices on or before June 26, 2007, unless the deadline is extended by the Commission.

Executive Director

South Dakota Public Utilities Commission 500 East Capitol Pierre, SD 57501-5070

Fax: 866-757-6031

