



Project Timeline

2008

- Complete receiving regulatory decisions and permits
- Ongoing easement acquisition activities in Alberta, Manitoba, North Dakota, South Dakota, Nebraska, Kansas (mainline), Missouri and Illinois
- Initiate conversion of existing facilities and construction of new facilities in Canada, North Dakota and South Dakota
- Begin easement acquisition on Cushing section in Kansas and Oklahoma

2009

- Construction of new facilities in Canada, Nebraska, Kansas, Missouri and Illinois
- Anticipate Keystone in-service by year end

2010

- Anticipate Keystone expansion in-service by year end

of wholly owned pipelines extends more than 36,500 miles (59,000 kilometres), tapping into virtually all major gas supply basins in North America. TransCanada is one of the continent's largest providers of gas storage. TransCanada owns or has interests in approximately 7,700 megawatts of power generation in Canada and the United States. For more information, go to www.transcanada.com.

Contact Us

We recognize the importance of incorporating public input into our project plans. We believe that through consultation with landowners, communities and other interested stakeholders, we can address questions and concerns and integrate important public input into our activities. We share project information and gather input throughout the planning phase and incorporate feedback into our project design and implementation as appropriate.

For more information, please call our toll free project number (1.866.717.7473) or use our email address: keystone@transcanada.com

Alternatively, you can write to us with attention to:

Keystone Pipeline
450 – 1st Street S.W.
Calgary, Alberta
Canada T2P 5H1

or

Keystone Project Team
7509 NW Tiffany Springs Parkway
Northpointe Circle II, Suite 200
Kansas City, MO 64153

Project web page:
www.transcanada.com/keystone



The Keystone Pipeline is a partnership between TransCanada and ConocoPhillips. TransCanada will construct and operate the pipeline.



Keystone Pipeline

The Keystone Pipeline is an innovative and cost-competitive solution to link a reliable and stable supply of North American crude oil with a rising North American demand for energy.

The 2,148-mile (3,456-kilometre) Keystone Pipeline will transport crude oil from Hardisty, Alberta to U.S. Midwest markets at Wood River and Patoka, Illinois and to Cushing, Oklahoma. The Canadian portion of the project involves the conversion of approximately 537 miles (864 kilometres) of existing Canadian Mainline pipeline facilities from natural gas to crude oil transmission service and construction of approximately 232 miles (373 kilometres) of pipeline, pump stations and terminal facilities at Hardisty, Alberta. The U.S. portion of the project includes construction of approximately 1,379 miles (2,219 kilometres) of pipeline and pump stations.

The Keystone Pipeline will have an initial nominal capacity of 435,000 barrels per day in late 2009 and will be expanded to a nominal capacity of 590,000 barrels per day in late 2010. Keystone has contracts with shippers totalling 495,000 barrels per day with an average term of 18 years.

Regulatory Status

Keystone received National Energy Board approval in 2007 for two major regulatory applications to construct and operate the Canadian portion of the project. The United States Department of State issued its Record of Decision and National Interest Determination regarding the Keystone Pipeline in the first quarter of 2008. Applications for U.S. regulatory approvals at the state level are proceeding and decisions are expected to be received during the first quarter of 2008. We plan to begin construction in second quarter 2008 to achieve an in-service date of fourth quarter 2009.

Design and Construction

When designing facilities, we use high-strength steel and specialized welding techniques developed specifically for high pressure pipelines. All pipe is delivered from qualified manufacturers with a corrosion resistant protective coating.

Keystone Pipeline design and construction

- The total length of the Keystone Pipeline is 2,148 miles (3,456 kilometres).
 - Approximately 1,379 miles (2,219 kilometres) of new pipeline will be constructed in the U.S.
 - The Canadian portion of the project includes the construction of approximately 232 miles (373 kilometres) of new pipeline and the conversion of approximately 537 miles (864 kilometres) of existing TransCanada pipeline from natural gas to crude oil transmission.
- The new pipeline will be 30 inches (76 centimetres) in diameter to Illinois and 36 inches (91 centimetres) from the Nebraska/Kansas border to Cushing, Oklahoma.

The pipeline will be buried with a minimum depth of cover of 1.2 metres (four feet) depending on the land use, except in areas of consolidated rock, where the pipeline will be buried with a minimum depth of cover of 1.0 metre (three feet). The permanent right-of-way easements – the strips of land set aside to construct and operate a pipeline – will measure approximately 15 metres (50 feet) in width, although additional temporary workspace will be required during construction.

We use non-destructive examination equipment to inspect all welds and then apply a coating to the weld to protect it from corrosion. Additionally, prior to being placed into operation, all new pipeline sections are pressure tested with water up to at least 125 per cent of the pipeline's maximum allowable operating pressure.

Your Safety, Our Integrity

The safety of the public and our employees is our top priority. We will meet or exceed industry and government standards that have been designed to ensure public safety. Our commitment is reflected in the design and construction of our facilities, as well as in our operating and maintenance practices.

Our pipeline maintenance activities include regular aerial patrols, internal pipeline inspection using specialized electronic inspection tools and cathodic protection systems. The pipeline is continuously monitored using state-of-the-art supervisory control and data acquisition (SCADA) and leak detection systems.

We maintain an ongoing public awareness program to keep the lines of communication open with our neighbors about our facilities and how to live and work safely around pipelines. As part of this program, we involve local emergency response agencies to ensure there is an understanding about the specifics of our pipeline, which will lead to the safe and effective response in the unlikely event of an incident.

Respecting the Environment

Our facilities are designed, constructed and operated in compliance with all applicable laws and regulations and to minimize risks to our employees, the public and the environment. We respect the diverse environments and cultures in which we operate. We work diligently to minimize adverse environmental impacts from our activities, while upholding our responsibility to meet today's strategic energy demands. Our goal is to conserve environmental resources and re-establish the essential physical, chemical and biological characteristics of the environment.

The Keystone Pipeline will traverse primarily agricultural lands; therefore, considerable focus will be placed on the handling, conservation and reclamation of the soils and vegetation to ensure the land's equivalent capability is maintained. Great care and planning will be taken to minimize and avoid impacts to the environment, including rare or endangered species, habitat and significant water crossings.

About the Proponents

The Keystone Pipeline is a partnership between TransCanada and ConocoPhillips. TransCanada affiliates will construct and operate the pipeline.

ConocoPhillips is an international, integrated energy company with interests around the world. Headquartered in Houston, Texas, the company has approximately 32,600 employees and \$178 billion in assets. For more information, go to www.conocophillips.com.

TransCanada is a leader in the responsible development and reliable operation of North American energy infrastructure including natural gas pipelines, power generation, gas storage facilities and LNG projects. TransCanada's network

