

Keystone Expansion Plans



The Keystone Oil Pipeline (Keystone) is a proposed 2,969-kilometre pipeline with an initial nominal capacity to transport approximately 435,000 barrels per day of crude oil from Hardisty, Alberta, to U.S. Midwest markets at Wood River and Patoka, Illinois. It is an innovative and cost-competitive proposal to transport Canadian crude oil to key U.S. markets beginning in the fourth quarter of 2009. Keystone is supported by firm, long-term contracts that total 340,000 barrels per day.

Earlier this year, Keystone secured 155,000 barrels per day of additional firm contracts for the pipeline. These contracts support Keystone's expansion to a nominal capacity of approximately 590,000 barrels per day, as well as construction of a 473-kilometre extension of the U.S. portion of the pipeline from the Nebraska/Kansas border to Cushing, Oklahoma. The expansion and extension target in-service date is fourth quarter 2010.

Keystone expansion

The expansion involves adding pumping facilities along the pipeline in Canada. Keystone will file a Section 58 application with the National Energy Board in the fourth quarter of 2007 for approval to construct seven new pump stations, add pump units at initial Keystone pump stations and build interconnecting piping between the Keystone Hardisty Terminal and other terminals located at Hardisty. The sites for the new pump stations are in the following municipalities: Happyland, Sask.; Riverside, Sask.; Chaplin, Sask.; Pense, Sask.; Silverwood, Sask.; Hamiota, Man.; and North Cypress, Man. Keystone is working with landowners and other key stakeholders to further develop expansion plans.

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Pump stations

Keystone will use a series of electrically driven pumps to move oil through the line. Sited at intervals along the line, groups of pumps and supporting equipment are located in a small, secure facility referred to as a pump station.

Pump stations will be built on a small parcel of land of approximately five acres that Keystone will seek to purchase. Up to five electrically driven pump units will be installed at each station. Each pump station will initially have up to 12,000 horsepower of pumping power. At some stations, above-ground piping will include launching and receiving facilities for maintenance, cleaning and inspection equipment that is periodically run through the pipeline.

Pump station facilities will include an electrical transformer and a small building to house electrical, measurement and control system components. The facility will be remotely monitored and controlled, 24 hours a day, seven days a week.

Contact

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