



INDUSTRIAL COMMISSION OF NORTH DAKOTA
NORTH DAKOTA PIPELINE AUTHORITY

Governor
Jack Dalrymple
Attorney General
Wayne Stenehjem
Agriculture Commissioner
Doug Goehring

September 27, 2011

The Honorable Hillary Clinton
U.S. Department of State
2201 C. Street N.W.
Washington, DC 20520

Re: Keystone XL Pipeline Final Environmental Impact Statement

Dear Secretary Clinton:

During the last five years, North Dakota's petroleum industry has been on a fast paced journey to develop the vast crude oil and natural gas deposits held deep inside the Bakken and Three Forks formations. Thanks to the Bakken and Three Forks formations, the State of North Dakota is currently the fourth largest producer of crude oil in the United States. North Dakota has been setting new production records almost every month, with current oil production at more than 423,500 barrels of oil per day (BOPD). This surge of domestic oil activity has provided thousands of Americans with high paying jobs and allowed North Dakota to enjoy the lowest unemployment rate in the nation.

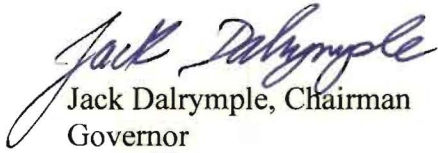
The intensity of petroleum development in western North Dakota and eastern Montana (U.S. Williston Basin) is expected to continue to increase, with crude oil production from the region potentially reaching 800,000 BOPD or more in the next five to seven years. A properly sized and economic transportation system is essential for future expansion and development in the U.S. Williston Basin.

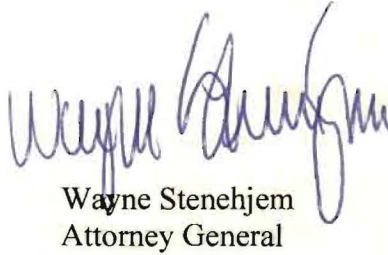
The Keystone XL Pipeline project is a major step in increasing take away capacity for crude oil production from the rapidly developing U.S. Williston Basin. The project's interconnection near Baker, Montana could provide in excess of 100,000 BOPD of high quality, light sweet crude oil with direct access to major downstream refining markets.

Understanding that pipelines are already the safest, cleanest, and most economic means of transporting crude oil, we are encouraged by TransCanada's willingness to accept the Pipeline and Hazardous Materials Safety Administration's 57 special safety conditions above and beyond the existing stringent regulatory requirements. It is important that this pipeline be constructed and operated in a manner that will protect the citizens of the United States.

Commenting exclusively on the Keystone XL Pipeline's ability to enhance U.S. Williston Basin crude oil transportation, the North Dakota Industrial Commission, acting as the North Dakota Pipeline Authority, respectfully recommends the timely and favorable consideration of the Keystone XL Pipeline in order to support the best interests of our country.

Sincerely,


Jack Dalrymple, Chairman
Governor


Wayne Stenehjem
Attorney General


Doug Goehring
Agriculture Commissioner

