



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

PMB 2020
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August 9, 2013

John McHugh
Vice President Consulting Services
Witt O'Briens
818 Town and Country Blvd.
Suite 200
Houston, TX 77024

Subject: TransCanada's Emergency Response Plan for the Keystone Pipeline System

Dear Mr. McHugh,

Thank you for providing the South Dakota Department of Environment and Natural Resources the opportunity to perform a courtesy review of TransCanada's Emergency Response Plan for the Keystone Pipeline System. Attached for your use are the department's comments regarding the response plan. If you have any questions about these comments please feel free to contact me at 605.773.3296 or brian.walsh@state.sd.us.

Sincerely,

Brian J. Walsh
Environmental Scientist III
Ground Water Quality Program

c. Bob Baumgartner, TransCanada, Houston, TX

South Dakota Department of Environment and Natural Resources

Comments on TransCanada's Emergency Response Plan – Keystone Pipeline System

July 2013

General Comments:

1. The following comments were prepared as part of a courtesy review of TransCanada's Emergency Response Plan dated July 2013. These comments do not reflect a full regulatory review of the document. DENR expects TransCanada to comply with the requirements of SDCL 34A-18 prior to commencing operation of the Keystone XL pipeline in South Dakota.

Specific Comments:

2. **Section 1.2 – Scope of Plan.** In addition to the regulatory references noted in this section please be aware of South Dakota's laws regarding regulated substance discharges and emergency response plans for crude oil pipelines. These requirements can be found in SDCL 34A-12 and 34A-18.
3. **Section 2.0 – Notifications.** This section does not list any local reporting requirements for South Dakota. If an incident occurs near a South Dakota city the department recommends TransCanada provide that city with a courtesy notification (see comment #17 below).

In addition, one call to the South Dakota Department of Environment and Natural Resources (DENR) Spills Section is sufficient for all DENR notifications. 605.773.3296 is the appropriate phone number for notifications during business hours and 605.773.3231 is the appropriate phone number for afterhours notifications. DENR recommends noting the distinction between the two numbers in the Emergency Response Plan.

4. **Section 2.0 – Notifications – Page 2-68.** The Ramada in Aberdeen is listed twice on the table shown on page 2-68. Each listing shows the same address and phone number.
5. **Section 3.0 – Response Actions – Page 3-3.** Although DENR understands the response times shown on page 3-3 are prescribed in federal regulations DENR expects TransCanada to respond to releases in South Dakota immediately and deploy the necessary response resources as soon as possible.
6. **Figure 3.1 – Spill Classification.** Based on this figure it appears impacts to water bodies or groundwater are needed to elevate the spill classification to "Major" or "Critical". If a spill is near rural water systems, well head or source water protection areas or drinking water wells DENR recommends elevating the spill classification to "Major" until impacts to the nearby water supply are ruled out. If impacts to the water supply are discovered, the release should be classified as "Critical".

7. **Section 3.0 – Response Actions – Page 3-10.** In the first sentence following “Note:” DENR suggests replacing “right-of-row” with “right-of-way.”
8. **Section 6.1 – Critical Areas to Protect.** It appears the critical areas described in this section are based primarily on wildlife / habitat and vegetation types. DENR recommends TransCanada consider population areas, rural water systems, well head or source water protection areas or proximity to drinking water wells in their criteria for establishing critical areas to protect.
9. **Section 6.5 – Containment and Recovery of Spilled Product – Page 6-6.** The third bullet on this page suggests controlled burning as an effective method to remove product. It is DENR’s opinion this method would likely only remove visual evidence of spilled product and residual contamination may remain in the environment after a burn. If controlled burning was approved in South Dakota, DENR would require additional sampling to confirm residual contamination levels comply with state cleanup requirements.
10. **Section 6.5 – Containment and Recovery of Spilled Product – Pages 6-8 and 6-9.** Two methods of containment are discussed on these pages (underflow and overflow dams). It appears the first paragraph on page 6-9 addresses underflow dams and should be placed under the bullet titled “Underflow dam” on page 6-8.
11. **Section 6.7 – Alternative Response Strategies.** In South Dakota, in addition to approval from the Federal On-Scene Coordinator alternative response strategies would also need to be approved by DENR.
12. **Section 6.7 – Alternative Response Strategies – Page 6-20.** Regarding dispersants, because dispersants only break up the oil and spread it throughout the water column DENR would not necessarily consider dispersant as a final cleanup action. If DENR approves the use of dispersants additional sampling would be required to confirm residual contamination levels comply with state cleanup requirements.
13. **Appendix A – A.1 Company Owned Response Equipment.** This section indicates there is a response/equipment trailer located in Brookings, South Dakota. However, later in Appendix A (starting on page A-9) where U.S. equipment is listed there is no equipment listed in Brookings, South Dakota. If equipment is located in Brookings, please list it in Appendix A.
14. **Appendix C.** DENR suggests including information in this Appendix on the criteria used to determine when a shut-down is necessary and the length of time it takes to shut-down the pipeline once the shut-down procedure is initiated.
15. **Appendix E – Section E.5 – Waste Disposal.** The last sentence on page E-5 mentions authorizations from the Coast Guard, EPA, and National Energy Board regarding approved waste disposal sites. The list of required approvals should also include the appropriate state regulatory agency with authority over waste disposal in the area of the release.

16. **Appendix F – Section 1.1 (no page number).** In the title “Supplemental Emergency Response and Equipment Staement” replace “Staement” with “Statement”.
17. **Regulatory Cross Reference.** DENR suggest this section include a regulatory cross reference table for SDCL 34-A-18-2.
18. **Response Zone Annexes – External Notification References – South Dakota.** In the event of a release in South Dakota the primary notification should be to DENR’s Spills Section with the phone numbers provided in comment number 2 above. However, location notifications are important. Upon review of the information listed in this section DENR found that many of phone numbers provided do not match the information available to DENR. DENR recommends TransCanada review this section and confirm the information is correct. As a reference, contact information for County Emergency Managers is available at the following website:

http://dps.sd.gov/emergency_services/emergency_management/county_emergency_managers_list.aspx.