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From: Matt West

**Sent:** Thursday, July 23, 2015 1:41:55 PM

To: PUC; Fiegen, Kristie; Nelson, Chris; Hanson, Gary (PUC)

Subject: DAP #HP-14-002 Auto forwarded by a Rule

July 23rd, 2015

DAP #HP-14-002 South Dakota Public Utilities Commission 500 E. Capitol Avenue Pierre, South Dakota 57501

## Attention:

Chris Nelson, Kristie Fiegen, Gary Hanson,

Recognizing the common threat to water, soil, climate, treaties, and future generations posed by the proposed Bakken Crude Oil Pipeline, a multi-state coalition of environmental groups, landowners, tribal representatives and church groups have joined together to call on the state agencies and commissions that are deciding whether to permit the Dakota Access Pipeline across four states or to reject the pipeline.

We urge the public utility commissions and boards to recognize the unprecedented nature of this pipeline and do the following:

Allow testimony from other jurisdictions that is directly relevant to the pipeline, regardless of which state that testimony was taken. The agencies should solicit that testimony from the other states' proceedings on Dakota Access' permit in order to have a complete and comprehensive picture of the impacts the pipeline will have over its lifetime.

Designate a guardian ad litem for future generations to intervene on behalf of future generations. The pipeline poses exceptional risks to future generations since Dakota Access has no plan to sunset operations. While there are a few economic benefits that will accrue to states in the short term, the longer term harm to rivers, fertile soils, groundwater, climate and other state assets demand that governments fulfill their public trust responsibilities to future generations and take into account the probability of spills, pipeline ruptures and company bankruptcy.

Take official notice of Energy Transfer Partners' own assessment of its financial status, the existing glut of crude oil, the fact that it self-insures, and the recognition that this is a hazardous business. The 2014 annual report of Energy Transfer Partners is the best information we have for its daughter company, Dakota Access, LLC. In the annual report it says the following:

- 1. Their business carries with it "underlying risk inherent" to their operations (pg 46). Many of those risks are environmental liabilities. In fact ETP says, "we cannot assure you that our current {cash} reserves are adequate to cover all future liabilities, even for currently known contamination."
- 1. ETP acknowledges that crude oil is in "general oversupply" (pg. 70). They export natural gas primarily to countries that have free trade agreements with the United States (pg. 18). In all likelihood they will also be exporting Bakken oil since there is a glut of oil. This indicates that the Dakota Access Pipeline is not needed for national security since we already have too much oil.
- 1. There are circumstances where emergency response planning requirements do not apply. Rural areas can be treated differently and with fewer protections because they are not considered "high consequence areas" (pg 23).
- 1. Because of the structure of the master limited partnerships, Energy Transfer Partners do not pay federal or state taxes.
- 1. The sole goal of Energy Transfer Partners is to create and maximize value to its Unitholders (pg 18). The goal is not to protect the environment, the people of North Dakota, South Dakota, Iowa or Illinois.
- 1. ETP is being sued or has been served with notices of violation for various spills, leaks and contamination of water. Some of these violations include pipeline spills of other subsidiaries (pg. 58-59).
- 1. A full analysis of the annual report, prepared by Carolyn Raffensperger of the Science and Environmental Health Network, <u>can be found here.</u>

We note that three of the four states that this pipeline would cross, if permitted, are national leaders in sustainable energy production. Iowa, North Dakota and Illinois are all in the top 12 states for wind energy. We do not wish to compromise our position as national leaders in the renewable energy sector with this risky proposal. Rather than investing in new fossil fuel infrastructure, we must move toward an energy infrastructure that is controlled by and offers benefits to local communities.

We believe that neither Dakota Access nor its parent company Energy Transfer Partners have a suitable plan for protecting the long term financial or environmental interests of the states that are proposed to host it. We strongly urge decision-makers in all four states to consider their public trust responsibility to future generations and honor the necessity of leaving this oil in the ground.

Undersigned organizations:

Bakken Pipeline Resistance Coalition
Dakota Rural Action
Indigenous Environmental Network
Shawnee Forest Sentinels
Women's Congress for Future Generations
Science and Environmental Health Network
Iowa Citizens for Community Improvement
Women, Food and Agriculture Network
Sierra Club, Iowa Chapter
Iowa State University ActivUs
Iowa State University Sustainable Agriculture Student Association

## Food and Water Watch

## **Matthew West**

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Dakota Rural Action









