

## RECEIVED

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South Dakota Department of Environment and Natural Resources  
Groundwater Quality Program  
Joe Foss Building  
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Pierre, SD 57501-3182

DEPT. OF ENVIRONMENT &  
NATURAL RESOURCES,  
GROUND WATER PROGRAM

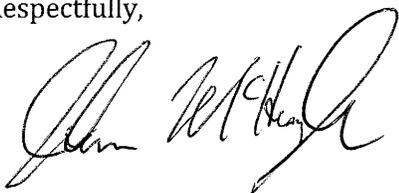
Attn: Mr. Brian Walsh

Dear Mr. Walsh:

Thank you very much for your thorough review of the Emergency Response Plan (ERP) plan and with such quick turnaround. We have reviewed the comments and with TransCanada's direction, have made appropriate changes to the best extent practicable. Our explanation of how we responded to each comment is included on the document that follows.

Again, we appreciate your input and value the effort that you made to improve the effectiveness of the ERP. Please contact Bob Baumgartner at (402) 960-0483 or (832) 320-5538 if you have any questions or if you would like to see a revised version of the plan.

Respectfully,



John McHugh  
Vice President, Compliance Services  
Witt O'Brien's

cc. Bob Baumgartner, TransCanada  
Niki Affleck, TransCanada

# 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.

**TransCanada Response:** TransCanada originally developed the ERP to comply with the requirements of SDCL 34A-18. However, to demonstrate an understanding of the rule and to assist plan users and reviewers, we have included a cross reference into the plan located in the Regulatory Cross Reference section of the plan.

## 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.

**TransCanada Response:** We have added a statement into Section 1.2 that makes it clear that the plan's purpose is to comply with all regulations of any state in which the pipeline transverses, including South Dakota. Further, we reviewed the pertinent sections to confirm that the plan does, in fact, comply with the aforementioned rules.

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 after-hours notifications. DENR recommends noting the distinction between the two numbers in the Emergency Response Plan.

**TransCanada Response:** Local agency notifications start on page 2-34. For Local/City Emergency Services that may be called during an incident another list is located in the Response Zone Annex since this section is designed to accommodate only local contacts. In addition, we have removed several DENR contacts and replaced it with the

one call numbers described in this document.

- 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.

**TransCanada Response:** We are aware of the duplication. The reason for this duplication is because the Ramada in Aberdeen is a suitable site for both the Fort Ransom to Ludden section and the Ludden to Ferney section. Therefore it was listed in each to aid the responder during an emergency.

- 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.

**TransCanada Response:** TransCanada understands the importance of responding immediately and will do so during an emergency. The plan's listed response time is a reference only to the regulatory required maximum time to respond. It is understood that we will respond as quickly as it is safe to do so.

- 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".

**TransCanada Response:** Table 3.1 has been modified to escalate potential threats and immediate threats to "Major" and "Critical" respectively.

- 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."

**TransCanada Response:** The typo has been corrected.

- 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.

**TransCanada Response:** All of the aforementioned categories were added as high sensitivity areas. In addition, the ERP already addressed High Consequence Areas which include population areas, drinking water sources, etc.

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.

**TransCanada Response:** Suggested material has been added into conditions of using intentional ignition for in-situ burning. The state of South Dakota, through the mechanism of Unified Command and supported by the National Contingency Plan (NCP), will have the authority to approve or disapprove of in-situ burning. In-situ burning is identified as only one possible mechanism among many to effectively clean up an oil spill. TransCanada will work closely with regulatory agencies to ensure we meet clean-up standards via approved means.

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.

**TransCanada Response:** The paragraph has been moved accordingly as suggested.

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.

**TransCanada Response:** The text in Section 6.7 has been rewritten to make it clear that the Federal On-Scene Coordinator (OSC) and the State On-Scene Coordinator (SOSC) would make a joint decision, through UC, on the use the alternative response strategies.

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.

**TransCanada Response:** Text has been changed to add the possible need for water sampling to gauge the effects of dispersants in the water column. As noted above, alternative response strategies outlined in the ERP are suggested response methods and not mandatory. We will work closely with regulatory agencies to ensure any methods being proposed for clean-up will be acceptable and not cause further environmental damage.

- 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

**TransCanada Response:** Section A.1 has been amended to remove the listing of individual locations because they are listed, by location, in Figure A.1. Please note that the trailer is in Yankton, SD.

- 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.

**TransCanada Response:** The criteria for the shut-down of the pipeline is typically contained in the Operations and Maintenance Manual (O&M) and the Control Center Plan, both required by PHMSA under 49 CFR 195. The ERP does however, make mention to response actions for abnormal operations in Section 3.0.

- 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.

**TransCanada Response:** The statement “any authorizing state agency” has been added to the list.

- 16. Appendix F– Section 1.1 (no page number).** In the title "Supplemental Emergency Response and Equipment Statement" replace "Staement" with "Statement".

**TransCanada Response:** The typo has been corrected.

- 17. Regulatory Cross Reference.** DENR suggest this section include a regulatory cross reference table for SDCL 34-A-18-2.

**TransCanada Response:** The SD DENR cross reference has been added.

- 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://fdps.sd.gov/emergency\\_services/emergency\\_management/county\\_emergency\\_managers\\_list.aspx](http://fdps.sd.gov/emergency_services/emergency_management/county_emergency_managers_list.aspx)

**TransCanada Response:** A review of the phone numbers identified three that were incorrect. These were changed accordingly.