BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF DAKOTA ACCESS, LLC FOR AN ENERGY FACILITY PERMIT TO CONSTRUCT THE DAKOTA ACCESS PIPELINE

HP14-002

PRE-FILED TESTIMONY OF Laurie Kunzelman

EXHIBIT

| | STATE OF SOUTH DAKOTA) :SS |
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| | COUNTY OF Lincoln) |
| 1 | Laurie Kunzelman, being first duly sworn on his/her oath, deposes and states as follows: |
| 2 | Please state your name and address. |
| 3 | Laurie Kunzelman |
| 4 | 3604 East Woodsedge Street |
| 5 | Sioux Falls, SD 57108 |
| 6 | How are you involved with the Dakota Access Pipeline project? |
| 7 | I am the daughter of Delores Assid, a landowner in Lincoln County, South Dakota |
| 8 | affected by the proposed Dakota Access Pipeline. |
| 9 | Please describe the history of your family's land ownership, and whether farming |
| 10 | will be continued by younger generations. |
| 11 | My great-grandfather, Henry Andreessen, homesteaded this land in 1883. He filed on the |
| 12 | land (a half section – 320 acres) in 1882 and then moved onto it in 1883. Henry farmed i |
| 13 | for 44 years. My grandparents, Martin and Elsie Andreessen, inherited the farm in 1927, |
| 14 | when my mother was one year old. They retired from farming in 1948, but continued to |

own the land. My grandparents rented the land to a farmer, Richard Gores. My mother,

Delores, and her two sisters. Devona Smith and Margaret Hilt, inherited the farm in 1988, 16 17 when my grandmother passed away. My mother and aunts continue to rent the farmland 18 to a farmer, Doug Vanderwerff, who grows corn and soybeans on it. My sister, my two 19 cousins, and I will someday inherit the farm from my mother and aunts. We plan on 20 continuing to own the land and rent it out. My husband and I have been thinking about 21 building a home on the farm. 22 Please describe your current farming operations. 23 The farm is rented out for cash rent. The tenant farmer, Doug Vanderwerff, grows corn 24 and soybeans, and has a little hay land on the half section. This man has been farming 25 this land for about 30 years and plans to continue to do so, unless the pipeline would 26 change that. 27 To the best of your knowledge, what area(s) of your property will the Dakota Access 28 Pipeline cross? The pipeline would cross the east quarter section (160 acres) of the farm from the 29 30 northwest corner to the southeast corner, effectively cutting that quarter section in half. 31 How close is the pipeline to any building, bin or pen, water source, or farming 32 facilities (i.e., storage area, feedlot, grazing area, etc.)? 33 The pipeline would run approximately 50 feet from the land surrounding the farm 34 buildings and the windmill, which provides water for the house. 35 Please describe any special characteristics of your property and farmland, and/or 36 whether you plan to build any houses, outbuildings, shelter belts, or other structures on your property. 37 The farm has old cement tile going from a pond north of the house to the road ditch south 38 39 of the house. This old tile is fragile. The proposed pipeline would cross this tile. There

is also tile a short distance west of this tile. I'm not sure if the pipeline would cross that tile or not. The tile could easily be damaged by excavation of the ground near it, heavy equipment going over it, or settling of the ground afterwards.

My husband and I have been considering building a home on the southeast corner of the farm, but the pipeline would prevent that. My mother and aunts have also considered selling one acreage on the northeast corner of the farm. There are three housing eligibilities remaining on that quarter section of the farm with possible future development, since Highway 17 runs on the east side of the farm. A realtor has already asked my mom if she was interested in selling the farm. There are housing developments ½ mile east of the farm and another one planned ½ mile north of the farm. Even though these are outside of the growth plan for Tea, they are still being developed. Pipeline easements could restrict developments in the area.

Please describe which of your farming operations or other land uses will be impaired by the Dakota Access Pipeline and how they will be impaired.

Corn and soybeans are both grown yearly in alternating areas in that quarter section of the farm. The pipeline would severely cut down on crop production of each of them.

The tenant would lose acres to plant, receive much less income from that quarter section, and it would inconvenience him when trying to farm the land, with the pipeline cutting that quarter section in half. Consequently, he would be unwilling to pay as much rent per acre, so my mother would be losing income. The renter may decide that the hassle isn't worth trying to farm the land that is cut in half by the pipeline. No one else would be willing to farm it either, with that pipeline running through there. Then my mother and aunts would lose total income from that farm for as long as it would take to find another renter. Also, if they ever did try to sell any acreages, people would not want to buy and

build on the land with that pipeline under it. Dakota Access would not allow any
 buildings on the easement, either.

When the land is dug up for the pipeline, it would damage the quality of the soil. The topsoil and subsoil as well as lower layers would be mixed. This will hurt plant growth for at least ten years. There will be some compaction of the soil, which would also impact plant growth. Weed seeds will be brought to the surface, so there will be additional costs to control them. The soil around the pipeline will be warmer and could cause more insects and disease to survive in the soil. That could also affect plant production. Rocks would be brought to the surface and need to be removed. I am afraid Dakota Access will not do this, as happened with the Keystone pipeline.

Has your farmland been improved with drain tile? If so, please describe whether you are concerned that pipeline construction may damage and impair the drain tile performance and investment.

Yes, this quarter has two areas of drain tile. The pipeline would cross at least one of them. The tile is cement and quite old. We do not know exactly how deep the tile is because it was installed many years ago. I am very much afraid that the tile would be damaged. Then the water would not drain out of the low area and could reach the house and other buildings as well as drowning out crops. This would cause a loss of income, also. It would be difficult, and very costly to replace the drain tiles if they were damaged. Land around the tile will settle and could cause the tile to break. I'm also afraid oil could get into the tiles and into the water if the tiles were broken.

Do you believe that the Dakota Access Pipeline will pose a threat of serious injury to the environment or the inhabitants within the siting area? If so, why?

Yes, I definitely believe the pipeline would pose a threat to the environment and the 88 inhabitants of this farm because of the large amounts of volatile, toxic oil going through 89 this pipeline every day. The oil could leak onto the land and into the water as it has 90 often done in many other areas. The oil could flow into Little Beaver Creek which runs 91 through the farm only about 1/8 of a mile from the proposed pipeline. Then it could get 92 into Beaver Creek, and subsequently into the Sioux River and the aquifer. The Bakken 93 oil in this pipeline is a highly volatile substance. It has been found to be the most 94 explosive oil when compared to oil from 86 locations around the world. Pipelines 95 explode, rupture, and leak. Even with shut-off valves, a great deal of oil would escape 96 into the environment. If the pipeline exploded, it could definitely hurt or kill people and 97 animals in the area. Also, the oil is poisonous and carcinogenic to the people and animals 98 in contact with it. The oil contains benzene and other chemicals. Benzene is cancer-99 causing, as well as causing many other health problems, including death. The 100 environment could be permanently damaged if there was a leak or spill, and could 101 probably never be farmed again. There are designated wetlands on the farm which could 102 be threatened by the pipeline. 103 Do you believe that the Dakota Access Pipeline will substantially impair the health, 104 safety and welfare of the inhabitants of the siting area? If so, why? 105 Yes, it will most definitely impair the financial welfare of the tenant farmer and the 106 landowners (my mother and aunts), due to the amount of land that will be dug up all the 107 way across that quarter section. Crops will not be as good for many years, possibly ten or 108 twenty years. This could happen again and again, anytime the pipeline company would 109 decide to go back in and dig it up to put more pipes in, or to work on them for some

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reason. Yet the pipeline company is only offering a onetime lump sum payment to my mother and aunts. I am also concerned that stray voltage could affect the health, safety, and welfare of the tenant farmer, the residents, and anyone else near the pipeline. The soil, depending on mineral and moisture content, as well as steel posts on the land, can conduct electricity. When you look at the many previous pipeline accidents, you can see that the health and safety of people and animals are at stake. As I stated before, the oil itself could affect the health, safety, and welfare of everyone, and of the many animals in the area, because of the volatility of the oil and the chemicals such as benzene, that the oil contains. Dakota Access cannot guarantee the safety of the pipeline. There have been more pipeline accidents than train accidents involving oil. I am also very concerned that the pipeline will lower the property value of the farm. It will also lower the value of the property of surrounding neighbors. Because of this, property taxes paid to the government will be decreased. Have you been sued by Dakota Access Pipeline to compel court ordered access to your land? If so, (1) Has Dakota Access Pipeline provided you any legal authority (i.e., state statute) supporting its claim that you have no right to exclude Dakota Access from your land at the time of said lawsuit? and (2) Have you incurred legal fees in defending against said lawsuit? No I haven't, but my mother and aunts have. Dakota Access has filed a lawsuit against them to allow Dakota Access to enter the farm to survey it. My mother told them "No" two different times, that they could not enter her land.

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132 Yes, they have hired a lawyer, Glenn Boomsma, to represent them in this matter. It is 133 costing them a great deal of money to prevent Dakota Access from surveying, using 134 eminent domain, and placing the pipeline on their farm. 135 Has Dakota Access Pipeline made any statements to you that it is a "common 136 carrier" under South Dakota law? If so, please describe. 137 No, they did not. 138 Has any representative of Dakota Access Pipeline made any statements to you or 139 others that you believe are not true? If so, please explain. 140 Yes, first of all they told my mother that she should allow them on her land. If she didn't, 141 they will just take it by eminent domain, anyway. However, they do not have the right of 142 eminent domain as of yet. 143 Secondly, they told Rhonda Nielsen, who lives in the house on that quarter section, that 144 my mother and aunts had agreed to let Dakota Access enter their land, survey it, and 145 build the pipeline there. They also told her there was nothing she could do about it. 146 Rhonda was very upset that my family would do this. My mother and aunts never gave 147 them permission to enter their land, survey it, or build the pipeline there. 148 Please state any other concerns you have regarding the Dakota Access Pipeline. 149 Liability is a major concern. Dakota Access may not be held accountable if there is a spill, leak, or explosion on the farm. Neighbors could sue my mom if damage is done to 150 151 their land. If there is an oil spill, who will pay for the cleanup? 152 If the pipeline is no longer used, who will pay for removing it? 153 If Dakota Access gets the easement, it would give them the right to enter anywhere on the farm at anytime, to add more pipe, or for any other reason. To me, this is a takeover 154 of the land that is being forced upon us, harming present and future generations. 155

South Dakota and Iowa both grow large amounts of corn. Ethanol producers in South Dakota use much of this corn to produce ethanol, which greatly helps the economy of South Dakota. The oil pipeline will benefit the economy of North Dakota and Texas, but will be of only a small benefit to the economy of South Dakota. That oil is a non-renewable source of fuel and produces greenhouse gases. Corn is a renewable source of fuel. South Dakota should be putting all of its effort into increasing the supply and demand for ethanol. This would be much more beneficial to the farmers and to the state. Lincoln County is one of the fastest growing areas in the country. The pipeline would be running near the most populated part of South Dakota, including the cities of Sioux Falls, Tea, Lennox, and Harrisburg. Future development of this area would be seriously hindered. The eastern part of South Dakota also has the most highly productive cropland in the state. I don't understand why anyone would even consider putting the pipeline through here.

Would you be available to present testimony and respond to questions during the

Would you be available to present testimony and respond to questions during the formal hearing scheduled for September 29 through October 8, 2015?

Yes, I would be available if allowed. My mother and aunts have given their permission for me to speak on their behalf at the hearing because none of them will be able to attend the hearing.

Does that conclude your testimony?

Yes.

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| Laurie Kunzuman |
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| Subscribed and sworn before me this 6 day of July, 2015. |
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| $(M_1, \Lambda_2)_{\alpha}$ |
| Mach J. Chelen |
| Notary Public – South Dakota |
| My Commission Expires: 6/22/18 |
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