BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE PETITION OF DAKOTA ACCESS, LLC PIPELINE, LP FOR A PERMIT TO CONSTRUCT THE DAKOTA ACCESS PIPELINE

JOINT MOTION TO STAY PROCEEDINGS FOR PREPARATION OF AN ENVIRONMENTAL IMPACT STATEMENT

HP14-002

COMES NOW the Yankton Sioux Tribe, the Rosebud Sioux Tribe, Indigenous Environmental Network and Dakota Rural Action, by and through undersigned counsel, and move for an order to stay the proceedings in the above-referenced docket for a reasonable time, to allow for the preparation of an environmental impact statement (EIS) on the Dakota Access Pipeline revised application. It is requested that the order prescribe an appropriate fee upon Dakota Access for the cost of preparation of the EIS, pursuant to SDCL §34A-9-4. The moving parties have learned in discovery that no federal agency will prepare an EIS, thereby triggering the authority in SDCL §34A-9-2(3) for an EIS by the Commission.

This motion is based upon SDCL §49-41B-21, SDCL chapter 34A-9, the papers and pleadings on file herein, and the Memorandum of Points and Authorities, below.

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION

Section 21 of the Energy Conversion and Transmission Facilities Act, SDCL §49-41B-21, incorporates the South Dakota Environmental Policy Act, SDCL chapter 34A-9, into the PUC's decision-making. The Environmental Policy Act authorizes every state agency to prepare an environmental impact statement when "any major action they propose or approve... may have a significant effect on the environment." SDCL §34A-9-4. The act defines the term "action" as including "a lease, permit, license, certificate." SDCL §34A-9-2. Thus, if the issuance of an energy facilities permit may significantly affect the environment, the South Dakota legislature contemplated that the PUC would prepare an EIS before approving the permit.

The Minnesota Court of Appeals recently addressed this very issue. The court reversed a Minnesota PUC order granting a certificate of need for the Enbridge Sandpiper Pipeline project, and required preparation of an EIS because the project constituted a "'major government action' that creates the 'potential for significant environmental effects." under the Minnesota Environmental Policy Act. In the Matter of the Application of the North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota, A15-0016 (Minn. App. 2015) slip op. at 8 quoting Minn. Stat. §116D.04 sub 2a (2014). The Sandpaper Pipeline Project case stands for the proposition that the environmental impacts of a major pipeline project, such as DAPL, must be evaluated utilizing the EIS process. Id. Otherwise, the court will reverse and remand any permit issued by the PUC for an oil and gas pipeline, for lack of compliance with the state Environmental Policy Act. Id.

Under section 11 of the South Dakota Environmental Policy Act, preparation of an EIS by the PUC would not be necessary if a federal agency prepared one under the National Environmental Policy Act, 42 U.S.C. §4321 *et seq.* SDCL §34A-9-11 states that "To avoid duplication of effort and to promote consistent administration of federal and state environmental policies, the environmental impacts statement required under this chapter need not be prepared with respect to actions for which a (federal) detailed statement is required"). As explained by Paige Olson in her pre-filed testimony, "the overall project has been segmented, so there is no overarching lead federal agency for the project." *Pre-filed Testimony of Paige Olson, on file herein*, pp. 7-8. Consequently, there is no federal EIS, and preparation of a state EIS is the optimal manner for the PUC to exercise its discretion under the principles enunciated by the Minnesota Court of Appeals in the *Sandpaper Pipeline Project* case.

The South Dakota Environmental Policy Act incorporates the federal regulations for environmental impact statements. SDCL §34A-9-7. The applicable regulations disfavor the segmentation of projects in the manner described by Ms. Olson in her pre-filed testimony. 40 CFR §1502.4(a). Consequently, the DAPL revised application presents the very type of situation in which the preparation of an EIS by the PUC is

appropriate. *See e.g. LeFlemme v. Federal Energy Regulatory Comm'n*, 852 F.2d 389 (9th Cir. 1988) (ordering suspension of hydroelectric project permit proceeding until environmental impacts evaluated).

The Sandpiper Pipeline Project would have a capacity of 375,000 barrels per day, and cross northern Minnesota for 300 miles, and the Minnesota court ruled that it was a "major action," triggering the need for an EIS under the state Environmental Policy Act. *In the Matter of the Application of the North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota*, slip op. at 3, 8. DAPL proposes to cross South Dakota for 272 miles, with a capacity of 570,000 barrels per day, significantly more than Sandpiper. DAPL, *Revised South Dakota Public Utilities Commission Application for the Dakota Access Pipeline, on file herein*, p. 1. Thus, DAPL potentially poses a far greater environmental risk to South Dakota than the Sandpiper Pipeline Project may pose to Minnesota. The Tribes and all South Dakota residents are entitled to the more rigorous environmental review ordered in the *Sandpiper Pipeline Project* case.

Otherwise, for example, the 279 water body crossings by DAPL in South Dakota will be permitted by the Army Corps of Engineers under a single combined section 404/10 permit, with no alternatives analysis or further environmental review. *See Dakota Access Application for U.S. Army Corps of Engineers Section 404/10 Permit.* The Environmental Policy Act is designed precisely to address this situation, in which there is no federal review process for an oil and gas project which potentially significantly impacts the South Dakota environment. SDCL §34A-9-4 ("The purpose of an environmental impact statement is to provide detailed information about the effect which a proposed project is likely to have on the environment, to list ways in which any adverse effects of the action might be minimized, and to suggest alternatives").

In this docket, the applicant must demonstrate that the Dakota Access Pipeline:

1) will comply with all applicable laws and rules;

2) will not pose a threat of serious injury to the environment nor to the social or economic conditions of inhabitants or expected inhabitants in the siting area;

3) will not substantially impair the health, safety or welfare of the inhabitants; and

4) will not unduly interfere with the orderly development of the region with due consideration given to the views of the governing bodies of affected local units of Government.

SDCL §49-41B-22.

The preparation of an EIS is generally discretionary under the South Dakota Environmental Policy Act. *In re Water Management Board*, 351 N.W.2d 119, 124 (S.D. 1984). Nevertheless, the lesson of the *Sandpaper Pipeline Project* case is that the optimal exercise of discretion by the PUC is to prepare an EIS prior to the approval of a permit for a significant oil and gas pipeline project. Given the scope of the potential environmental impacts of an oil and gas pipeline of the size and magnitude of DAPL, the determination of whether the revised application meets the statutory criteria is properly determined by through preparation of an EIS.

The Environmental Impact Statement:

...shall be prepared in accordance with the procedural requirements relating to citizen participation of the National Environmental Policy Act of 1969 . . . and shall include, at a minimum a detailed statement setting forth the following: (1) A description of the proposed action and its environmental setting; (2) The environmental impact of the proposed action including short-term and long-term effects; (3) Any adverse environmental effects that cannot be avoided if the proposal is implemented; (4) Alternatives to the proposed action; (5) Any irreversible and irretrievable commitments of resources that would be involved in the proposed action if it is implemented; (6) Mitigation measures proposed to minimize the environmental impact; and (7) The growth-inducing aspects of the proposed action.

SDCL §34A-9-7.

An environmental review conducted under this statute will best enable the Commission to determine whether the DAPL revised application complies with the statutory criteria for a permit under SDCL §49-41B-22. The Commission should enter an order to stay this permit application docket, impose a reasonable fee on DAPL for the cost of preparing an EIS, and directing the staff to implement the EIS process forthwith.

RESPECTFULLY SUBMITTED this <u>23rd</u> day of September, 2015.

unif. SBaker

Jennifer S. Baker, OK #21938 / NM #28101 Fredericks Peebles & Morgan LLP 1900 Plaza Drive Louisville, CO 80027 Telephone: (303) 673-9600 Facsimile: (303) 673-9155 Email: jbaker@ndnlaw.com

/s/Thomasina Real Bird

Thomasina Real Bird, SD Bar No. 4415 Fredericks Peebles & Morgan LLP 1900 Plaza Drive Louisville, Colorado 80027 Telephone: (303) 673-9600 Facsimile: (303) 673-9155 Email: trealbird@ndnlaw.com

Attorneys for the Yankton Sioux Tribe

and

/s/ Matthew L. Rappold

Rappold Law Office 816 Sixth Street PO Box 873 Rapid City, SD 57709 (605) 828-1680 Matt.rappold01@gmail.com

Attorney for Rosebud Sioux Tribe

and

/s/Kimberly Craven

Kimberly Craven, AZ BAR #23163 3560 Catalpa Way Boulder, CO 80304 Telephone: 303.494.1974 Fax: 720.328.9411 Email: kimecraven@gmail.com Attorney for Dakota Rural Action & Indigenous Environmental Network

I certify that on this 29th day of September, 2015 the foregoing JOINT MOTION TO STAY PROCEEDINGS FOR PREPARATION OF AN ENVIRONMENTAL IMPACT

STATEMENT was filed on the Public Utilities Commission of the State of South Dakota e-filing website. Also on this day, a true and accurate copy was sent via email to the following (or US Mail first class postage prepaid where indicated):

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 <u>patty.vangerpen@state.sd.us</u> (605) 773-3201 - voice

Ms. Kristen Edwards Staff Attorney South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 <u>Kristen.edwards@state.sd.us</u> (605) 773-3201 - voice

Ms. Karen E. Cremer Staff Attorney South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 <u>karen.cremer@state.sd.us</u> (605) 773-3201 – voice

Mr. Brian Rounds Staff Analyst South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 <u>brian.rounds@state.sd.us</u> (605) 773-3201- voice Mr. Darren Kearney Staff Analyst South Dakota Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501 <u>darren.kearney@state.sd.us</u> (605) 773-3201 - voice

Mr. Brett Koenecke - representing Dakota Access, LLC May, Adam, Gerdes and Thompson, LLP PO Box 160 Pierre, SD 57501 <u>Brett@mayadam.net</u> (605) 224-8803 - voice (605) 224-6289 - fax

Ms. Kara Semmler - representing Dakota Access, LLC May, Adam, Gerdes and Thompson, LLP PO Box 160 Pierre, SD 57501 <u>kcs@magt.com</u> (605) 224-8803 - voice (605) 224-6289 - fax

Mr. Tom Siguaw Senior Project Director - Engineering Dakota Access, LLC 1300 Main Street Houston, TX 77002 tom.siguaw@energytransfer.com (713) 989-2841 - voice (713) 989-1207 - fax

Mr. Keegan Pieper Associate General Counsel Dakota Access, LLC 1300 Main Street Houston, TX 77002 <u>keegan.pieper@energytransfer.com</u> (713) 989-7003 - voice (713) 989-1212 - fax

Mr. Stephen Veatch Senior Director - Certificates Dakota Access, LLC 1300 Main Street Houston, TX 77002 <u>Stephen.veatch@energytransfer.com</u> (713) 989-2024 - voice (713) 989-1205 - fax

Mr. Joey Mahmoud Senior Vice President - Engineering Dakota Access, LLC 1300 Main Street Houston, TX 77002 Joey.mahmoud@energytransfer.com (713) 989-2710 - voice (713) 989-1207 - fax

Mr. Jack Edwards Project Manager Dakota Access, LLC 4401 S. Technology Dr. South Suite Sioux Falls, SD 57106 Jack.edwards@energytransfer.com (844) 708-2639 - voice

Ms. Jennifer Guthmiller McPherson County Auditor PO Box 390 Leola, SD 57456 <u>mcphersonaud@valleytel.net</u> (605) 439-3314 - voice

Mr. Keith Schurr Edmunds County Auditor PO Box 97 Ipswich, SD 57451 <u>Keith.schurr@state.sd.us</u> (605) 426-6762 - voice

Ms. Kelly Toennies Faulk County Auditor PO Box 309 Faulkton, SD 57438 Kelly.toennies@state.sd.us (605) 598-6224 - voice

Ms. Theresa Hodges Spink County Auditor 210 E. Seventh Ave. Redfield, SD 57469 <u>spinkcoauditor@nrctv.com</u> (605) 472-4580 - voice

Ms. Jill Hanson Beadle County Auditor Suite #201 450 Third St. SW Huron, SD 57350 <u>auditor@beadlesd.org</u> (605) 353-8400 - voice

Ms. Jennifer Albrecht Kingsbury County Auditor PO Box 196 DeSmet, SD 57231 Jennifer.albrecht@state.sd.us (605) 854-3832 - voice

Ms. Susan Connor Miner County Auditor PO Box 86 Howard, SD 57349 <u>minerauditor@minercountysd.org</u> (605) 772-4671 - voice

Ms. Roberta Janke Lake County Auditor 200 E. Center St. Madison, SD 57042 <u>lakeauditor@lakecountysd.com</u> (605) 256-7600 - voice

Ms. Geralyn Sherman McCook County Auditor PO Box 190 Salem, SD 57058 <u>mccookaud@triotel.net</u> (605) 425-2791 - voice

Mr. Bob Litz Minnehaha County Auditor 415 N. Dakota Ave. Sioux Falls, SD 57104 blitz@minnehahacounty.org (605) 367-4220 - voice

Ms. Sheila Hagemann Turner County Auditor PO Box 370 Parker, SD 57053 <u>turcoaud@iw.net</u> (605) 297-3153 - voice

Ms. Marlene Sweeter Lincoln County Auditor 104 N. Main St. Canton, SD 57013 <u>auditor@lincolncountysd.org</u> (605) 764-2581 - voice

Ms. Lisa Schaefbauer Campbell County Auditor PO Box 37 Mound City, SD 57646 <u>campbellcommission@yahoo.com</u> (605) 955-3366 - voice

Ms. Karla Engle Special Assistant Attorney General South Dakota Department of Transportation 700 E. Broadway Ave. Pierre, SD 57501-2586 <u>karla.engle@state.sd.us</u> (605) 773-3262 - voice

Mr. Scott Pedersen Chairman Lake County 200 E. Center St. Madison, SD 57042 <u>lakegovt@lakecountysd.com</u> (605) 256-7600 - voice

Mr. Manuel J. de Castro, Jr. Attorney Lake County States Attorney 200 E. Center St. Madison, SD 57042 lakesa2@lakecountysd.com (605) 256-7630 - voice

Mr. Randy Kuehn 17940 389th Ave. Redfield, SD 57469 <u>rlkfarms@gmail.com</u> (605) 472-1492 - voice

Mr. Jim Schmidt Chairman Lincoln County Board of Commissioners 104 N. Main, Ste. 110 Canton, SD 57013-1703 <u>Auditor@lincolncountysd.org</u> (605) 764-2581

Mr. Michael F. Nadolski - Representing Lincoln County Board of Commissioners Attorney Lincoln County Ste. 200 104 N. Main Canton, SD 57077 <u>mnadolski@lincolncountysd.org</u> (605) 764-5732 - voice (605) 764-2931 - fax

Mr. Bret Merkle - Representing Pente Farms, LLC; KKKP Property, LLLP; Pederson Ag, LLC; Calvin Schreiver; DLK&M, LLC; Jean Osthus; and Daniel & Marcia Hoiland Merkle Law Firm PO Box 90708 Sioux Falls, SD 57109-0708 <u>bret@merklelaw.com</u> (605) 339-1420 - voice

Ms. Cindy Heiberger Commission Chairman Minnehaha County 415 N. Dakota Ave. Sioux Falls, SD 57104 cjepsen@minnehahacounty.org (605) 367-4220 - voice

Mr. Kersten Kappmeyer Attorney Minnehaha County 415 N. Dakota Ave. Sioux Falls, SD 57104 <u>kkappmeyer@minnehahacounty.org</u> (605) 367-4226 - voice (605) 367-4306 - fax

Mr. Glenn J. Boomsma - Representing: Peggy A. Hoogestraat, Kevin J. Schoffelman, Linda Goulet, Corlis Wiebers, Mavis Parry, Shirley Oltmanns, Janice E. Petterson, Marilyn Murray, Delores Andreessen Assid, Joy Hohn, and Orrin E. Geide Attorney Breit Law Office, P.C. 606 E. Tan Tara Circle Sioux Falls, SD 57108 <u>glenn@breitlawpc.com</u> (605) 336-8234 - voice (605) 336-1123 - fax

Ms. Peggy A. Hoogestraat 27575 462nd Ave. Chancellor, SD 57015 <u>gardengalpeggy@gmail.com</u> (605) 647-5516 - voice

Ms. Joy A. Hohn 46178 263rd St. Hartford, SD 57033 <u>rjnchohn@gmail.com</u> (605) 212-9256 - voice

Ms. Marilyn J. Murray 1416 S. Larkspur Trl. Sioux Falls, SD 57106 <u>murrayma1@sio.midco.net</u> (605) 321-3633 - voice

Mr. Larry A. Nelson - Representing: City of Hartford Frieberg, Nelson and Ask, L.L.P. PO Box 38 Canton, SD 57013 <u>Inelson@frieberglaw.com</u> (605) 987-2686 - voice

Ms. Teresa Sidel City Administrator City of Hartford 125 N. Main Ave. Hartford, SD 57033 <u>cityhall@hartfordsd.us</u> (605) 528-6187 - voice

Ms. Linda Glaeser Manager Rocky Acres Land Investment, LLC 27324 91st Ave. E. Graham, WA 98338 <u>lglaeser@seattlecca.org</u> <u>Imglaeser@wwdb.org</u> (253) 670-1642 - voice

Ms. Linda Goulet 27332 Atkins Pl. Tea, SD 57064 <u>45Lgoulet@gmail.com</u> (605) 359-3822 - voice

Mr. Dale E. Sorenson Dale E. Sorenson Life Estate 45064 241st St. Madison, SD 57042 <u>a77man@msn.com</u> (605) 480-1386 - voice

Ms. Kimberly Craven - Representing Dakota Rural Action and Indigenous Environmental Network (IEN) 3560 Catalpa Way Boulder, CO 80304 <u>kimecraven@gmail.com</u> (303) 494-1974 - voice

Ms. Sabrina King Community Organizer Dakota Rural Action 518 Sixth Street, #6 Rapid City, SD 57701 <u>sabrina@dakotarural.org</u> (605) 716-2200 - voice

Mr. Frank James Staff Director Dakota Rural Action PO Box 549 Brookings, SD 57006 fejames@dakotarural.org (605) 697-5204 - voice (605) 697-6230 - fax

Ms. Debra K., Mr. Duane H. & Mr. Dennis S. Sorenson 24095 451st Ave. Madison, SD 57042 <u>stubbyfarmer@yahoo.com</u> (605) 480-1370 - Debra Sorenson - voice (605) 480-1162 - Duane Sorenson - voice (605) 480-1055 - Dennis Sorenson - voice

Mr. Douglas Sorenson 24095 451st Ave. Madison, SD 57042 <u>plowboy@svtv.com</u> (605) 480-1385 - voice

Mr. William Haugen Haugen Investments LP PO Box 545 Hartford, SD 57033 wh401889@hotmail.com (605) 359-9081 - voice

Mr. Phillip Fett PO Box 572 Lennox, SD 57039 <u>vonfett529@gmail.com</u> (605) 366-7155 - voice

Mr. Orrin E. Geide 46134 263rd St. Hartford, SD 57033 (605) 261-4815 - voice

Ms. Shirley M. Oltmanns 26576 466th Ave. Sioux Falls, SD 57106 <u>ssoltm@gmail.com</u> (605) 941-0005 - voice

Mr. Bradley F. Williams 1044 Overlook Rd. Mendota Heights, MN 55118 bwilliams@bestlaw.com (612) 414-4950 - voice

Mr. Craig L. & Ms. Dotta-Jo A. Walker 733 NE 15th St. Madison, SD 57042 <u>court_walker@hotmail.com</u> (605) 256-0263 - voice

Mr. Kevin J. Schoffelman 712 W. Fourth Ave. Lennox, SD 57039 <u>klschoff@outlook.com</u> (605) 310-7062 - voice

Ms. Diane Best Attorney City of Sioux Falls 224 W. Ninth St. Sioux Falls, SD 57117-7402 <u>dbest@siouxfalls.org</u> (605) 367-8600 - voice

Mr. Charles J. Johnson 45169 243rd St. Madison, SD 57042 <u>c-bjohnson@svtv.com</u> (605) 270-2665 - voice

Ms. Janice E. Petterson 6401 S. Lyncrest Ave., Apt. 307 Sioux Falls, SD 57108 grmjanp@sio.midco.net (605) 201-6897 - voice

Ms. Corliss F. Wiebers 607 S. Elm St. PO Box 256 Lennox, SD 57039 wiebersco@gmail.com (605) 647-2634 - voice

Mr. Paul A Nelsen 46248 W. Shore Pl. Hartford, SD 57033 paul@paulnelsenconstruction.com (605) 366-1116 - voice

Mr. Paul F. Seamans 27893 244th St. Draper, SD 57531 jacknife@goldenwest.net (605) 669-2777 - voice

Delores Andreessen Assid c/o Laurie Kunzelman 3604 E. Woodsedge St. Sioux Falls, SD 57108 (605) 321-5539 - voice

Mr. John Wellnitz 305 A St. Osceola, SD 57353 johnwellnitz@gmail.com (605) 350-5431 - voice

Mr. John Stratmeyer 46534 272nd St. Tea, SD 57064 (605) 261-5572 - voice

Mr. Lorin L. Brass 46652 278th St. Lennox, SD 57039 brass@iw.net (605) 759-5547 - voice

Mr. Tom Goldtooth Executive Director Indigenous Environmental Network ien@igc.org

Mr. Dallas Goldtooth Community Organizer Indigenous Environmental Network goldtoothdallas@gmail.com

Mr. Matthew L. Rappold - Representing: RST-Sicangu Oyate Land Office and RST- Sicangu Lakota Treaty Office Rappold Law Office 816 Sixth St. PO Box 873 Rapid City, SD 57709 <u>Matt.rappold01@gmail.com</u> (605) 828-1680 - voice

Ms. Paula Antoine RST-Sicangu Oyate Land Office PO Box 658 Rosebud, SD 57570 wopila@gwtc.net (605) 747-4225 - voice

Mr. Royal Yellow Hawk RST- Sicangu Lakota Treaty Office PO Box 430 Rosebud, SD 57570 <u>yellowhawkroyal@yahoo.com</u> (605) 856-2998 - voice

Ms. Thomasina Real Bird - Representing - Yankton Sioux Tribe Attorney Fredericks Peebles & Morgan LLP 1900 Plaza Dr. Louisville, CO 80027 <u>trealbird@ndnlaw.com</u> (303) 673-9600 - voice

Ms. Jennifer S. Baker – Representing Yankton Sioux Tribe Attorney Fredericks Peebles & Morgan LLP 1900 Plaza Dr. Louisville, CO 80027 <u>Jbaker@ndnlaw.com</u> 303-673-9600 - voice 303-673-9155 – fax

Ms. Mavis A. Parry 3 Mission Mtn. Rd. Clancy, MT 59634 <u>mavisparry@hotmail.com</u> (406) 461-2163 - voice

Ms. Margo D. Northrup - Representing: South Dakota Association of Rural Water Systems, Inc. Attorney Riter, Rogers, Wattier & Northrup LLP PO Box 280 Pierre, SD 57501-0280 <u>m.northrup@riterlaw.com</u> (605) 224-5825 – voice

General Manager WEB Water Development Association, Inc. PO Box 51 Aberdeen, SD 57402 office@webwater.org

> <u>/s/ Jessica Wagner</u> Jessica Wagner Legal Assistant