

Robert B. Anderson Timothy M. Engel Michael F. Shaw Brett Koenecke Christina L. Klinger Justin L. Bell Douglas A. Abraham Kara C. Semmler A.J. Franken

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OF COUNSEL DAVID A. GERDES CHARLES M. THOMPSON GLENN W. MARTENS 1881-1963 KARL GOLDSMITH 1885-1966 BRENT A. WILBUR 1949-2006

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Telephone 605 224-8803 Fax

605 224-6289

Writer's E-mail: kcs@mayadam.net

Patricia Van Gerpen, Executive Director Public Utilities Commission 500 East Capitol Avenue Pierre, South Dakota 57501

RE: In the Matter of the Application of Dakota Access, LLC for an Energy Facility Permit to Construct the Dakota Access Pipeline; HP14-002 Our file: 0300

Dear Ms. Van Gerpen:

On behalf of the Applicant, Dakota Access, LLC, (DAPL) I'm writing to advise the Commission, staff and intervenors of developments and intended changes to the pipeline route as filed on December 23, 2014. Pursuant to the hearings hosted by the South Dakota Public Utilities Commission ("PUC") on January 21 and 22, 2015, and specifically in regard to several questions raised by the public and the Commissioners at the Sioux Falls meeting held on the 22nd, DAPL reviewed the proposed route in Turner, Minnehaha and Lincoln Counties, and subsequently met with local government officials regarding the route.

ROUTING BACKGROUND

During the Sioux Falls meeting, several questions were raised on how DAPL routed its pipeline from the origin point to the terminus. As explained during the meetings, DAPL developed its route based upon the many codes, standards, specifications, regulatory policies and guidance originating from the various local, state and Federal rules and regulations that govern pipelines. During this evaluation, DAPL utilized a geographic information system ("GIS") that contains multiple tools to quantify and qualify various land features and other information pertinent to selecting a pipeline route. Of importance, DAPL initially gathered and evaluated the various publicly available environmental and demographic data, soil and topographic conditions, location of public utilities, public properties or lands, and also evaluated environmental considerations such as wetlands, streams and rivers, threatened and endangered species, cultural resources, agricultural lands, drainage features and unique land uses or land features just to name a few. DAPL also collected its own data by evaluating the various regions' resources along the pipeline route to determine the feasibility and constructability of the pipeline. DAPL then consolidated the information into the GIS routing tool that, at a "macro" level, provided the shortest route with the least amount of impacts to the various constraints based upon a weighted-basis of importance (e.g. impacts to environmental features

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such as wetlands or threatened or endangered species were weighted with higher routing importance than impacts to roads).

From the computer based route, DAPL then moved into what is called the "micro" routing phase which is based upon driving, walking, surveying and flying the route to shift or adjust the route to avoid as many physical land features and constraints as possible. These include, but are not limited to: the location of residences in proximity to the pipeline, crossing streams and public roads, minimizing and avoiding impacts to wetlands and other sensitive environmental features, considering and routing around future land use for commercial and residential development and many other siting criteria as defined by industry guidelines, standards, specifications and codes, the various state and federal regulations that govern pipelines and criteria specific to crude oil pipelines as part of the hazard analysis for sensitive environmental and water resources.

The last and current step of routing the pipeline is to conduct a detailed civil and environmental survey of the entire route to further avoid and minimize impacts to sensitive land features and environmental resources. This final and critical step is intended to ensure that the route selected has the least impact to as many stakeholders and environmental, demographic and social features as possible while still connecting the pipeline from the supply area to the terminus and market.

Currently, DAPL has completed the majority of the civil and environmental surveys and has consulted with the various rules, codes, standards, specifications, regulations as well as the local planning boards, county and city engineers, regulatory and environmental resource agencies at the state and Federal levels, and as many interested landowners and stakeholders as possible (excluding survey denial properties located along the proposed route).

TURNER/MINNEHAHA/LINCOLN COUNTY ROUTE

In direct response to the Lincoln County and PUC Commissioners' comments at the January 22, 2015, meeting, DAPL revisited the route through Turner, Minnehaha and Lincoln Counties, along and around the Cities of Hartford, Sioux Falls, Tea and Harrisburg. After that meeting, DAPL reviewed the route, created alternatives, and presented them to local governments in the area. Affected municipal governments in those counties prefer the December 23 route to the alternatives.

Prior to the PUC public meeting on January 22, 2015, DAPL had re-routed its proposed pipeline (as filed with the Commission on December 23, 2014) around Sioux Falls, Tea, Harrisburg, and Hartford. That rerouting was done in response to Fall 2014 comments about those communities' future development plans, received from several Minnehaha and Lincoln County Commissioners and Sioux Falls City Councilmen, and other interested land-developers and landowners. The December 23, 2014 re-route (the "preferred route") moved the pipeline farther to the west and south to extend the pipeline outside the "known" and published development areas.

After the January 2015 questions and concerns about the preferred route, DAPL hired a local engineering firm to determine and validate the proposed development areas and extended future plans for the Cities of Sioux Falls, Tea, Harrisburg and Hartford. The engineering firm visited with city and county planning and zoning offices, evaluated the preferred route, provided route alternatives and confirmed the development plans of the affected counties and cities. DAPL also hired an environmental firm to evaluate the environmental conditions and constraints along the proposed alternatives for DAPL to consider in its final route planning and confirmed the applicability of the previously documented environmental information obtained from the state and Federal resource agencies. Exhibit A2 provides the preferred route as well as the other route alternatives considered and the Table provided as Exhibit B provides a summary of the conditions along the preferred and alternative routes.

At the conclusion of the work conducted by the engineers and environmental firms, DAPL representatives personally presented the proposed routes to the Sioux Falls City Planning and Engineering Office and City Services Office (specifically for the Sioux Falls landfill and related facilities), the City of Tea Administrative, Planning and Engineering Office, and the City of Harrisburg Administrative, Planning and Engineering Office. DAPL did not meet with the City of Hartford as the route does not cross within or near the respective future economic development zone. However a DAPL representative met with representatives from the City of Hartford.

At the conclusion of the meetings, each group consulted agreed that that preferred route as presented on Exhibit A2 and as filed with the PUC on December 23, 2014, combined with the minor route adjustment near the Sioux Falls landfill (Exhibit A3), has the least impact on the most stakeholders and is the "preferred" route near the Cities of Sioux Falls, Tea, Harrisburg and Hartford. This route is believed to avoid as many impacts as possible to the various stakeholders along the pipeline path, inclusive of current and future residential and commercial development plans and sensitive environmental resources.

DAPL also attempted to revisit with the Lincoln County Commissioner who provided direct comments at the January 22, 2015 PUC public meeting in regard to the preferred route around Sioux Falls and surrounding areas, but the Commissioner did not appear at the scheduled meeting and/or the other meetings in the area to provide additional comments (see attached meeting participant sign-in sheets per the meetings held on February 19, 2015).

Accordingly, I am filing with this letter:

- Exhibit A1, a color map depicting the preferred route and alternative routes overlaid on a grid showing the cities and their expected growth areas;
- Exhibit A2, an aerial photograph of the preferred route;
- Exhibit A3, an aerial photograph depicting the route modification near the Sioux Falls landfill;
- Exhibit B, a summary of the features found along the preferred and alternative routes; and

• Exhibit C, the City of Hartford Future Land Use plans map.

Thank you for your courtesies in this matter.

Very truly yours,

MAY, ADAM, GERDES & THOMPSON, LLP

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KARA C. SEMMLER

KCS/sjs

Enclosure

Cc/encl: Service List