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 PROJECT	))))))	HP14-002

DIRECT TESTIMONY OF

TODD STAMM

ON BEHALF OF

DAKOTA ACCESS, LLC

DAKOTA ACCESS EXHIBIT 8

JUNE 26, 2015

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Q. Please state your name and business address for the record.

Answer: My name is Todd Stamm. I am the Vice President – Pipeline Operations of Sunoco Logistics L.P. My business address is One Fluor Daniel Drive, Building A, Level 3, Sugar Land, TX, 77478-5095.

Q. **Can you briefly describe your education and experience?**

Answer: I have over 20 years of experience with Sunoco Logistics, L.P. I have held various roles throughout the company, with a focus on operations, engineering and construction, project management and crude trucking. I hold a B.S. in Civil Engineering and Architectural Engineering from Drexel University and a MBA in Management from Wayne State University.

Q. Which sections, or portions of sections,of the application are you responsible for?

Answer: Section 23.1, 23.4, 23.7, 38.0 and 38.3 as well as all operational oversight.

Q. What is the purpose of your testimony?

ANSWER: I will describe how the Dakota Access pipeline will be operated and managed from a safety standpoint. This will include information regarding the operations control center for the Dakota Access pipeline, and the maintenance, surveillance and inspection procedures for the pipeline. I will also describe the public awareness and safety initiatives planned for the pipeline.

Q. Please described the operations control center.

ANSWER: The operations control center ("OCC") is a state of the art control center which coordinates all operations throughout the system, including flow rate, pressure, and opening and closing of valves. The operations control center also monitors devices that alert operators to changes in operating parameters, providing a detection mechanism for response to emergency conditions. Satellite and telecommunications links connect the operations control center with facilities along the pipeline to ensure rapid response and constant monitoring of pipeline conditions.

Q. Will the operations control center be operated 24/7?

ANSWER: Yes, the operations control center for the Dakota Access pipeline will be manned 24 hours a day, 7 days a week, 365 days a year.

Q. What kind of data will be collected and transmitted to the operations control center?

ANSWER: A wide variety of data necessary and useful to monitoring the pipeline's operations will be collected and transmitted to the operations control center. The advanced Supervisory Control and Data Acquisition ("SCADA") systems will be utilized to constantly monitor sensing devices placed along the pipeline to track the pressure, temperature, density, and flow of liquid petroleum under transport, and display each movement's status to operators at the control center. Through these systems the pipeline's operators can maintain the pipeline within established operating parameters and can remotely shut down pump stations and isolate pipeline segments when they observe abnormal conditions or if safety parameters are exceeded.

A subsystem of the SCADA system, known as the Computational Pipeline Monitoring system ("CPM"), has the ability to analyze deviations in the flow of liquids to the pipeline, thus improving the operator's ability to identify leaks and other abnormal operating conditions. The CPM system will be used on the Dakota Access pipeline as one of several leak detection capabilities.

Q. Will operating procedures be established to govern the operation and control of the pipeline through the operations control center?

ANSWER: Yes. Strict operations procedures will be prepared and used to direct the OCC operator's actions in both normal and abnormal operations to reduce the risk of release. Such systems and procedures are part of Energy Transfer's extensive efforts to maintain safe operations.

Q. In addition to remote monitoring and control of the pipeline's operations through the operation's control center, will local operation of the pipeline be possible?

ANSWER: Yes. In addition to remote control operations, local automated control operations and manual overrides will be in place to control or operate the pipeline should remote communications fail. Field operations personnel will be located in close proximity to facilities that are controlled remotely from the control center. Field personnel will be trained to respond to abnormal conditions and manually oversee equipment or systems as needed. In the event the pipeline cannot be safely operated manually through remote operations with the control center, the pipeline will be shut down until satisfactory control can be re-established.

Q. Please describe the procedures that will be employed for periodic inspections, surveillance, and maintenance of the Dakota Access pipeline.

ANSWER: During installation and commissioning, the line will be subjected to careful inspection and testing to verify its integrity and compliance with all regulatory standards and contract specifications. Testing will include checking coating integrity; examining by non-destructive testing 100% of field welds (which is well above the 10% required by federal regulation); internally inspecting the entire length of the line by using an inline

inspection tool; and hydrostatically testing the pipeline.

Detailed maintenance procedures will be established which will include regular inspections and surveillance of the pipeline which will include detailed analysis of navigable waterways as required by regulations of the U.S. Department of Transportation, Pipeline and Hazardous Material Safety Administration (PHMSA), at 49 Code of Federal Regulations Part 195.

The pipeline right of way will be patrolled and inspected by air every ten days, weather permitting, but at least every three weeks and not less than 26 times per year, to check for abnormal conditions or dangerous activities, such as unauthorized excavation along the pipeline route.

Q. Will maintenance and emergency response personnel be stationed along the route of the pipeline?

ANSWER: Yes. Upon completion of the project, in addition to the remote control capabilities of the operations control center described above, personnel will be strategically placed along the route of the pipeline. The pipeline operator and qualified contractors will maintain emergency response equipment and personnel at strategic points along the route and will train personnel to respond to pipeline emergencies. Additionally, contracts will be in place with oil spill response companies that have the capability to mobilize to support cleanup and remediation efforts in the event of a pipeline release.

Q. Where will the emergency response equipment be located?

ANSWER: Current plans are for the Redfield Pump Station and in close proximity to Sioux Falls, South Dakota.

Q. Where will the personnel with Dakota Access who are trained in emergencies responses be located?

ANSWER: All personnel employed on the DAPL system will be trained in emergency response as well as the NIMS ICS (National Incident Management System) (Incident Command System) system of managing an emergency response. Personnel will be staffed at the regional office at the Redfield Pump Station as well as several positioned along the main pipeline corridor.

Q. Will an emergency response plan be prepared for the Dakota Access pipeline?

ANSWER: Yes. An emergency response plan for the Dakota Access pipeline, as required by federal regulations 49 CFR 194 and approved by PHMSA, is being prepared and will be in place prior to commencing transportation of crude oil. The plan is currently in draft form.

In addition, the operator will coordinate with local emergency responders and trained local authorities in preventing and responding to any pipeline related problems. These activities will include conducting and hosting, over a period of time, emergency response drills with both employees and local emergency responders along the pipeline route.

Q. What kind of programs and procedures will be implemented to support public awareness and public safety?

ANSWER: For all of its pipelines, Energy Transfer conducts extensive public education outreach programs, including damage prevention programs, that meet or exceed industry (American Petroleum Institute Recommended Practice 1162) and Federal requirements (49 CFR 195.440) concerning public awareness of pipelines and pipeline safety matters. These programs will be implemented for the Dakota Access pipeline.

Q. Will signage be installed to alert the public to the location of the pipeline?

ANSWER: Yes. The Dakota Access pipeline will be marked with signage and warnings pursuant to federal regulations at road and highway crossings, navigable rivers, and other locations; to alert the public to the presence of underground lines and to provide information, contact numbers, and emergency data.

Q. Will Dakota Access utilize the one-call system?

ANSWER: Yes. The Dakota Access pipeline will utilize the 811 one-call system, which is a nationally recognized system to prevent third party damage to underground facilities. When a person or contractor plans to excavate, they place a call to the 811 one-call center and operators identify the location of where the excavation will be and then notify all affected utilities in the area. Upon notification, the pipeline company will dispatch personnel to mark the locations of the pipe and provide specific guidance to the caller if additional company oversight is needed during excavation.

Q. Will a fusion bonded epoxy coating be applied to the pipeline?

ANSWER: Yes.

Q. Please describe the fusion bonded epoxy coating that will be applied and its purpose.

ANSWER: Fusion Bonded Epoxy (FBE) coating consists of resin and hardener components in a powder form. When the powder is sprayed onto the heated pipe surface, the powder components combine to form a bond to the steel surface and provide a coating barrier between the steel pipe surface and corrosive environments, such as soil or water, preventing corrosion of the underlying steel pipeline surface.

Q. Will a cathodic protection system be installed on the pipeline?

ANSWER: Yes.

Q. Please describe the cathodic protection system and how it works.

ANSWER: The cathodic protection system will be an impressed current system. It will consist of multiple transformer/rectifier units and anode installations along the pipeline route. The transformer/rectifier units convert AC current to DC current. The DC current is injected into the earth from the anode installations and the DC current flows from the anodes to the pipeline surface through earth. The interaction between the applied DC current from the transformer/rectifier anode installations and the corrosion current at the pipe surface where the FBE coating may have been damaged mitigates corrosion of the pipeline steel surface.

Q. If the Dakota Access pipeline is constructed, installed, and operated as described in the application and at this hearing, do you believe the pipeline can be safely operated?

ANSWER: Yes