

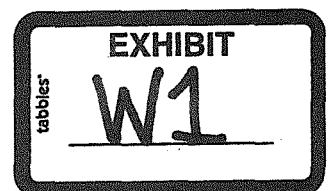
BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF SCS CARBON TRANSPORT, LLC FOR A  
PERMIT TO CONSTRUCT A CARBON DIOXIDE TRANSMISSION PIPELINE

SD PUC DOCKET HP22-001

PRE-FILED DIRECT TESTIMONY OF CLINT KOEHN  
ON BEHALF OF SOUTH DAKOTA ASSOCIATION OF RURAL WATER SYSTEMS

JUNE 16, 2023



Pre-Filed Testimony  
SOUTH DAKOTA ASSOCIATION OF RURAL WATER SYSTEMS

1   **Q:    Would you please state your name and business address?**

2   **A:    My name is Clint Koehn. My business address is 1800 Monty Street, Tea, South Dakota**  
3       **57064.**

4   **Q:    You are employed by Lewis & Clark Regional Water System (“Lewis & Clark”),**  
5       **correct?**

6   **A:    Yes.**

7   **Q:    What is your title at Lewis & Clark:**

8   **A:    Construction Administrator.**

9   **Q:    Can you please describe your professional experience, including your duties as**  
10       **Construction Administrator?**

11  **A:    I am a licensed professional engineer, registered in SD and MN. From 2007 to 2017, I**  
12       **observed and documented the construction of over 140 miles of Lewis & Clark pipe**  
13       **projects including the installation of PVC pipe up to 30” diameter, steel spiral welded pipe**  
14       **from 24” to 54” diameters including appurtenances and structures. From 2017 to current,**  
15       **I have held the position of Construction Administrator for Lewis & Clark. My essential**  
16       **duties and responsibilities include:**

17       **a.    Coordinate project planning, zoning and development activities with engineering team.**

18           **This includes attending planning meetings as representative of Lewis & Clark to review**  
19           **plans and specifications for each project, and to provide input/suggestions/**  
20           **recommendations to engineering team regarding implementation of design proposals**  
21           **prior to submittal for review and approval, and again prior to advertisement for bids.**

22

23       **b.    Prior to construction, work with engineers and attorneys to ensure appropriate**  
24           **contracts, bonds, insurance and agreements are in order. Assist the engineer as needed**  
25           **in providing information to the contractor on permitting requirements and pertinent**  
26           **landowner information. Maintain detailed records throughout the construction process.**

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- 28 c. Work with engineers to monitor all aspects of the construction progress to ensure  
29 project is built according to specifications, on schedule, and within budget, which  
30 includes regular on-site construction visits. Identify and prioritize issues and ensure  
31 contractors and engineers are fulfilling their contractual obligations. Serve as a liaison  
32 between the contractors and engineers, aiding in problem solving and troubleshooting  
33 to address issues as they arise.  
34
- 35 d. Responsible for ensuring that all processes and procedures are documented and adhere  
36 to the requirements of the Cooperative Agreement for the project, as well as applicable  
37 regulations and prepare reports and correspondence with regulatory agencies at the  
38 federal, state and local level.  
39
- 40 e. Responsible for administering funding agreements with the states.  
41
- 42 f. Responsible for property insurance coverages to ensure Lewis & Clark is adequately  
43 covered.  
44
- 45 g. Responsible for utility agreements, including WAPA.  
46
- 47 h. Responsible for working and coordinating with townships, counties and municipalities.  
48
- 49 i. Keep Executive Director informed of status of design and construction activities and  
50 provide recommendations regarding decisions and direction required for contract  
51 compliance and completion, including recommendations to Construction-Operations  
52 Committee and/or Board of Directors.  
53
- 54 j. Track payments, change orders, completion dates and other contract provisions,  
55 including review of pay requests and invoices prior to payment.

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56 k. Assist in prioritizing projects in regard to schedule and budget, and work with staff,  
57 consultants and agency officials to prepare construction budgets for proposed  
58 construction projects.

59  
60 l. Represent Lewis & Clark at various events and meetings, which includes some public  
61 speaking in small and large group settings.

62  
63 m. Oversee and coordinate easement and land acquisition activities with the “Land Team,”  
64 which includes various consultants and agency officials. Maintain updated landowner  
65 files, notes and records.

66  
67 n. Responsible for carrying out special projects as needed, which can be related to  
68 construction, administration, federal funding, state funding, agreements and local  
69 member issues.

70  
71 o. Provide thoughtful advice, suggestions and ideas for consideration.

72  
73 **Q: Is Lewis & Clark a member of the South Dakota Association of Rural Water Systems**  
74 **(“SDARWS”)?**

75 **A:** Yes.

76 **Q: Are you aware that SDARWS filed for party status in HP22-001, which is the**  
77 **application of SCS Carbon Transport, LLC (“SCS”) for a Permit to construct the**  
78 **South Dakota pipeline portion of the Midwest Carbon Express Project (“Project”)?**

79 **A:** Yes, I am aware of that.

80 **Q: Are you aware of the reason SDARWS intervened on behalf of its member systems?**

81 **A:** From a high level, to protect the interests of its member systems to ensure the safety and  
82 integrity of the valuable resource of water to systems’ members. I believe SDARWS and

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83 impacted member systems are particularly interested in protecting the placement of and  
84 crossing of SCS pipeline and system water lines.

85 **Q: Are you generally aware of SCS' proposal for the Project?**

86 **A:** According to the Application, SCS' owner, Summit Carbon Solutions, LLC, proposes to  
87 build a carbon capture and sequestration Project that will move carbon dioxide (CO<sub>2</sub>) from  
88 participating industrial facilities in South Dakota (and other states) to a sequestration site  
89 in North Dakota, where the CO<sub>2</sub> will be safely and permanently stored. Summit Carbon  
90 Solutions, LLC has offtake agreements with seven ethanol plants in South Dakota. The  
91 entire Project includes approximately 2,000 miles of pipeline, with 469 miles of pipeline  
92 in South Dakota covering 18 counties.

93 **Q: Are you aware if the Project will cross any of SDARWS' water systems?**

94 **A:** Yes, it is my understanding that SDARWS has identified eleven member systems that may  
95 be impacted by the South Dakota portion of the Project: Big Sioux Community Water  
96 System, Clark Rural Water System, Kingbrook Rural Water System, Lincoln County Rural  
97 Water System, Mid-Dakota Rural Water System, Minnehaha Community Water  
98 Corporation, Sioux Rural Water System, South Lincoln Rural Water System, TM Rural  
99 Water District, WEB Water Development Association, Inc., and my system, the Lewis &  
100 Clark Regional Water System.

101 **Q: Is the Lewis & Clark Rural Water System different than the other systems?**

102 **A:** Yes. It is a regional system comprised of twenty members including rural water systems  
103 and city municipalities in southeast South Dakota, northwest Iowa and southwest  
104 Minnesota, with a total population of over 350,000 people served. Because Lewis & Clark  
105 only delivers water to these twenty individual systems or Cities, Lewis & Clark would have  
106 fewer crossings with the Project South Dakota pipeline, but crossing could affect larger  
107 and very critical main lines.

108 **Q: Are you and is SDARWS, on behalf of its affected member systems, willing to**  
109 **collaborate with SCS regarding safe crossing and parallel locating of their respective**  
110 **lines?**

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111 A: Yes.

112 Q: **What steps have been taken to do this?**

113 A: We have had internal meetings in an attempt to develop a water crossing and relocation  
114 agreement. I am also aware that some member systems have engaged in discussions with  
115 Turnkey Logistics, an agent of SCS, to discuss possible terms and conditions of a crossing  
116 agreement.

117 Q: **From a high level, are there certain safety standards you believe need to be met to**  
118 **preserve the integrity of your lines?**

119 A: Yes. Crossings should be three to five feet above or below our lines. Given the minimum  
120 depth to the top of our pipe being six feet, below our lines is likely the only option.  
121 Additionally, the trench bedding surrounding our pipelines typically collects and contains  
122 ground water that, if encountered during a crossing, will make crossing our locations  
123 difficult for the utility crossing if the separation is not sufficient enough to avoid that  
124 ground water migrating to the crossing method of said utility. Parallel paths should be ten  
125 to twenty feet apart. If a system needs to relocate a line, SCS should cover the costs to  
126 relocate. SCS must cover all costs of damage to our lines, in the event of a rupture or leak.  
127 Given the size of most of our lines, and their integral status to being the sole source serving  
128 some of our members, Lewis & Clark lines are likely not candidates for relocation.

129 Q: **To your knowledge, has SDARWS, on behalf of you and other affected systems,**  
130 **reached out to SCS to negotiate a crossing agreement?**

131 A: It is my understanding that SDARWS' attorneys have contacted SCS' local attorneys to  
132 discuss negotiating a mutually acceptable crossing and relocation agreement.

133 Q: **Is it your goal and the goal of SDARWS to negotiate a mutually acceptable agreement**  
134 **with SCS, outside of the formal hearing scheduled in this docket?**

135 A: Yes, that is the goal.

136 Q: **Will you ask the Commission to include as a condition of any permit granted in this**  
137 **docket adherence to the crossing agreement?**

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138 A: Yes.

139 Q: **In the event the Systems and SCS fail to mutually agree upon the terms and conditions**  
140 **of a water crossing/location/relocation agreement, will the Systems appear at the**  
141 **hearing to present evidence on the terms and conditions of a crossing agreement?**

142 A: Yes, that is our intent. Because of the vital importance of water to South Dakotans, we  
143 believe that in this permitting process, the Commission should implement safeguards for  
144 crossings and location of our systems' waterlines by the Project South Dakota pipeline and  
145 related facilities.

146 Q: **Are there any other interests your systems have in this docket?**

147 A: Yes. We want to make sure that any negotiated agreements or Commission-imposed  
148 conditions cover both current and future crossings. We also want to make sure that nothing  
149 in the permitting process interferes with or compromises our existing or future easements.

150 Q: **Does that conclude your testimony?**

151 A: Yes. Thank you.