BEFORE THE PUBLIC UTLITIES

COMMISSION OF THE STATE OF

SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF SCS CARBON TRANSPORT LLC FOR AN ENERGY FACILITY PERMIT TO CONSTRUCT THE SUMMIT CARBON SOLUTIONS PIPELINE

SD PUC DOCKET HP22-001

PRE-FILED DIRECT TESTIMONY OF RICHARD B. KUPREWICZ

ON BEHALF OF WEB WATER DEVELOPMENT ASSOCIATION, INC.

JUNE 15, 2023

Exhibits No. 1 thru 4

1 INTRODUCTION

2 Q. Please state your name, position, and business address.

- A. My name is Richard B. Kuprewicz. I am the President of Accufacts Inc.
 ("Accufacts") which is headquartered at 8151 164th Ave. NE, Redmond,
 Washington 98052.
- 6 **Q.** Please describe Accufacts.

7 A. Accufacts provides pipeline safety expertise in gas and liquid pipeline 8 investigation, auditing, risk management, siting, construction, design, 9 operation, maintenance, corrosion engineering, training, control room 10 management including Supervisory Control and Data Acquisition 11 ("SCADA") approaches, leak detection, management review, emergency 12 response, pipeline safety regulatory development and compliance, and 13 pipeline incident investigations following too many pipeline tragedies. 14 In my role as President, I provide independent consulting services and 15 expert advice on pipeline matters to assist decisionmakers in making 16 informed decisions concerning pipelines. My clients are local, state, and 17 federal agencies, non-governmental organizations, members of the public, 18 and pipeline industry representatives. My work is usually focused on 19 pipeline operations in unusually sensitive areas, such as areas of high 20 population density or significant environmental sensitivity.

Accufacts Final

21		I have testified to Congress and various Public Utility Commissions (PUCs)
22		/ Public Service Commissions (PSCs) on pipeline matters across the country
23		and authored many papers concerning pipeline issues in both the U.S. and
24		Canada. I am experienced and knowledgeable concerning various state and
25		federal pipeline safety regulations, as well as their Canadian and other
26		foreign country counterparts.
27	Q.	Please summarize your work experience and educational background.
28	А.	My relevant education, background, and experience is summarized in my
29		Curriculum Vitae included here as Exhibit No. 1. Leveraging information
30		that demonstrates my qualifications to testify as an expert on this matter are:
31		1. I have a BS in chemical engineering and a separate BS in chemistry
32		from the University of California - Davis, and fifty years experience.
33		2. My many years of experience in pipeline operations include right-
34		of-way negotiations and settlements spanning decades, especially as
35		this issue relates to pipeline operations in highly congested pipeline
36		areas where cathodic protection ("CP") interaction/interference can
37		and has resulted in pipeline failures.
38		3. My extensive experience spans over two decades interacting with
39		OPS/PHMSA representing the public on the development of
40		pipeline safety regulations at the federal level based on my pipeline
41		experience and numerous investigations of pipeline failures, and
42		4. A public report authored by me briefly describing the various phases
43		of CO ₂ as well as identifying major shortcomings in current federal

44		pipeline safety regulations concerning CO ₂ included as Exhibit No.
45		$2.^{1}$
46		5. As a Process Supervisor of the Hydrocracker Complex, I was
47		involved with the operation of a CO2 unit that processed and
48		liquified very pure CO ₂ gas to liquid for delivery by rail cars and
49		tank trucks, as well as by an intra-facility liquid CO ₂ pipeline for
50		further processing to dry ice.
51	Q.	On whose behalf are you testifying in this case.
52	A.	I am testifying on behalf of the WEB Water Development Association, Inc.
53		("WEB").
54	Q.	Have you testified before the SDPUC previously?
54 55	Q. A.	Have you testified before the SDPUC previously? No.
54 55 56	Q. A. Q.	Have you testified before the SDPUC previously? No. Have you testified before other State or District Utility Commissions?
54 55 56 57	Q. A. Q. A.	Have you testified before the SDPUC previously? No. Have you testified before other State or District Utility Commissions? Yes. Some recent examples of such testimony are:
54 55 56 57 58	Q. A. Q. A.	Have you testified before the SDPUC previously? No. Have you testified before other State or District Utility Commissions? Yes. Some recent examples of such testimony are: • Before the State of Illinois Commerce Commission concerning the
54 55 56 57 58 59	Q. A. Q. A.	Have you testified before the SDPUC previously? No. Have you testified before other State or District Utility Commissions? Yes. Some recent examples of such testimony are: • Before the State of Illinois Commerce Commission concerning the Navigator Heartland Greenway LLC application for authority to
54 55 56 57 58 59 60	Q. A. Q. A.	Have you testified before the SDPUC previously? No. Have you testified before other State or District Utility Commissions? Yes. Some recent examples of such testimony are: • Before the State of Illinois Commerce Commission concerning the Navigator Heartland Greenway LLC application for authority to construct and operate a carbon dioxide pipeline, testifying on behalf

¹ Exhibit No.2 - Report to Pipeline Safety Trust and Bold Alliance, "Accufacts' Perspectives on the State of Federal Carbon Dioxide Transmission Pipeline Safety Regulations as it Relates to Carbon Capture, Utilization, and Sequestration within the U.S.," March 23, 2022.

62	County, Christian County, and Hancock County (ICC Docket No.
63	23-0161). That docket is still ongoing.

- For each of the past seven years, before the Mississippi PSC on
 behalf of the Mississippi Public Utilities Staff regarding Atmos
 Energy Corporation's annual capital request recently projected to
 reach slightly over 900 million dollars through the year 2027, for
 system integrity improvements, mainly in gas distribution systems
 (Docket No. 2015-UN-049), last report August 2022.
- 70 Before the Michigan PSC related to testimony commenting on Enbridge's Line 5 liquid transmission pipeline \$500 million 71 72 proposed tunnel project under the Mackinaw Straits to replace two 73 existing Line 5 pipelines situated in the Straits. My testimony 74 included a recent industry study, accepted into evidence by the 75 MPSC, identifying a serious deficiency in API Standard 1104 76 referenced in federal pipeline safety regulations that will be 77 seriously exacerbated by that project's highly unique design 78 proposal placing a 30-inch pipeline that moves propane within a 79 tunnel on rollers, December 14, 2021. That Docket is still 80 undergoing further proceedings at the request of the MPSC.
- To the Arizona Corporation Commission ("AZCC") on behalf of the
 Utilities Division Staff of the AZCC related to Southwest Gas

83	Corporation's proposal to replace vintage pre-1970 steel ("VSP"),
84	7000/8000 Driscopipe plastic pipe, and Customer Owned Yard Line
85	("COYL") replacement programs, Docket No. G-01551A-19-0055,
86	February 11, 2020.
87 •	Before the North Dakota PSC on behalf of the Standing Rock Sioux
88	Tribe, related to the Dakota Access Pipeline
89	Expansion/Optimization Project in Emmons County, November 1,
90	2019.
91 •	Before the ICC on the request to expand the Energy Transfer Crude
92	Oil Pipeline within Illinois on behalf of Save Our Illinois Land and
93	the Sierra Club, October 1, 2019.
94 •	Before a Pennsylvania Public Utilities Commission, or "PAPUC,"
95	Administrative Law Judge concerning matters related to the Energy
96	Transfer/Sunoco pipeline companies' highly volatile liquid
97	transmission pipelines, known collectively as the Mariner East
98	Pipeline Projects, on behalf of West Goshen Township, PA, Docket
99	No. C-2017-2589346 July 18, 2017. I have also submitted testimony
100	to the PAPUC on pipeline safety matters concerning the Proposed
101	Joint Settlement, between the Pennsylvania Bureau of Inspection
102	and Enforcement ("BI&E") and Sunoco Pipeline L.P. ("SPLP"),

103	Docket No. C-2018-3006534, dated August 15, 2019, on behalf of
104	West Goshen Township.

- Before the District of Columbia Public Service Commission on behalf of the Office of the Attorney General, providing Testimony on an Accufacts' Safety Review of Washington Gas Light ("WGL")
 DC gas system related to an AltaGas-WGL holdings merger (DC
 PSC FC 1142, DOEE OGC case #3609) supporting the Proposed Settlement Agreement, May 23, 2018.
- Before the Minnesota Office of Administrative Hearings for the Minnesota PUC on behalf of Friends of the Headwaters regarding an Enbridge Energy, Limited Partnership proposal to replace and reroute an existing Line 3 with a new, approximately \$7.5 billion liquid transmission pipeline to move Canadian dilbit² (Docket No. MPUC PL-9/CN-14-916 and MPUC PL-9/PPL-15-137), September 11, 2017.
- Before the Nevada PUC on behalf of the Nevada Office of the
 Attorney General Bureau of Consumer Protection concerning
 Southwest Gas Corporation's new and accelerated pipeline

² Dilbit is short for "diluted bitumen." Bitumen is diluted with a lighter petroleum liquid to allow it flow through pipelines.

- 121 replacement proposals (totaling almost \$770 million) (Docket Nos.
- 122 12-02019 and 12-04005), August 15, 2012.

123 Q. What is the purpose of your testimony?

- A. I was asked to provide pipeline technical assistance on behalf of WEB
 concerning the Summit Carbon Solutions Pipeline Proposal ("Summit") to
 the South Dakota PUC as it pertains to possible crossing approach
 techniques involving the WEB water pipelines.
- 128 Q. Did you prepare or direct the preparation of this testimony and the
 129 accompanying WEB Exhibits?
- 130 A. Yes.

131 SUMMARY OF TESTIMONY

- 132 Q. Please summarize your testimony.
- 133 A. Based on my background and experience, I will focus my Testimony into134 three key areas:
- 1351. An overview of WEB's water system related to Summit's high-136pressure CO2 hazardous liquid transmission pipelines crossing137WEB's systems ("Crossings").
- 1382. A summary of Summit's recent Crossings proposal response to139WEB.

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142 Q Could you briefly describe the WEB rural water system.

- 143 A. WEB provides potable water to 14 counties in South Dakota and 3 counties 144 in North Dakota. The water is distributed through a network of ductile iron 145 main water lines ("Mainlines") and PVC water lines ("PVC Lines"). The 146 Mainline ductile iron pipelines are larger diameter higher pressure lines, 147 currently ranging from 14 to 36-inches in diameter. The PVC Lines are fed by the Mainlines which range from 1.5 to 16-inches in diameter. The vast 148 149 majority of the Crossings will be small diameter PVC Line (2 to 6-inches in 150 diameter).
- Based on Summit's proposed CO₂ route WEB has identified 83 Crossings.
 Five of these 83 are Mainline Crossings. The remaining 78 are PVC Lines
 and six of the PVC Lines are future Crossings.

154 Q What is WEB's proposal with Summit for the Crossings

- A. WEB first approached Summit about a uniform Crossing agreement as early
 as September 2021. Summit did not acknowledge the need for a Crossing
 agreement until March of 2022 and did not provide its proposed route until
 February 2023. WEB has proposed to Summit that:
- 159 1. WEB will relocate the PVC Lines so that they are 7 feet below the

160 proposed Summit pipelines,

161	2.	WEB will encase the lowered PVC Line in PVC casing, extending
162		at least 100 feet on either side of Summit's pipelines, WEB will also
163		encase any PVC Line that is nearer than 100 feet from Summit's
164		CO ₂ line even if it does not cross the PVC Line; and

165
3. Summit will lower its pipeline at the Mainline Crossings so that its
166
line is at least 7 feet below the bottom of the Mainline.

167 WEB's proposal to relocate and case the PVC Lines will allow WEB to 168 repair or replace its PVC Lines without going anywhere near the CO₂ line 169 dramatically increasing workers safety. WEB's proposal will also allow 170 Summit to construct its pipeline without adjusting its depth for the PVC 171 Lines. Encasing the PVC Lines will also avoid possible impact to the CO₂ 172 lines should the PVC Lines fail at/near the Crossings. At normal PVC Line 173 pressures, a water line failure would cause cratering near the CO₂ pipelines. 174 Casing would not only avoid direct water impingement on the CO₂ lines and 175 cratering but help to reduce the potential of soil liquification by a water 176 release near the CO₂ pipeline. A picture of the February 2020 Satartia, MS 177 24-inch CO_2 pipeline rupture failure site (See Exhibit No. 3) will clearly 178 demonstrate the potential to cause steel transmission pipeline rupture failure

179	from soil liquification. ³ Excessive rain on a poorly located and monitored
180	transmission pipeline right-of-way caused a breakaway landslide and CO_2
181	transmission pipeline rupture failure at a girth weld and related heat affected
182	zone. Ruptures are high-rate pipeline releases of many thousands of tons,
183	that cannot be quickly stopped even if mainline valves are rapidly closed.
184	No pipeline can be designed utilizing conventional construction techniques
185	to avoid the impact forces from massive breakaway landslides, as too many
186	recent transmission pipeline ruptures have clearly demonstrated.
187	WEB is further proposing a minimum separation distance of 7 feet between
188	the Summit CO_2 line and WEB's pipelines. The WEB PVC Lines could be
189	lowered by boring, or horizontal directional drilling ("HDD"), with either
190	option including the added protection of encasing the relocated PVC Lines
191	with PVC pipe casing. Such casing would ensure that a PVC Line failure
192	at the Summit Crossings would divert released water away from the Summit
193	transmission pipeline. It is also important that such casing of the PVC Lines
194	be PVC to avoid interference with Summit's CP system. PVC casing would
195	also permit future WEB system activity, such as possible water line repair

³ Exhibit No. 3 - Pipeline and Hazardous Material Safety Administration, "Failure Investigation Report – Denbury Gulf Coast Pipelines, LLC – Pipeline Rupture / Natural Force Damage," Figure 2, page 9 of 21.

- and replacement, without the risk of such activity causing problems at ornear the Summit high pressure pipelines.
- 198The WEB Mainlines would be left in place, requiring Summit to either deep
- bore or HDD their CO₂ pipelines at the Mainline crossings, while still
 maintaining a minimum 7-foot separation distance. WEB would specify the
 crossing method to be used by Summit for the Mainlines.
- 202 Q. Please provide a brief overview of the Summit's pipeline system that
 203 could affect the WEB system.
- A. Summit is proposing to add high pressure CO₂ transmission pipelines of
 various diameter that could impact the WEB system, ranging from 4 to 8inch diameter lines from ethanol plants feeding the system and the main
 trunkline of 20 and 24-inch diameter CO₂ pipelines (See Exhibit No. 4).⁴
 These Summit pipelines are designed for an MOP of 2183 psig.⁵ MOP, or
 maximum operating pressure, is a term defined in minimum federal pipeline
 safety regulations carrying a specific technical meaning.⁶
- 211 Q. What is Summit's recent proposal for the WEB Crossings?

⁴ Exhibit No. 4 - Summit Carbon Solutions Public Input Meeting of March 2022 presentation, "South Dakota Facilities Overview map," page 9, on South Dakota Public Utilities Commission website.

⁵ Before the Public Utilities Commission of the State of South Dakota, "Direct Testimony of Lawrence Meredith, P.E. on behalf of SCS Carbon Transport LLC," February 7. 2022

⁶ 49CFR§195.2 Definitions

212	A.	Summit has recently provided (as of June 7, 2023) to WEB a different
213		crossing approach than that which WEB has proposed to Summit:
214		1. Boring of the CO ₂ pipelines under Foreign Waterline R.O.W, or
215		rights-of-way, or Crossings, if approved by the owner utility,
216		2. Recommends a separation/clearance distance of 48 inches through
217		the full span of the crossing, though smaller separation distances to
218		12 inches are permitted, and
219		3. Allows for waterline location and depths to be determined by
220		electronic means subject to "carefully exposing by non-mechanized
221		equipment when within 24 inches in any direction from the facility."
222		Summit identifies a "Foreign Waterline R.O.W" in an additional attachment
223		provided by Summit, that they have labeled as a "Guided Bore Waterline
224		Crossing" meant to be used to cross exclusion areas, such as stream,
225		wetland, road, railroad, etc. The implication is that rural water lines could
226		be part of an exclusion area, though that specific key point needs to be
227		clarified and documented to avoid any misunderstanding in Crossing
228		approaches for any final written agreement between the parties.
229		In hazardous pipeline construction and operation, a bore is significantly
230		different than an HDD. Bores are usually constructed by digging two pits
231		deep and large enough spanning a sensitive area, to allow boring equipment
232		to be placed within a "bore pit" so that a straight bore larger in diameter

than the pipe is then produced, straight across the area to be crossed into the
receiving pit. Pipe, usually of a heavier wall thickness than the main
pipeline, is then placed and pushed/pulled across the span bore. The pipe
installed in the bore is then joined by above ground welding activity to the
main pipeline through a combination of pipeline bends and segments to the
main pipeline.

239 Another major form of pipeline crossing activity is HDD. The advantage 240 of HDD is that all activity is done from the surface without the need of pit 241 trenching. Surface activity is done at one side of a crossing via horizontal 242 direction drilling from a surface located drill rig that first develops a small 243 pilot hole drilled across the sensitive area crossing reaching the surface at 244 an area spanning the sensitive area. This pilot drilled "tunnel" is then 245 enlarged, depending on the pipe diameter, via subsequent reaming 246 enlargement passes to increase the hole diameter from both surface 247 directions as needed. Upon final HDD hole enlargement, the final pipe is 248 placed within the drill hole/tunnel via surface activities. Because of the 249 need to arc the pipe, HDDs are usually required to go quite deep depending 250 on pipe diameter/material to avoid kinking the pipe during its subsequent 251 placement. HDD can be especially efficient and cost effective for installing

- plastic pipe over relatively short distances, such as that which would beneeded for the WEB proposed PVC Line relocations.
- Q. Do you have specific concerns and observations regarding the Crossing
 negotiations?
- 256 A. The relocation of the PVC Lines before the Summit pipeline Yes. 257 construction saves Summit the cost and time of boring. HDD for the PVC Lines with their proposed PVC casing, I believe, are significantly less 258 259 expensive to implement than the proposed Summit boring options. In 260 addition, considerable construction and time savings would be realized by 261 Summit once PVC Lines are relocated/lowered to permit Summit to install 262 their CO₂ pipelines via conventional open cut construction techniques 263 through the area of the PVC Line crossings.
- Proposed separation distance of 7 feet is reasonable and does not significantly add to the cost of relocating such small infrastructure, while separation distances provide greater safety to the CO_2 pipelines, as well as to the WEB waterlines.
- Three critical issues are missing from either parties' proposal approach that must be included in a Crossing Agreement given my pipeline operating and corrosion experience:
- For the metallic structures of the WEB ductile iron Mainline
 crossings, any contract agreement with Summit must clearly specify

273	that Summit is responsible for assuring their pipeline CP system and
274	the Crossing do not interfere or interact with the WEB Mainline
275	pipes,

- 2. Summit has attempted to argue a need to standardize their crossing
 approach by implying WEB's approach is different than that used in
 other water systems within South Dakota, and
- 3. One-call should not be relied upon as a safety approach to prevent
 CP interactions that can result in either a WEB pipeline failure or a
 Summit CO₂ pipeline rupture.
- CP interference from poorly designed, operated or maintained CP systems 282 283 can reach considerable distances, well beyond the proposed separation 284 distances presented by either party, if not adequately implemented. Such 285 CP interference can quickly rip the metal off a ductile iron or a steel pipeline 286 as such metal loss easily exceeds so called average corrosion rates for pipe. 287 Such important CP design consideration and Summit's responsibilities in 288 this important matter should be carefully and clearly spelled out in any 289 mutual Crossings agreement written contract. The CP design and operation 290 on the Summit pipelines are the responsibility of the pipeline operator, 291 Summit, or its successors. Any crossing agreement between WEB and Summit should also specifically require that Summit's CO₂ pipelines cross 292 293 the ductile iron Mainline pipelines at 90 degrees for various reasons.

294	There may be important differences between various water systems within
295	South Dakota where attempts at such standardization approaches are not
296	relevant, even dangerous, to Summit's CO2 pipelines as well as to the water
297	systems. One-call 48-hour notification intent serves a different purpose and
298	intent, i.e., to alert all parties of possible construction related activity threats,
299	and is not intended to deal with CP interference/interaction threats that
300	require more detailed and possible lengthy discussions to come to a prudent
301	agreement between the parties.

- 302 Q. Does this conclude your testimony?
- 303 A. Yes.