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 PIPELINE.

HP22-001

REBUTTAL TESTIMONY OF

DR. JON SCHMIDT

ON BEHALF OF

SCS CARBON TRANSPORT LLC

SCS EXHIBIT #

- 1 Q. Please state your name and business address for the record.
- 2 A. My name is Jon Schmidt. I am employed by EXP and my business address is 2510
- 3 Miccosukee Road, Suite 200, Tallahassee, Florida 32308.
- 4 Q. What is your position with SCS Carbon Transport, LLC ("SCS")?
- 5 A. As part of the Project team, I am EXP's Project Manager for providing environmental
- 6 project management services to SCS Carbon Transport LLC. Specifically overseeing the
- 7 environmental data collection, permit application preparation, and agency consultation
- 8 Q. Please briefly describe your educational experience.
- 9 A. I have a bachelor's, master's, and doctorate in biological sciences. I have been employed
- as an environmental consultant for almost 34 years. My primary experience has been the
- preparation of permit applications and regulatory filings for pipelines, powerlines, LNG
- facilities, and natural gas storage facilities throughout the United States (U.S.). Over my career, I
- have served as project task leader, project manager, project director, and owner's environmental
- 14 representative for large infrastructure permitting projects covering multiple jurisdictions in the
- 15 U.S.
- 16 Q. Have you previously submitted direct testimony and exhibits in this proceeding?
- 17 A. Yes
- 18 Q. What is the basis for your rebuttal testimony?
- 19 A. I have reviewed the direct testimonies of:
- Amy Cottrell, ERM
- Alissa Ingham, ERM
- Hilary Morey, ERM
- Herbert Pirela, ERM

- Brian Sterner, ERM
- 25 Q. Have you reviewed the direct testimony of Amy Cottrell of ERM?
- 26 A. Yes.

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- 27 Q. Do you have any observations related to Amy Cottrell's testimony?
- Yes. Ms. Cottrell testifies that more detailed analyses of impacts to flora and fauna should 28 A. be required of the Applicant. The Applicant takes exception to this contention. Consistent with 29 Council on Environmental Quality (CEQ) regulations that characterize the analyses required for 30 a National Environmental Policy Act (NEPA) document, the Applicant focused the assessment 31 on impacts that were considered significant or specifically stated in the regulations. Pipeline 32 construction and operation has been shown in numerous NEPA documents and South Dakota 33 34 Public Utility Commission (SD PUC) proceedings to result in minor, localized impacts to surface resources when coupled with the execution of best management practices. Several million miles 35 36 of pipelines exist in the U.S. that do not impede or impact wetlands (and restoration thereof after 37 construction), fisheries, wildlife, or vegetation in general.
 - Ms. Cottrell points out that there is little direct empirical information on the impacts of CO2 to aquatic environments and the environment in general. First, it should be noted that the Pipeline and Hazardous Materials Safety Administration (PHMSA) records document the likelihood of leaks/releases from different product pipelines based on the miles of said pipelines and the historic record of releases or leaks. Based on this data alone, the probability of a leak is small, and with pipeline safety design requirements, will result in a localized and temporary impact there are other witnesses for the Applicant who can better speak to pipeline safety and the probability of a leak occurring from the proposed pipeline project. Second, as stated in her own testimony, there is little empirical evidence of what would happen in the event of a leak,

- 47 which is true. But the Applicant did perform an extensive review of the literature, and anecdotal
- 48 studies on CO2 in laboratory environments as well as the realities of the physical reactions that
- would occur in the unlikely event of a release. Based on that review, CO2 released under
- 50 pressure in an aquatic environment would result in short-term and localized impacts.
- 51 Q. Ms. Cottrell indicates that wetlands adjacent to streams be crossed using the
- 52 horizontal directional drilling (HDD) method and that riparian areas should be delineated
- and specifically identified in Table 28 of the application. Ms. Cottrell also recommends
- 54 there is not enough information to determine the appropriateness of restoration methods
- for wetland easement/conservation areas. What are your thoughts on these
- 56 recommendations?
- 57 A. In the reissuance of the Nationwide Permit program, specifically Nationwide Permit
- Number 58 (NWP 58), the U.S. Army Corps of Engineers (USACE) has determined pipeline
- 59 crossings of wetlands do not result in long term or significant impacts. For the proposed project,
- 60 the USACE will review and indicate specific wetlands or other waterbodies that require
- avoidance with the HDD method and the Applicant will comply. Similarly, the USACE
- 62 permitting review does not require the delineation of the riparian zone along waterbodies, so it is
- 63 not necessary. Finally, until the USACE completes their permitting review, the appropriateness of
- restoration approaches cannot be determined. Once this information is determined through the
- 65 USACE permitting process, the Applicant can provide it to the SD PUC.
- 66 Q. Have you considered Ms. Cottrell's recommendations Summit should provide
- 67 information in the ECP on how post construction monitoring and operations will protect
- 68 wetlands and waterbodies?

- 69 A. Such efforts are beyond the purpose of the ECP. General best practices are provided in
- 70 the main text of the application. Any post construction monitoring of wetlands or other
- vaterbodies required by the USACE will be included in their permit conditions.
- 72 Q. What is your response to Ms. Cottrell's contention that impacts to aquatic species
- has been inadequately completed and the impact assessment does not have cited literature
- or expert analyses to support the conclusions?
- 75 A. There are numerous Federal Energy Regulatory Commission (FERC) applications,
- 76 Interstate Natural Gas Association of America (INGAA) studies, and literature that document the
- 77 minor and temporary impacts pipeline construction has to aquatic species. The 36 years of
- 78 pipeline construction and operation experience of myself and others on the team has drawn upon
- 79 this body of best practices to make the statements provided in the application and my testimony.
- 80 In fact, the ECP is fashioned after the FERC Wetland and Waterbody Construction and
- 81 Mitigation Procedures (Procedures) and utilizes the main factor used in determining crossing
- 82 methods for streams. To paraphrase, the shortest time-frame used to cross a stream is the best
- method to use, resulting in most minor streams being crossed with an open cut method, as
- proposed for this Project. As for invasive species, the Application is clear that only surface
- waters approved for use would be used for hydrotesting, followed by municipal sources.
- 86 Therefore, the Applicant does not anticipate using streams or rivers where invasive species are
- 87 prevalent. Finally, Ms. Cottrell indicates that impacts from HDD construction methods are not
- discussed in the application; however, they are addressed in the ECP.
- 89 Q. Ms. Cottrell proposes impacts to the pallid sturgeon are not adequately addressed
- 90 and tributaries to major rivers should be constructed using HDD methods. In your
- 91 professional opinion, what are your thoughts?

- 92 A. The U.S. Fish and Wildlife Service (USFWS) has determined where the pallid sturgeon 93 may be present (the Missouri River) and the Applicant has agreed to HDD this waterbody, 94 avoiding direct impacts to the waterbody. The USACE and USFWS will finalize the impact 95 assessment in completing a Biological Assessment (BA) for the Project. At this time, the 96 USACE has determined that crossing of the Missouri River by the HDD method will result in a 97 "no effect" determination for the pallid sturgeon.
- Q. Are baseline impact analyses and mitigation measures necessary for non-ESAspecies as recommended by Ms. Cottrell?

- A. This is a faulty assessment in and of itself. As I discussed previously, there is ample information that the best practices proposed to build this Project will result in little to minor impacts to non-listed species and therefore a detailed analysis is unwarranted, consistent with CEQ guidelines on impact assessments. NEPA documents do not, and cannot by regulation, study in detail all potential project impacts. Such analyses are unwarranted and unnecessary.
- Q. Ms.Cottrell indicates that additional information on how waterbody crossing methods will be chosen and more details on implementing them are required. What is your response to these contentions?
- A. As discussed above, the methods are chosen to reflect the best practices experienced by the Project team over decades of experience permitting and building pipelines in the Midwest specifically and the U.S. generally. These methods are chosen and described similarly to how FERC describes their Procedures, and consistent with how those are chosen based on stream width and water flow. Additional information is unnecessary, especially since the USACE and USFWS have accepted the draft ECP to be used in their permitting review. Post construction remediation plans are also not required; Cottrell appears to assumes there are negative impacts

from equipment access that are different than construction impacts along the pipeline right-of-115 way (ROW). Measures described in the ECP are planned for temporary access roads and all 116 temporary workspace associated with stream crossing methods. 117 Q. Ms. Cottrell observes an SPCC plan should be developed. Are there plans to prepare 118 such a document? 119 A Spill Prevention, Control and Countermeasure (SPCC) Plan will be prepared if there 120 A. are plans to store at least 1,320 gallons of oil such that a catastrophic release could impact waters 121 of the U.S. If an SPCC Plan is prepared, it will accompany the notice of intent for the 122 123 construction Stormwater Pollution Prevention lan (SWPPP). Do you have any other observations concerning Ms. Cottrell's testimony? 124 Q. A. No. 125 126 Have you had an opportunity to review Alissa Ingham's testimony? Q. Yes. 127 A. Are there any concerns with Ms. Inghams testimony? 128 Q. Witness Alissa Ingham indicated in her pre-filed testimony in several locations that the 129 A. Applicant did not provide all land use types, specifically, noise sensitive land uses. In response to 130 131 an earlier data request by Commission staff, the Applicant provided a cross-reference table indicating the land uses found in SDAR 20:10:22:18(1) and the National Land Cover database 132 categories. That table that was submitted as a response to Data Request 3.39 has been updated 133

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below to include noise sensitive land uses.

Supplement Application Appendix 6C	South Dakota Categories used in other PUC Applications	Based on 20:10:22:18 - Land use	
Barren Land	Barren Lands	Existing and potential extractive nonrenewable resources	
Cultivated Crops	Cultivated Crops	Land used primarily for row and non-row crops in rotation	
Developed, High Intensity	Developed / Developed Land	Public, commercial, institutional use and Noise Sensitive Land Use	
Developed, Low Intensity	Developed / Developed Land	Rural residences and farmsteads, family farms, and ranches / Residential / Noise Sensitive Land Use	
Developed, Medium Intensity	Developed / Developed Land	Rural residences and farmsteads, family farms, and ranches / Residential / Noise Sensitive Land Use	
Developed, Open Space	Developed / Developed Land	Rural residences and farmsteads, family farms, and ranches / Residential / Public use / Noise Sensitive Land Use	
Grassland Hay/Pasture – Grassland / Hay/Pasture Herbaceous		Undisturbed native grasslands	
Hay/Pasture	Hay/Pasture - Grassland/ Hay/Pasture; Herbaceous	Pasturelands and rangelands / Haylands	
Manmade Pond	Open Water / Water	Irrigated lands / water sources for organized rural water systems	
Natural Pond	Open Water/ Water	Irrigated lands / water sources for organized rural water systems	
Open Water	Open Water/ Water	Irrigated lands / water sources for organized rural water systems lands / Public use	
Ephemeral	Riverine / Water	Potential source for irrigated lands	
Intermittent	Riverine / Water	Potential source for irrigated lands	

Supplement Application Appendix 6C	South Dakota Categories used in other PUC Applications	Based on 20:10:22:18 - Land use
Perennial	Riverine / Water	Potential source for irrigated lands / Public use
Deciduous Forest	Trees / Forest	Public Use
Shrub/Scrub	Shrub/Scrub	Public Use
PEM	Wetlands	~
PFO	Wetlands ~	~
PSS	Wetlands	~

- Q. Do you have any other observations concerning Ms. Ingham's testimony?
- 138 A. No.
- 139 Q. Have you had an opportunity to review Hilary Morey's testimony?
- 140 A. I have.
- 141 Q. Ms. Morey recommends above ground facilities be sited in areas that have been
- previously disturbed. Do you have concerns with this recommendation?
- 143 A. The Applicant has sited locations of facilities to incorporate the requirements of the
- PHMSA regulations, the physical locations of shipper/ethanol plants for meter sites and
- connection facilities, access to public roads, avoidance of wetlands, avoidance of listed species
- habitat, and landowner preferences. Siting these facilities on previously disturbed areas is not
- always possible with the constraints listed above.
- 148 Q. Ms. Morey also recommends streams where the northern red-belly dace is known to
- occur should be directionally drilled or bored. Thoughts on this?

- A. Biological field survey work continues. That data and consultation with the USACE and USFWS will determine which streams are crossed using trenchless methods such as the HDD method or bores.
- 153 Q. The lined snake is another species that may intersect the proposed project's route.

- Ms. Morey indicates additional avoidance and mitigation measures for the lined snake have not yet been provided.
 - A. The Applicant contracted with Westech Environmental Services, LLC (Westech) to conduct surveys for the State Endangered lined snake (*Tropidoclonion lineatum*). Westech consulted with South Dakota Game, Fish, and Parks (SDGFP) and received approval of their proposed survey methods. Prior to field survey, Westech identified potentially suitable habitat on the Project through a review of lined snake habitat identified by the SDGFP Environmental Review Tool, review of aerial imagery, and review of pre-construction habitat assessments completed by Perennial Environmental Services in 2021. The pre-field review found very little non-cultivated habitat within the mapped range of lined snakes within the Project footprint and only three sites, totaling 5 acres, were identified.

At the time of survey in July 2022 only one of the three sites, comprising two acres, was accessible. At that location Westech observed no lined snakes or evidence of their presence, and no lined snake habitat was present.

At the inaccessible proposed survey location immediately west of the Big Sioux River (on Tract SD-LI-104-155.100), a review of aerial imagery and of habitat from a public road crossing approximately 0.2 mile away found that the site is a closed canopy deciduous forest bordered by cultivated land on the west and the Big Sioux River on the east. Due to the dense forest canopy and the lack of open grassland, this site likely does not provide habitat for the lined

snake. Also, the entire survey location (potential habitat) is included within the horizontal directional drill of the Big Sioux River and will be avoided. There are no aboveground facilities proposed to be located on this tract.

At the second inaccessible survey location (on Tract SD-LI-104-149.000), a review of aerial imagery and of habitat at a public road crossing approximately 0.5 miles away found that the site contains a perennial stream with scattered deciduous trees and shrubs and an understory of smooth brome. The surrounding fields are cultivated. This site could potentially provide habitat for the lined snake, although the likelihood is low given that the understory vegetation is not likely native. There are no aboveground facilities proposed to be located on this tract.

Both locations inaccessible for survey in 2022, remain so today. If the locations cannot be surveyed during the appropriate seasons prior to the start of construction or if surveys observe lined snakes, evidence of the presence of lined snakes, or lined snake habitat, the Applicant proposes to:

- Install silt fence on the perimeter of the workspace immediately prior (within one
 day) to commencing construction when the lined snake is active (April October)
 until construction is complete and excavated areas have been backfilled,
- Visually monitor the enclosed area. Monitoring will be performed by a permitted herpetologist/wildlife biologist prior to, and during, materials staging and construction for lined snakes,
- Train construction crews on how to identify the species, and
- Cease construction if lined snakes are observed by the monitor and resume only after the snake(s) has/have been relocated.

- 195 Q. Ms. Morey in her testimony is concerned with potential impacts to the Shaner Game
- 196 Production Area (GPA) caused by the project? Can you explain how potential impacts will
- 197 be mitigated?
- 198 A. The portion of the proposed route that will cross the Shaner GPA will be installed using
- the HDD construction method. There will be no surface impacts. The Applicant is currently
- 200 working with Ryan Wendinger (SDGFP Habitat Program Manager) on securing an easement
- across the Shaner GPA.
- 202 Q. Do you have any other observations concerning Ms. Morey's testimony?
- 203 A. No.
- Q. Have you had the opportunity to review the testimony of Herbert Pirela?
- 205 A. I have.
- Q. Mr. Pirela indicates more detailed information is required to be filed with the PUC
- prior to commencing construction. Does Summit plan on filing additional information to
- 208 the PUC?
- 209 A. The Applicant fully expects to provide the SD PUC the updated ECP after agency
- 210 comments and permits are received, detailed SWPPPs filed in support of the construction
- stormwater permits, updated alignment sheets, HDD plans by each contractor, Weed Control
- 212 Plan, and Agriculture Impact Mitigation Plan.
- Q. Mr. Pirela requests a Weed Control Plan be prepared for the proposed project. Will
- 214 Summit prepare such a plan?
- 215 A. The Applicant will prepare and submit a Weed Control Plan to the SD PUC.

- Q. Mr. Pirela indicates the HDD plan provided to the PUC is lacking in detail
- 217 addressing inadvertent returns to aquifers, glacial deposits, or wetlands. How does Summit
- 218 plan to address these concerns?
- 219 A. Each spread contractor will prepare HDD plans specific to the bores/HDDs within their
- spread to address the specific issues associated with each crossing. The HDD plan provided to
- date is a template for the contractors to follow. These spread-specific plans will be provided to
- the SD PUC prior to construction.
- Q. Mr. Pirela recommends an agriculture impact mitigation plan (AIMP) be developed
- for the proposed project and provided to the PUC. Will Summit prepare such a plan?
- 225 A. The Applicant will prepare and submit an AIMP to the SD PUC.
- Q. Do you have any other observations concerning Mr. Pirela's testimony??
- 227 A. No.
- 228 Q. Have you had the opportunity to review Brian Sterner's testimony?
- 229 A. Yes.
- 230 Q. Mr. Sterner observes that the 401 Water Quality Certificate was not addressed in
- 231 the application.
- 232 A. Yes, this was an unfortunate omission. In fact, the 401 Water Quality Certificate has been
- 233 issued by South Dakota Department of Agriculture and Natural Resources for the USACE NWP
- 58. The Applicant has filed permit applications to the USACE for coverage under NWP 58.
- Q. Mr Sterner also requests additional maps and drawings related to water resources.
- 236 A. The Application in Appendix 6C provided hydrologic features in relation to the proposed
- facilities in accordance with SD Code 20:10:22:15(1). As explained in the text in Section 5.2.1,
- 238 the Applicant is required to restore pre-construction grade for all hydrologic features crossed to

comply with their USACE permits. Therefore, there would be no need to show before and after maps depicting drainage features other than what has already been provided. This is also consistent with other recent applications for pipeline projects in South Dakota.

Sterner also requests maps of wellhead protection areas, aquifers, springs, seeps, and groundwater flows. The application in Section 5.2.3 clearly states that any water use would come from surface sources. Per SD Code 20:10:22:15(4), only if the aquifer will be used is there a need to address mapping and assessment.

- Q. In Mr. Sterner's testimony, he lists some concerns related to the release of CO2 into water resources and its impact to aquatic organisms. Can you address those concerns?
- A. Several sections of the application address CO2 release into groundwater, surface water, and wetlands, all citing different sources of impact assessment. In addition, a response to a previous data request, #3-8, the risk of a release is small based on PHMSAs records of CO2 pipeline safety. But to address Sterner's comments, the most probable adverse effect of a CO2 release into a flowing steam is a lowering of pH and direct toxicity effects. According to Henry's Law, at 25 ° C, an equilibrium concentration of CO2 and water would approach 0.55 parts per million which would not constitute a significant adverse impact to most fish species.

 Oversaturation could occur adjacent to the leak site with CO2 concentration levels potentially going as high as 1,500 parts per million. While CO2 concentrations at these levels would be extremely toxic to fish, the possibility of many fish being killed would still be remote or virtually nonexistent because (1) fish are mobile and most waterbodies crossed will move the CO2 downstream as well as dilute it, (2) a bubble stream from a leak would cause fish to avoid the area, (3) a CO2 leak would be short term because of block valve safety precautions, and (4) a leak or blowout is unlikely to occur at all. Sessile species (e.g., mollusks) would be more

vulnerable to increases in CO2 levels in the water column because of their inability to move locations. The CO2 increases would have to occur consistently over a long period of time (months) for impacts to be seen.

In addition, when CO2 dissolves in water, about one-percent of it forms carbonic acid (H2CO3), which almost immediately dissociates to bicarbonate anions and protons (HCO3-). This produces a solution of bicarbonate. Because surface waters are in equilibrium with atmospheric CO2 there is a constant concentration of H2CO3 in the water. The presence of limestone and other calcium carbonate rock in lakes and streams helps to maintain a constant pH because the minerals react with the excess acid. When water is in equilibrium with both CO2 and carbonate containing rock, the pH of the water is buffered to a pH of 8.3, close to the pKa of the weak acid bicarbonate HCO3- (pKa = 8.4). Due to the presence of alkaline soils and limestone bedrock, South Dakota surface waters average a pH of 8.2. The solubility of CO2 in water is a function of both the temperature and the salinity of the water, where CO2 is more soluble in freshwater than seawater, and solubility decreases with increasing temperature.

- Q. Mr. Sterner indicates a concern with the temperature of hydrostatic test water and, whenever it is discharged, its potential impacts to the ground or receiving waters. Mr. Sterner recommends a permit condition requiring the water to reach ambient temperature before discharge.
- A. Mr. Sterner does not provide scientific evidence that heating occurs or is detrimental to the ground surface during discharge. Nevertheless, temperature changes greatly affect pressure during hydrostatic testing, because of this, Operators generally implement a "stabilization" period to allow the water filled pipeline to equalize to ground temperature. The Applicant will

- aim for a 12-hour stabilization period unless it is determined that pipe temperature has been equalized with ground temperature. The Applicant will comply with South Dakota permit requirements for the general hydrostatic test water discharge permit.
- Q. Mr. Sterner indicates the Applicant has not consulted with NRCS or South Dakota regarding lands enrolled in their programs.
- 290 A. The Applicant did file FOIA requests to the USDA and NRCS for all lands in their programs.
- None are crossed. The information is held in confidence, and the Applicant was required to submit FOIA
- requests. The Applicant has also worked with the State of South Dakota for lands enrolled in any of their
- programs or lands jointly held with the U.S. Government or other entities. The Applicant also worked
- with the USFWS to avoid lands held in grassland easements and federally held lands.

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- Q. In his testimony, Mr. Sterner indicates that potential impacts to vegetation have been inadequately addressed in the application.
 - A. This is contradicted by the text found throughout the application that indicates most of the land is in agricultural use, will be restored to that use, and that reclamation will occur in concert with the landowner, NRCS, and County weed boards to ensure the land returns to previous uses. Air cleaning and water cleaning are both accepted methods in the Midwest to clean construction equipment both by the weed boards and prior project experiences in the area. The ECP has been developed with federal and state agencies and is consistent with other recently constructed projects in South Dakota. The testimony provided by Mr. Sterner are inconsistent with practice "The Project should not let temporary disturbed lands revert back to pre-construction conditions." (lines 396-397). That is inconsistent with landowner requirements and best practice in the pipeline industry.
 - Q. Mr. Sterner also has concerns regarding "high rutting hazard soils".?
- A. The Applicant is unclear of what type of soil this is since all major soil categories and problem area soils are addressed in the application section 5.1.4 and in the ECP following best industry practices.

309	Q.	When will determination for ESA-listed species be finalized and how will wildlife		
310	entrapment during construction activities be addressed?			
311	A.	The USFWS and USACE will complete the ESA process in the course of reviewing and		
312	approv	ing the NWP 58 applications. Wildlife entrapment in excavations will be addressed by the		
313	USFW	S if deemed necessary as a risk, however the project is not found in any big game ranges or		
314	overwintering areas and therefore this requirement is unnecessary nor consistent with other pipeline			
315	project	s in South Dakota.		
316	Q.	Mr. Sterner expressed concerns the application does not list specific mitigation		
317	measures addressing impacts to wildlife.			
318	A.	Specific measures are not required when agencies have already deemed construction and		
319	operational activities of pipelines to have minor impacts and therefore warrant general and nationwide			
320	permits	s be issued. If there were impacts that rose to the level requiring individual permits, then specific		
321	mitigation measures would be warranted.			
322	Q.	Does this conclude your testimony?		
323	A.	Yes.		
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325	Dated this 7th day of July, 2023.			
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328	/s/ Dr	. Jon Schmidt		
329	Dr. Jon Schmidt			