



Kristie Fiegen, Chairperson
Gary Hanson, Vice Chairman
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South Dakota

PUBLIC UTILITIES COMMISSION

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August 14, 2023

Lisa Wright



Brandon SD 57705-7217

Ms. Wright,

This is in response to your letter dated Aug. 10, 2023 regarding the Navigator Heartland Greenway, LLC docket, HP22-002.

You share your concerns about this proposed pipeline project. Please reference the enclosed Pipeline Siting Info Guide that is posted in this pipeline docket as well as on the commission website home page, explaining the South Dakota Public Utilities Commission's processing of siting dockets such as these. See excerpts below.

This guide is intended to offer a simple overview of the Public Utilities Commission's process in making a decision to approve or deny the construction of pipeline facilities specific to South Dakota Codified Laws Chapter 49-41B (www.sdlegislature.gov/Statutes/Codified_Laws) and South Dakota Administrative Rules Chapter 20:10:22 (www.sdlegislature.gov/Rules/RulesList).

PUC Authority

The South Dakota Legislature gave the PUC authority to issue permits for certain pipelines. South Dakota pipelines within the commission's siting jurisdiction include those designed to transport coal, gas, liquid hydrocarbons, liquid hydrocarbon products, or carbon dioxide, for example. In considering applications, the commission's primary duty is to ensure the location, construction and operation of the pipeline will produce minimal adverse effects on the environment and the citizens. The commission determines these factors based on definitions, standards and references specified in South Dakota Codified Laws and Administrative Rules. In pipeline siting cases, the commission has one year from the date of application to make a decision.

In rendering its decision, the commission may grant the permit, deny the permit, or grant the permit with terms, conditions or modifications of the construction, operation or maintenance as the commission finds appropriate and legally within its jurisdiction. The commission does not have

authority to change the route or location of a project. The decision of the commission can be appealed to the circuit court and, ultimately, to the South Dakota Supreme Court.

Applicant Responsibility

The applicant that seeks the PUC's approval must show its proposed project: • will comply with all applicable laws and rules; • will not pose a threat of serious injury to the environment nor to the social or economic condition of inhabitants or expected inhabitants in the siting area; • will not substantially impair the health, safety or welfare of the inhabitants; and • will not unduly interfere with the orderly development of the region with due consideration having been given to the views of the governing bodies of affected local units of government.

There are many details that must be addressed regarding the requested permit for a CO₂ pipeline, including concerns you referenced. As you will see by reviewing the documents posted thus far in the online docket, many issues have and are being addressed by formal parties involved in this siting docket. These issues are being dissected and have been robustly discussed and cross-examined during the evidentiary hearing.

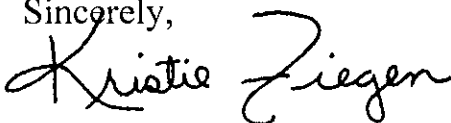
Commissioners asked many questions during the hearing, as did other formal parties in the docket, and this will assist commissioners in determining whether each of us will vote yes or no on a permit or consider specific conditions with a permit.

My fellow commissioners and I will make a determination on the permit based on facts presented by parties to the docket. Our decision must be based on evidence, not hearsay. We must make a decision that is within the commission's legal jurisdiction as provided by the South Dakota Legislature, and one we believe will be upheld should our decision be appealed to circuit court.

Since commissioners have a decision-making role in docket matters, any communication with us about any open or imminent docket must be done in an open forum, such as a public meeting or hearing, with notice given to all parties or made available via the docket. Thus, your letter and my response will be posted under Comments and Responses in the docket.

Thank you for writing to share your concerns and conclusions, allowing me to explain our commission's jurisdiction, the purpose of the evidentiary hearing, and the processing of this CO₂ pipeline's siting permit application.

Sincerely,

A handwritten signature in cursive script that reads "Kristie Fiegen". The signature is written in black ink and is positioned below the word "Sincerely,".

Kristie Fiegen