WHITE EARTH TRIBAL HEARING ON PIPELINES

June 6, 2015

Presentation

by

Willis Mattison, Citizen Advocate/Organizer

&

Bob Merritt,

Merritt Hydrologic and Environmental Consulting

WHO AM I? WHAT DO I KNOW ABOUT ANYTHING?

- Live near Osage, Mn
- Raised near Thief River Falls, Mn
- B.S. Degree, BSU Biology and Chemistry
- M.S. Degree, St. Mary's University- Ecology
- Retired Regional Director –Minnesota Pollution Control Agency (28 years)
- Extensive Experience in Environmental Review
- First Responder to Enbridge Pipeline Spills
- Honored to be Invited to present to W.E. Nation

WHERE DID ALL THIS NEW OIL COME FROM?

Shale Oil Crude

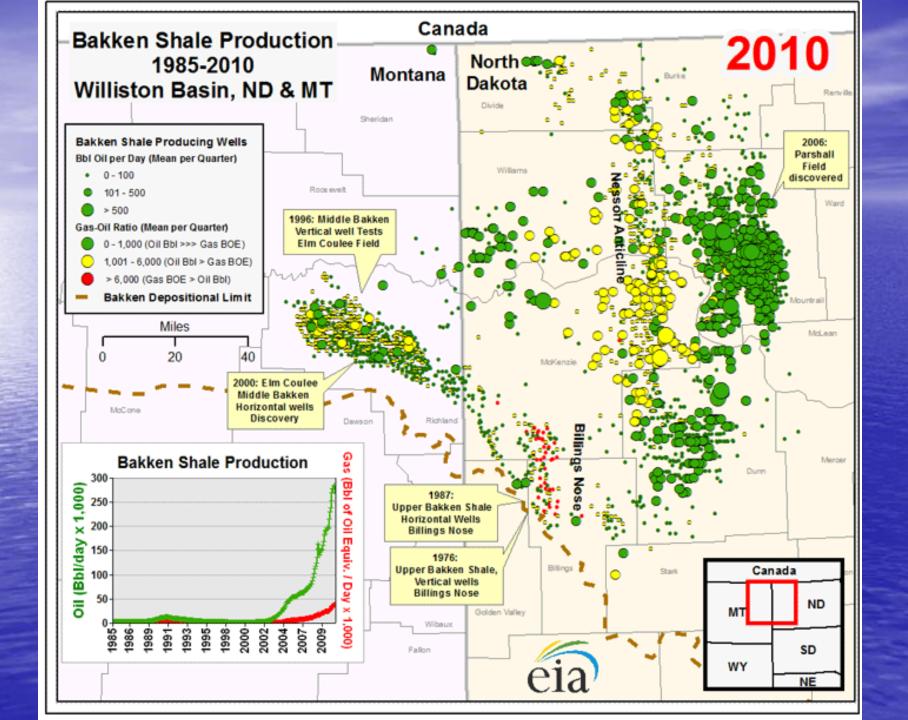
Tar Sands Bituminous

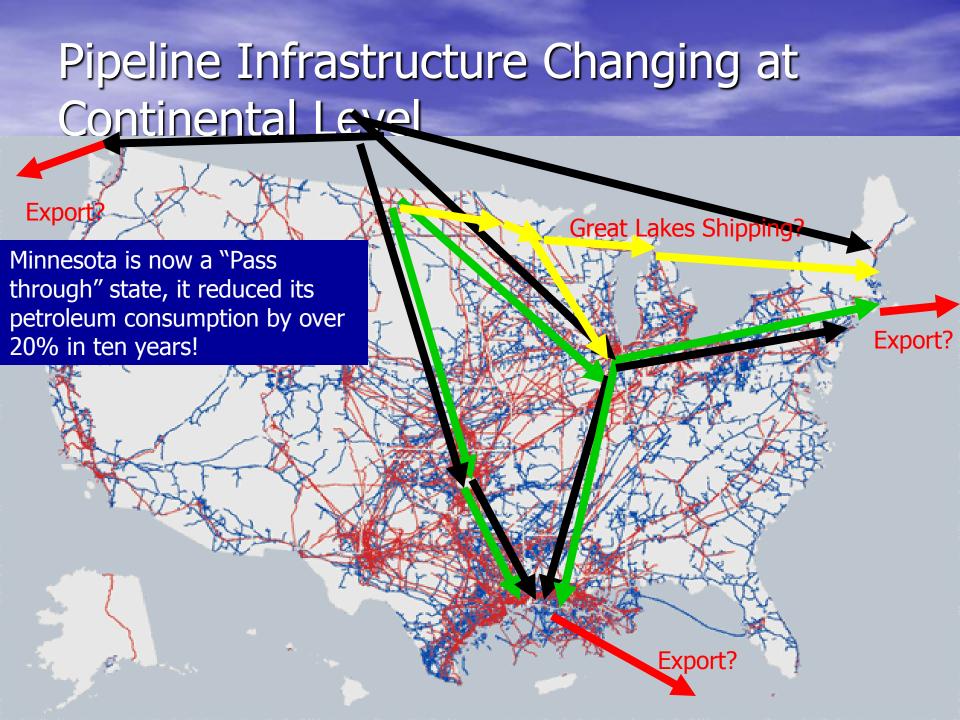


2005 Nation Energy Policy Act

Oil and gas industry exempted from major federal environmental statutes:

- Clean Water Act
- Clean Air Act
- Safe Drinking Water Act
- Comprehensive Environmental Response,
 Compensation, and Liability Act
- Resource Conservation and Recovery Act
- National Environmental Policy Act
- Toxic Release Inventory under the Emergency Planning and
- Community Right-to-Know Act

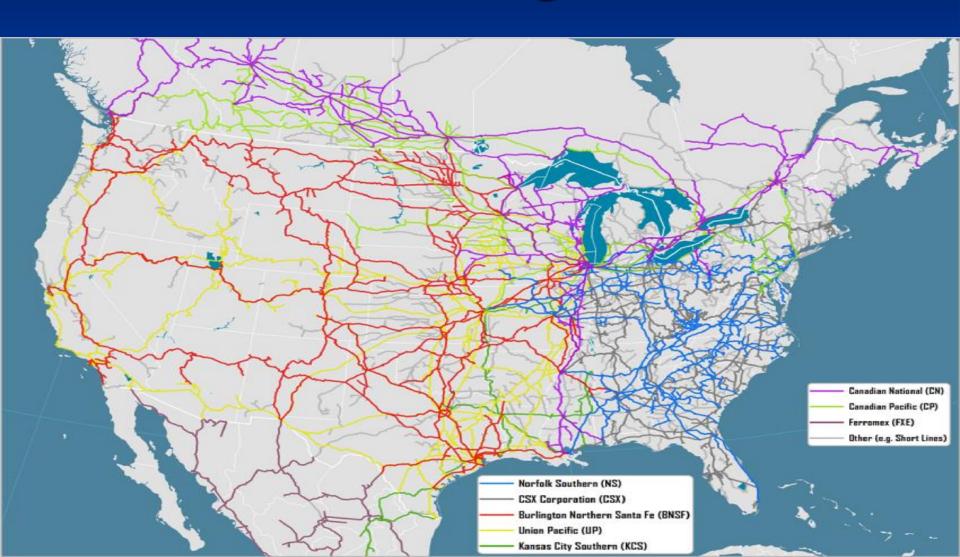




Planning, reviewing and permitting continental scale pipeline projects with single state scope is problematic



Pipelines are not the solution to Railroad Congestions



Facing Reality: Transporting All This New Crude Oil Presents New Hazards



WE ARE NOT DEALING WITH CONVENTIONAL CRUDE OIL!

- Tar Sands oil becomes diluted bituminous or "dilbit";
- Dilbit behaves much differently than conventional crude in the environment-Even the Coast Guard is unprepared on Great Lakes;
- Bakken Shale oil being shipped by rail and pipeline w/o stripping liquid natural gas component;
- This "Unstripped" Bakken Oil is as volatile (flammable) as <u>Unleaded Gasoline</u>.

Kalamazoo Michigan: a study in compounded human error



What is 99.9993%?

Enbridge touts a safety record of 99.9993%. What does 99.9993 safe mean?

Enbridge transports over 2.2 million barrels of per day of oil and liquids.

Using the 99.9993% figure reveals that 647 gallons per day is leaked from their pipeline system.

That projects to a leakage of **236,000** gallons per year or **2.36 million gallons** over a ten year period.

Minnesota Pipeline System Suffers from Corridor Fatigue & Lack of Advance Public Planning

Figure 7853.0510-2 Pipeline System Map

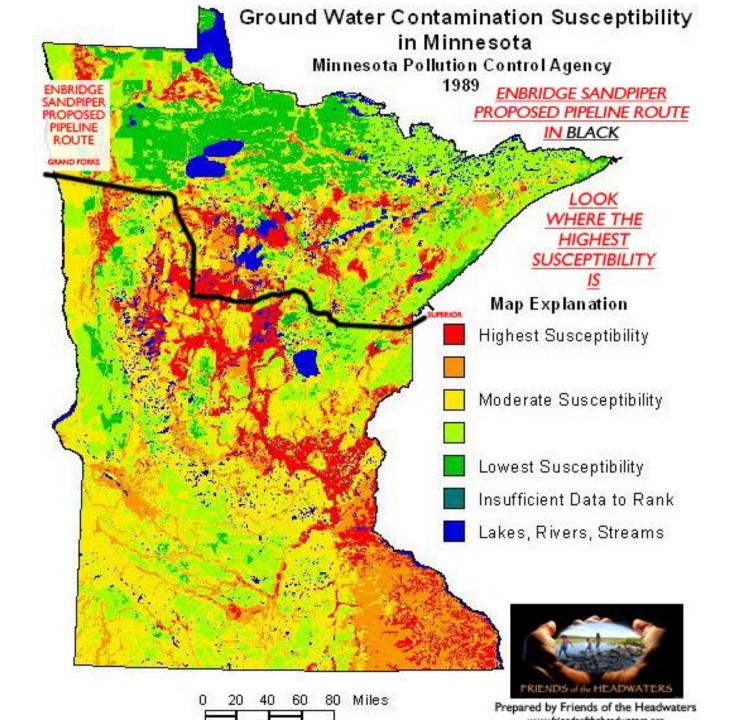


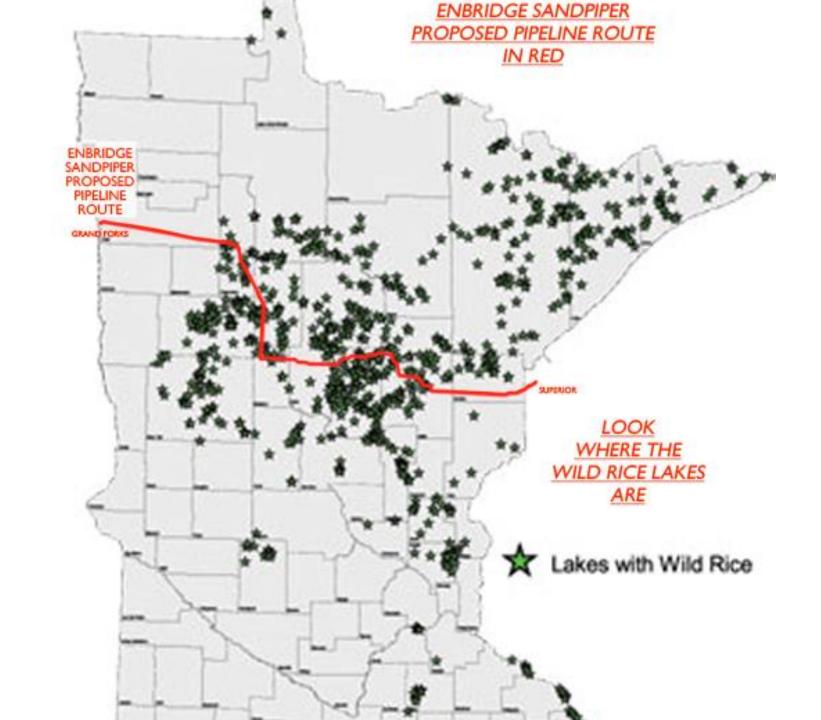
NEW ENBRIDGE PROJECTS:

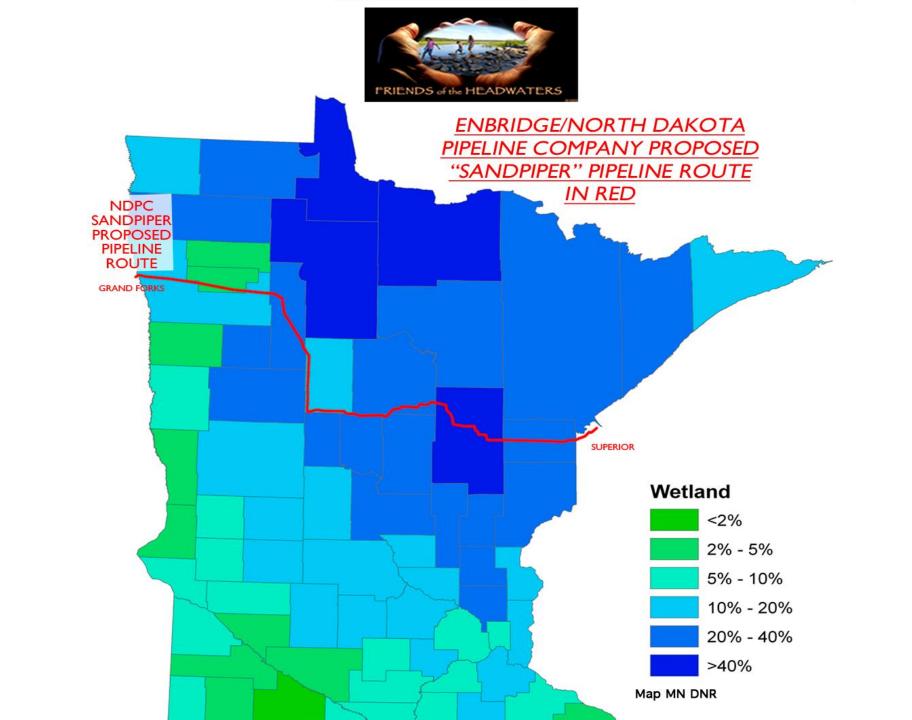
- 1. ALBERTA CLIPPER
 - 2. SANDPIPER
- 3. LINE THREE RELOCATION



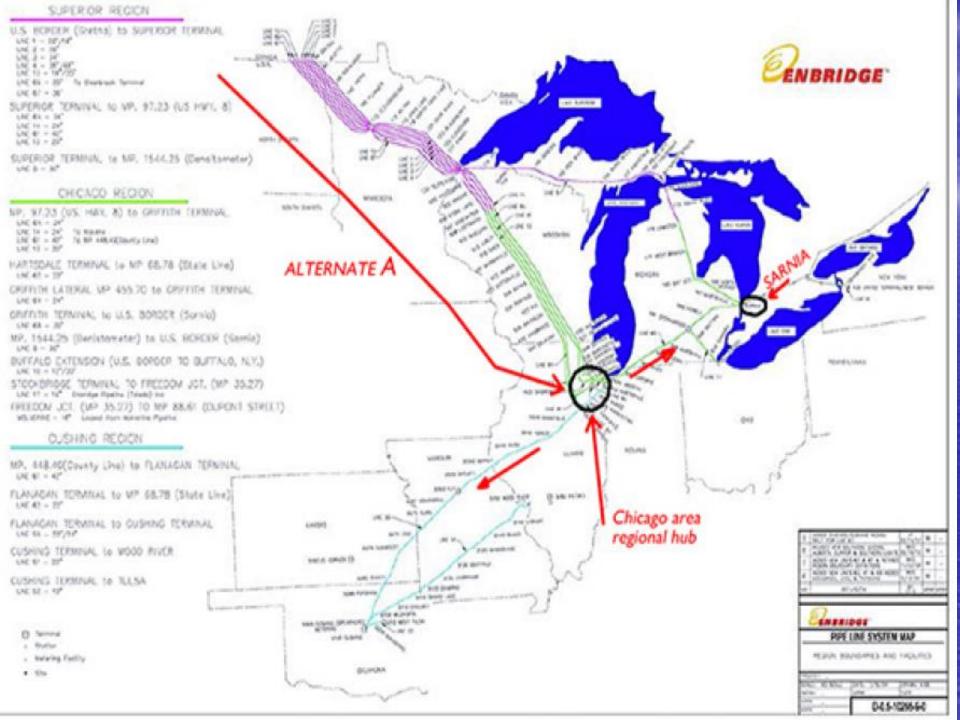




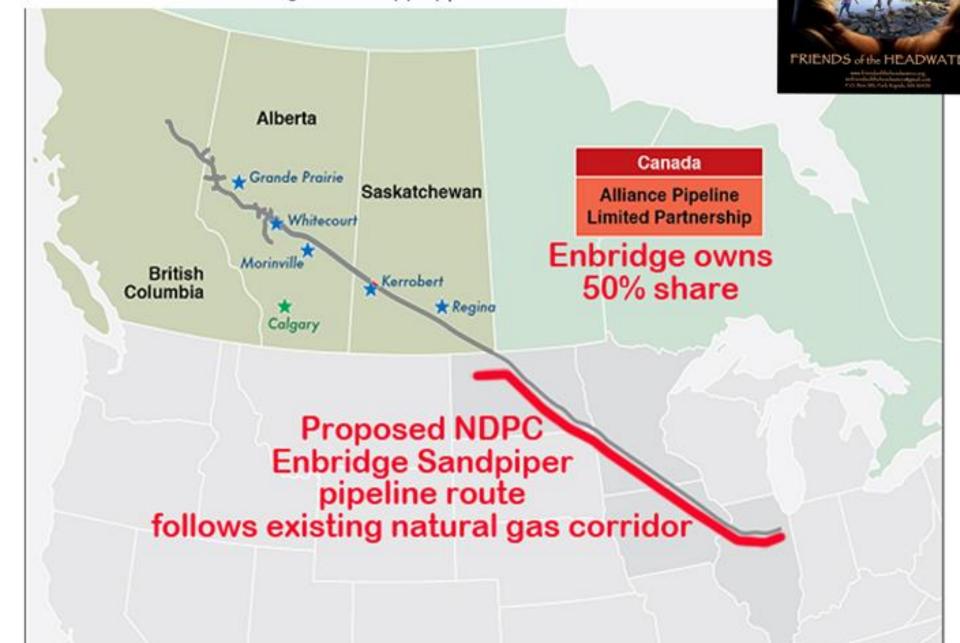


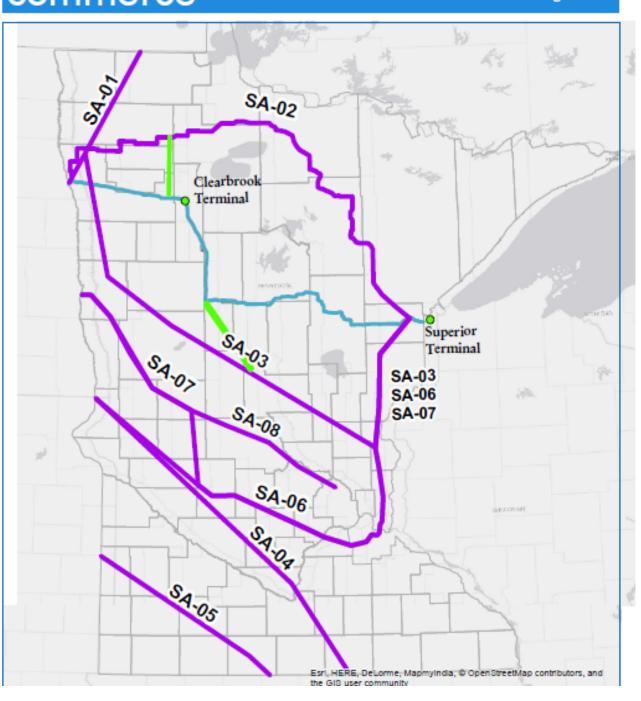






Friends of the Headwaters
Proposed Alternate Route A
for Enbridge/NDPC Sandpiper pipeline





SO, HOW ARE WE DOING WITH PIPELINE PERMITTING?

- The PUC/DOC pipeline permitting process is extremely opaque, dominated by litigious proceedings that was designed for power lines;
- The process confounds the most experienced bureaucrats and attorneys, even the PUC Commissioners themselves.
- It remains to be seen how the decision on both the NEED for and ROUTE for Sandpiper and Line 3 will be made.

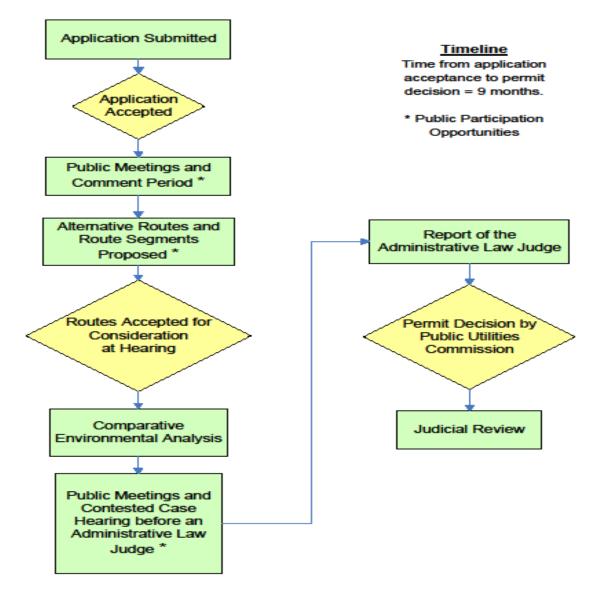
Streamlining Minnesota's Energy Statutes, Rules and Planning

- 1980's Power Line and Power Plant siting controversy;
- "Alternative Environmental Review" and Permitting for Major Energy Facilities: Power lines and plants;
- Imposed Nine and Twelve Month Deadlines on Permits!
- Pipelines were redefined as a "major energy facility";
- 2005 Statute shifted Environmental Review from EQB to Department of Commerce.
- Has this produced an unintended "express lane" for pipeline permits?



Pipeline Routing Full Permitting Process

Minnesota Rules 7852



THE BURDON OF PROVING PRUDENT ALTERNATIVES EXIST IS ON THE PUBLIC!

- B. a more reasonable and prudent alternative to the proposed facility has not been demonstrated by a preponderance of the evidence on the record *by parties or persons other than the applicant*, considering:
 - (1) the appropriateness of the size, the type, and the timing of the proposed facility compared to those of reasonable alternatives;
 - (2) the cost of the proposed facility and the cost of energy to be supplied by the proposed facility compared to the costs of reasonable alternatives and the cost of energy that would be supplied by reasonable alternatives;
 - (3) the effect of the proposed facility upon the natural and socioeconomic environments compared to the effects of reasonable alternatives; and
 - (4) the expected reliability of the proposed facility compared to the expected reliability of reasonable alternatives;

ENVIRONMENTAL REVIEW and PERMITTING FOR POWER LINES IS NOT WORKING FOR PIPELINES

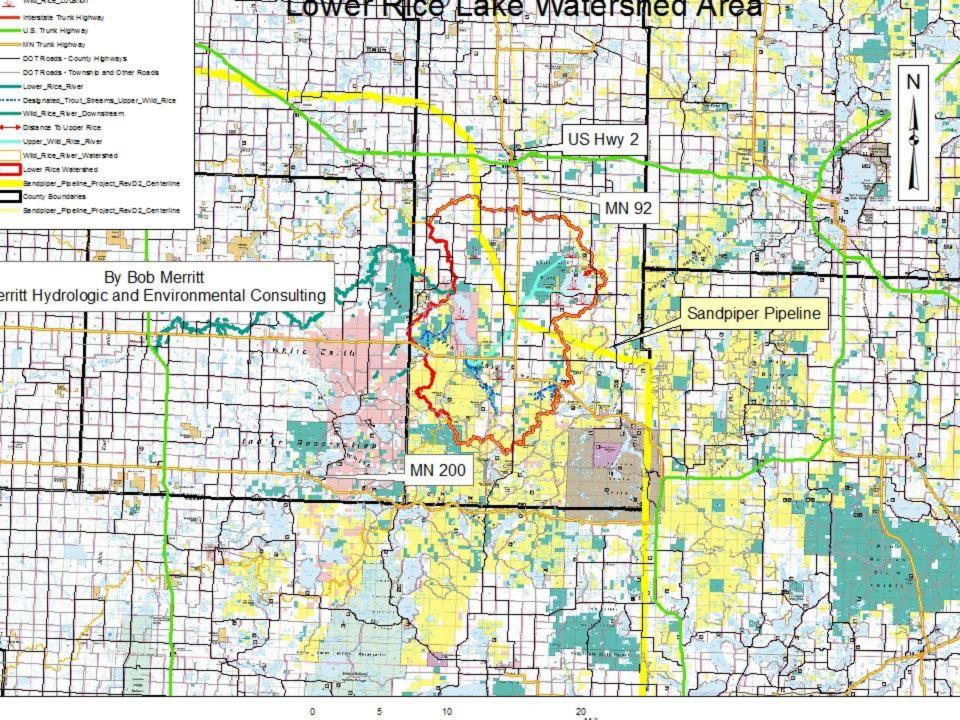
- Rules and Statutes are conflicting and confusing
- Process is opaque and illogical for both Need and Routing
- Burden for Development and Technical defense of Feasible Alternatives falls to "citizens interveners"
- Process takes place in litigious setting creating huge obstacles for citizen groups both financial and available expertise

ENVIRONMENTAL REVIEW and PERMITTING FOR POWER LINES IS NOT WORKING FOR PIPELINES

- Pits Citizens against Industry: a David and Goliath story;
- Process has unreasonable time constraints (9 and 12 Months)
- Relegates Natural Resource Agencies to bystander/commenter roles;
- "If the quality of Minnesota's natural resources depends on citizen intervention in this legal setting, the environment loses!" —Jerry Von Korff, Attorney for Carlton County Land Stewards

THINGS ARE OUT OF BALANCE -CITIZEN'S CALL FOR CHANGE

- Crude Oil Transportation Infrastructure is evolving. Can Minnesota respond appropriately?
- Should the North Dakota and Alberta oil rushes drive hasty decisions here in Minnesota?
- Can Minnesota work with neighboring states on common energy transportation problems by broadening the geographic scope of systems planning?



Thank You

Questions or Comments?

Bob Merritt,

Merritt Hydrologic and Environmental Consulting

Bob Merritt

- <u>Education</u>: U of MN Duluth BA and BS in Geology and Earth Science U of Nevada Reno – MS Hydrology
- •<u>Experience</u>: 1978 2010 (32+ years) MN DNR Area Hydrologist for Becker, Clay, Mahnomen and Clay Counties; Southern ½ Polk County for first 10 years.
- Experience included significant studies of the Pineland Sands Aquifer, Effects of gravel mining in the Felton area on downstream calcareous fens, and Analysis and modeling of mining on streams in southeastern Minnesota.
- 2010 Present; Merritt Hydrologic and Environmental Consulting, LLC

