

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

IN THE MATTER OF THE APPLICATION
OF SCS CARBON TRANSPORT LLC FOR
A CERTIFICATE OF CORRIDOR
COMPATIBILITY AND ROUTE PERMIT
FOR THE MIDWEST CARBON EXPRESS
PROJECT IN BURLEIGH, CASS, DICKEY,
EMMONS, LOGAN, MCINTOSH,
MORTON, OLIVER, RICHLAND AND
SARGENT COUNTIES, NORTH DAKOTA

CASE NO. PU-22-391

DIRECT TESTIMONY OF

ROD DILLON

ON BEHALF OF

SCS CARBON TRANSPORT LLC

June 1, 2023

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. Rod Dillon, 2321 N. Loop Drive, Suite 221, Ames, IA. 50010

Q. PLEASE STATE YOUR PRESENT POSITION AND AFFILIATION.

A. Director, Regulatory Compliance; employee of Summit Carbon Solutions, LLC (“SCS”),
the parent company of the Applicant, SCS Carbon Transport LLC.

Q. WHAT IS YOUR PROFESSIONAL BACKGROUND?

A. I have 38 years of professional experience in Firefighting, Emergency Response, and Hazardous Materials Response training. Please see my resume for additional details regarding my experience.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. To provide an overview of public awareness and emergency response regulations, SCS’ Emergency Response Plan (“ERP”), and describe the steps SCS will take to ensure first responders and responding agencies are educated to safely respond in the unlikely event an incident occurs on SCS’ carbon dioxide (“CO₂”) transportation system.

Q. PLEASE PROVIDE A COMPLETE LIST OF ALL OF THE ENTITIES YOU HAVE SPOKEN TO REGARDING EMERGENCY RESPONSE.

A. I have had either in person or TEAMS meetings with the County Emergency Managers of all North Dakota counties that the SCS pipeline is crossing.

Q. PLEASE PROVIDE AN OVERVIEW OF WHAT YOU SPOKE TO THE ABOVE NAMED ENTITIES ABOUT.

A. Pipeline construction scheduling, forecasted in-service dates, planning around 1st responder preparedness training, and preliminary determinations of equipment needs.

Q. PLEASE NOTE/LIST ANY OTHER CONVERSATIONS YOU HAVE HELD OR PRESENTATIONS GIVEN RELATED TO EMERGENCY RESPONSE AND PUBLIC AWARENESS.

A. None.

Q. DO LOCAL RESPONDERS TYPICALLY HAVE THE EQUIPMENT AND TRAINING NECESSARY TO RESPOND TO A CARBON DIOXIDE PIPELINE RUPTURE?

A. First responders should have basic training to respond to all chemical emergencies and responses should be differentiated as necessary to accommodate specific Safety Data Sheet details. Prior to placing the system into operation, SCS will work with first responders along the pipeline system route to confirm they are adequately trained and have the equipment and resources necessary to respond in an emergency associated with Summit's CO2 pipeline system.

Q. WILL SUMMIT CARBON SOLUTIONS TABLETOP OR OTHERWISE PRACTICE AND WORK WITH LOCAL EMERGENCY RESPONSE TO PREPARE AND TRAIN IN THE PROCEDURES TO FOLLOW IN CASE OF AN EMERGENCY?

A. Yes. Summit will schedule preparedness training with each county and all first responders that would respond to a release, then schedule a tabletop exercise with them and Summit operations to confirm all understand the response plan.

Q. WILL SUMMIT CARBON SOLUTIONS PIPELINES BE GOVERNED BY PHMSA'S PUBLIC AWARENESS AND EMERGENCY RESPONSE REQUIREMENTS?

A. Yes, SCS will be governed by the U.S. Department of Transportation "USDOT"), Pipeline and Hazardous Materials Safety Administration ("PHMSA"), and comply with 49 CFR 195.440 for Public Awareness requirements, 49 CFR 195.402 for preparation of an Emergency Response Plan, and 195.403 for Emergency Response Training requirements.

Q. HOW DOES PHMSA REGULATE PUBLIC AWARENESS AND EMERGENCY PLANNING, PREPAREDNESS, AND RESPONSE?

A. PHMSA has issued a detailed set of requirements that an operator must comply with in the development of their respective plans for Public Awareness and Emergency Response. PHMSA routinely audits operators, including CO₂ pipeline operators, to confirm plans governing their respective operation(s) comply with the applicable PHMSA standards.

Q. WILL SUMMIT CARBON SOLUTIONS PREPARE AN EMERGENCY RESPONSE PLAN PRIOR TO COMMENCING OPERATION?

A. Yes, SCS will have an emergency response plan in place prior to commencing operations, which is currently expected in late 2024.

Q. WHAT ARE SOME SPECIFIC ASPECTS OF PHMSA'S PUBLIC AWARENESS AND EMERGENCY RESPONSE REQUIREMENTS THAT YOU BELIEVE ENSURE PUBLIC SAFETY?

A. I believe that public safety is best achieved when the first responders and operations personnel are educated in the details of the response plan. Key topics in that education include their prospective roles in an emergency, an awareness of potential hazards, and an understanding of how the product may be affected by environmental conditions (wind, humidity, temperature, etc.). It is also beneficial for first responders to have a basic understanding of pipeline design, pipeline construction, and proximity of pipeline facilities, mainline block valves, and a basic understanding of how the pipeline system operates.. Education is key to public awareness and effective response.

Q. ARE THESE SPECIFIC ASPECTS OF FEDERAL REGULATION APPLICABLE TO CO₂ PIPELINE AND SUMMIT CARBON'S PROJECT?

A. Yes.

Q. WHAT INFORMATION IS USED TO INFORM THE DEVELOPMENT OF AN EMERGENCY RESPONSE PLAN?

A. Information informing development of an ERP includes molecular composition and physical properties of the material being transported (reference applicable Safety Data Sheet(s) ["SDS"]); engineering design and operating procedures of the transportation system (terrain, HCA locations, the proximity of other infrastructure, etc.); and location and availability of Emergency Response resources.

Q. WHEN IS A FINAL EMERGENCY RESPONSE PLAN DEVELOPED AND COMMUNICATED TO PHMSA AND LOCAL RESPONDERS?

A. Summit Carbon Solutions will have a final emergency response plan in place before commencing operations and will make that plan available to PHMSA and local responders.

Q. WHAT SPECIFIC ACTIONS HAS SUMMIT CARBON TAKEN TO BEGIN COORDINATION WITH PHMSA AND LOCAL RESPONDERS?

A. Since early 2022, I have met with County Emergency Managers (“EM”) representing each county through which the project will be located. The County EMs are aggregating first responder equipment needs that will be reviewed with SCS as soon as practical to confirm readiness prior to the operation of the Midwest Carbon Express (“MCE”) pipeline system. The EMs and I have agreed that once construction starts, we will schedule the preparedness training classes with the first responders. I’m actively participating in conferences and events, such as the Emergency Management Agency Conference to interface with first responders and provide information specific to the design, construction, and operation of the MCE. SCS has met with PHMSA’s technical staff to discuss and review various aspects of pipeline design including SCS’ pipeline control center. PHMSA will remain engaged throughout the lifecycle of the project.

Q. WILL SUMMIT CARBON CONDUCT EMERGENCY RESPONSE DRILLS AND EXERCISES WITH LOCAL RESPONDERS?

A. Yes, drills and exercises will be conducted with external stakeholders (first responders, agency representatives, etc.) and SCS operations personnel.

Q. HOW WOULD AN EMERGENCY SITUATION BE IDENTIFIED ONCE SUMMIT CARBON SOLUTIONS PIPELINE IS IN-SERVICE?

A. The SCS control center will continually (24 hours a day, 7 days a week) monitor operation of the pipeline system and be empowered to act if an abnormal operating condition arises. The most likely indication of a pipeline emergency will be via receipt of an alarm indicating a potential abnormal operating condition, in the SCS Control Center. Other potential situations could be identified by SCS' damage prevention team (aerial patrol, damage prevention personnel, a One-Call notification, etc.) or via contact with SCS' control center, which will be continually manned in Ames, IA.

Q. PLEASE DESCRIBE A HYPOTHETICAL EMERGENCY RESPONSE TO A CARBON DIOXIDE PIPELINE RUPTURE INCIDENT.

A. SCS developed a model that considers a range of failure modes, including a guillotine rupture and a small penetration that may result from an external equipment strike. In both scenarios, Summit has evaluated the extent or reach of a CO₂ plume and the associated volumetric concentration. SCS used the Occupational Safety and Health Administration ("OSHA") exposure limit thresholds to determine the risk. Utilizing this data, SCS can quickly identify if an area in the vicinity of a release requires evacuation and if so, the extent of the evacuation.

SCS' Control Center will receive an abnormal operating condition alarm which indicates a pressure loss and a potential release. Control Center ("CC") personnel will follow the protocol detailed in the CC abnormal condition procedure(s) and initiate the company's Emergency Response Plan. The pipeline segment where the potential breach has occurred

will be shut-in via remotely controlled valves using the SCADA system and CC personnel will make notifications to local Public Safety Answering Point (“PSAP”) (i.e., 911), and activate SCS operations personnel. The CC would also notify state and federal agencies should the release meet thresholds triggering such notifications. Preparedness training that will have been completed with first responder personnel prior to the commencement of operations will include isolating roads around the release site to protect the public from entry and notifying residents downwind of the breach that may be affected. If necessary, first responders and/or SCS contractors will conduct air monitoring for public safety.

When the release site is determined to be safe for entry, SCS personnel will investigate the incident to determine the cause and extent of repair necessary, and requirements necessary to safely return the pipeline segment to operation.

Product movement will be dependent upon environmental conditions such as wind speed, humidity, location, terrain, and other factors.

Q. DO LOCAL RESPONDERS TYPICALLY HAVE THE EQUIPMENT AND TRAINING NECESSARY TO RESPOND TO A CARBON DIOXIDE PIPELINE RUPTURE?

A. First Responders should have basic training to respond to all chemical emergencies and responses should be differentiated as necessary to accommodate specific SDS details. Prior to placing the system into operation, SCS will work with first responders along the pipeline system route to confirm they are adequately trained and have the resources

necessary to respond in an emergency associated with SCS' CO₂ pipeline system.

Resources may include CO₂ monitoring equipment.

Q. WILL SUMMIT CARBON SOLUTIONS TABLETOP OTHERWISE PRACTICE AND WORK WITH LOCAL EMERGENCY RESPONSE TO PREPARE AND TRAIN IN THE PROCEDURES TO FOLLOW IN CASE OF AN EMERGENCY?

A. Yes. SCS will schedule preparedness training with each county and all first responders that would respond to a release, then schedule a tabletop exercise with them and SCS operations to confirm all understand the response plan.

Q. ARE YOU FAMILIAR WITH THE SATARTIA, MISSISSIPPI CARBON DIOXIDE PIPELINE INCIDENT.

A. Yes, I have read the PHMSA accident investigation report and understand the circumstances, as detailed in the report, that led to the incident and findings of noncompliance with PHMSA regulations. It is worth noting that SCS has no affiliation, connection, and direct experience with the operator or pipeline system associated with the Satartia, Mississippi CO₂ pipeline incident.

Q. HOW WILL SUMMIT CARBON SOLUTIONS EMERGENCY RESPONSE DIFFER FROM THE SATARTIA, MISSISSIPPI CARBON DIOXIDE PIPELINE INCIDENT EMERGENCY RESPONSE.

A. SCS experts, including myself, have reviewed the PHMSA accident investigation report associated with a CO₂ pipeline release near Satartia, MS and SCS' operating procedures and Integrity Management Plan ("IMP") will incorporate "lessons learned" from that

release. As a point of clarification, SCS CO₂ stream will not contain hydrogen sulfide, and will therefore differ in composition from the CO₂ stream transported in the Denbury Pipeline system that was the source of the release in Satartia.

SCS' response to a pipeline release will be dependent upon environmental conditions and since CO₂ is not flammable or combustible, a response will be focused on evacuating the affected area if necessary to mitigate the risk of injury. SCS' damage prevention protocol will include immediate inspection of potentially affected line segments following abnormal weather events which should identify anomalies such as washouts, etc. SCS' response to a pipeline release was described in a previous response.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes

Dated this 1st day of June 2023.

/s/ Rod Dillon

Rod Dillon

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