

-----Original Message-----

**From:** Curt Hohn [mailto:chohn@webwater.org]  
**Sent:** Wednesday, July 25, 2007 8:51 AM  
**To:** Smith, John (PUC)  
**Subject:** FW: TransCanada Pipeline Information Misleading

FYI. TransCanada's public relations effort and media campaign is deliberately misleading the public. What they are telling the media is not what their consultants are saying in the documents presented to the SDPUC and the U.S. State Department. See attached study presented as part of their permit application to the PUC.

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**From:** Curt Hohn  
**Sent:** Wednesday, July 25, 2007 8:05 AM  
**To:** Jerome Ferson (jferson@aberdeennews.com); Cindy Eikamp  
**Cc:** Curt Hohn  
**Subject:** American News Needs To Do More Research on TransCanada Pipeline

7/25/07

**TO:** Jerome Ferson & Cindy Eikamp; Aberdeen American News

**FR:** Curt Hohn, WEB Water

**RE:** Recent Editorial - TransCanada

The recent editorial in the America News in support of the TransCanada crude oil pipeline included a quote from Heidi Tillquist, TransCanada's environmental adviser ...."a leak in any mile section of the pipe would occur, on average, once every 9,000 years. The chances of a leak along a 10-mile section are once every 900 years".

That sounds very reassuring. Until you look closer at the documents TransCanada has filed with the PUC. A lot can

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be hide in averages and statistics.

ATTACHED is a copy of the May 1, 2006 "Frequency Volume Study" prepared by DNV Risk Management Consultant on behalf of TransCanada.

This document was presented to the SD Public Utilities Commission as part of TransCanada's permit application and presents a far different picture.

The other attachment is relate d t o a leak that took place in 2000 into the Pine Rice near Chetwynd, British Columbia.

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**Executive Summary:**

"Overall, the likelihood of a leak greater than 50 barrels (2,100 gallons) anywhere along the pipeline is estimated to be about 0.14 per year, or once every 7 years."

"Approximately 53.5% of the spills would be from small holes (pinhole), 32.5% would be from medium sized holes (1 in.), and 14% would be from large holes (10 inc. or greater). "

"Evaluation of risk requires assessing frequency and consequence together rather than separately, because the worst risk scenario is often not the greatest volume release, because a large volume release is associated with the smallest frequencies."

**Page 19, Table 5-2 Time From Leak Start To Closure of RGV (valve) for Non-Reported Causes**

"Non-reported causes are expected to occur without any person present to witness and report the event; thus, the leak detection system and surveillance is assumed to be the only means of leak detection for these causes. For example, a corrosion leak is not normally related to the presence of people who might observe it, and would have to be detected via the Keystone systems designed for that purpose. The non-reported causes are:"

- Mechanical defect
- Corrosion (external or internal)
- Flange, seal and fitting leak
- Washout

"The estimated times to detect, verify, initiate valve closure, and complete valve closure (isolation) for no-reported causes are provided in Table 5-2. "

"Small leaks below ground (necessarily detected by surveillance) may take significantly longer to detect than small leaks above ground."

**Table 5-2 Time from Leak Start to Closure of RGVs for Non-Reported Causes**

Leak Rate	Detection and Verification.....		Isolation Time for RGV To Close
	Below Ground	Above Ground	
Less than 1.5% detected)	90 days	14 days	2.5 minutes (once
1.5%	138 min (2.3 hrs)	138 min (2.3 hrs)	2.5 minutes (once detected)
15%	18 min	18 min	2.5 minutes (once detected)
50%	9 min	9 min	2.5 minutes (once detected)

**Below is my calculation (not DNV's):**

1.5% of Keystone pipeline volume could equal as much as 6,525 barrels in one day  
435,000 barrels shipped per day (as per TransCanada testimony) x .015 = 6,525 barrels oil / day

6,525 barrels/day x 42 gallons/barrel = 274,500 gallons oil / day  
274,500 gallons oil/day 24,664,500 gallons oil / 90 days possible worst case

Before your newspaper editorializes in support of TransCanada any further I would encourage you to look closely at the documents on file as part of the permit application with the PUC. There is more to this high pressure (1,400 psi to 1,700 psi) crude oil pipeline that TransCanada would like South Dakota to believe.

#### OPINION

Tuesday, July 24, 2007

Story last updated at 1:39 am on 7/24/2007

## TransCanada Pipeline Deserves Public Support

Aberdeen American News: The proposed TransCanada pipeline is a good idea and it deserves public support. Though in the wide spectrum of things one new pipeline is a small piece of the modern oil industry picture, building a new pipeline is one way of increasing the infrastructure of the U.S. oil industry and decreasing our reliance on Mideast oil. TransCanada wants to build a 1,830-mile pipeline that would haul crude oil from Hardisty, Alberta, Canada, to Patoka, Ill., and, eventually, Cushing, Okla. The \$2.1 billion project would cut through the very western parts of Marshall and Day counties in northeast South Dakota.

The South Dakota Public Utilities Commission recently did the right thing in opening the records and documents relating to the TransCanada project.

The chief concerns regarding the TransCanada pipeline project center on the "what if" factor: What if the pipeline leaks? What if an aquifer is contaminated? What if farmland is contaminated?

These are all fair and important questions.

Heidi Tillquist, TransCanada's environmental adviser, said a leak in any mile section of the pipe would occur, on average, once every 9,000 years. The chances of a leak along a 10-mile section are once every 900 years.

Still company representatives didn't have a plan for delivering water in case a leak did happen.

We support the idea of a pipeline, but where it should be located is not easily resolved.

TransCanada officials want to see the pipeline go through western Marshall and Day counties. Many Marshall and Day County residents would prefer the pipeline go through the I-29 corridor. The state Department of Transportation is opposed to the I-29 route because more landowners would be impacted, that route would be longer and work would pose a danger to traffic.

It's an exciting time for economic development here, but we want to make sure that new ventures are done correctly, with public input and as much information as possible.

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