December 23, 1980

Richard E. Traylor, Project Leader
Bureau of Land Management
Office of Special Projects
3rd Floor East, 555 Zang Street
Denver, Colorado 80228

Dear Mr. Traylor:

This document and its attachments comprise the comments of the Black Hills Alliance
on the scope and adequacy of the Draft Environmental Impact Statement (DEIS) for
the proposed Energy Transportation Systems, Inc. (ETSI) coal slurry pipeline. The
Black Hills Alliance is a non-profit environmental group which emphasizes public
education and outreach on energy issues in our area.

These comments will be limited to three issues, although our concerns about ETSI's
proposal are wide-ranging. The issues we will concentrate on in these comments are:
(1) the DEIS's systematic attempt to omit effects the alternatives would have on the
Black Hills, particularly the southern Black Hills; (2) the omission of some key
energy considerations from the DEIS; and (3) violations of the National Environmental
Policy Act that would result from adoption of a pipeline alternative.

First, the scope and adequacy of the DEIS are seriously flawed by the lack of
consideration of the effects the alternatives would have on the Black Hills,
particularly on the southern Black Hills. Although we hope this was just an over-
sight, the omissions begin with the Cover Sheet (p. iii). Fall River and Custer
Counties are not listed as areas that "Could Be Directly Affected" by the projects.
Considering the drastic effects listed elsewhere in the DEIS (pp. 2, 2-9, 3-2 - 3-29, 3-51 - 3-52, 3-60, 3-75, 4-4 - 4-17, 4-57, 4-122 - 4-123, 4-125 - 4-126, 5-1 - 5-3, 5-8, 5-11 - 5-12, 5-15), this was a major omission.

Second, several socioeconomic effects are omitted. The potential socioeconomic
effects on South Dakota are completely ignored, except for the Oahe alternative
(pp. 4-104 - 4-105). The effects on the Black Hills area for any of the pipeline
alternatives could, and our experience says would, be extensive. The reason for
this deficiency appears to be the flawed assumption that pipeline workers and
railroad workers would live in Wyoming or in Alliance, Nebraska.

Our experience with the energy boom in the Gillette, WY., area has been that many
people who work there are willing to commute eighty or more miles to live in the
northern Black Hills in South Dakota ("Priority Listing Approved of Energy-Impacted
Cities," Rapid City Journal, June 16, 1978; Sixth District Council of Local
Governments, Energy Impacts and the Effects of a Severance Tax on the Western South
Dakota Counties, 1978, pp. 4-5, 34). As the Niobrara well field would be about
fifteen miles from Edgemont, and as the Crook well field would be about forty miles
from the South Dakota border, we can expect similar population impacts from pipeline
activities.

Two other socioeconomic impacts were excluded from all alternatives and all areas:

Also omitted under socioeconomic impacts, particularly for the southern Black Hills is a consideration of the difference between the short-term jobs for pipeline alternatives and the long-term jobs for railroad alternatives. This is a key consideration for the Edgemont area, where recent expansion of Burlington Northern facilities has taken place. More jobs in relation to those facilities would provide long-term work, while pipeline construction would provide only short-term work. This difference is mentioned briefly (p. 2-12), but a thorough consideration of what the difference means to the local economy, social life, and facilities should be included in the Final EIS.

Under the general heading of the DEIS's failure to address impacts on South Dakotans the DEIS also omits full consideration of water impacts in a variety of ways. South Dakotans do not now have any protection from water drawdown as a result of the pipeline alternatives. Local residents made it known at the recent hearings that the agreement between ETSI and the State of Wyoming would not be accepted by South Dakota, mainly because of lack of enforcement power and long delays in getting alternative water to those effected by drawdowns. Absolutely no further action should be taken promoting a pipeline alternative until an agreement is made protecting the water of South Dakotans.

We were disturbed to see that the study on potential water drawdown by Dr. Perry Rahn of the South Dakota School of Mines and Technology was not included in the DEIS. We understand that his work was included in the technical report; but his conclusions, based on a dozen years of study of Black Hills hydrology and supported by a U. S. Geological Survey computer model, were ignored in the DEIS (Rahn, "Effect of the Proposed ETSI Coal Slurry Pipeline on Water Resources in Wyoming, South Dakota and Nebraska," Proceedings of the South Dakota Academy of Science, 1979; Testimony of Dr. Perry Rahn, ETSI Hearing, Edgemont, S.D., October 10, 1979). As there are many studies present on this particular issue, the least the DEIS should have done was draw a best case/worst case analysis of the potential effects. Also, more weight should be given to long-term study by local scientists than to short-term study by imported scientists.

In the same area, the DEIS notes that pumping, especially at the Niobrara field, would take place at a point where the recharge waters to the Madison aquifer are beginning to move horizontally (p. 3-10). The effects of pumping water from that particular point in the hydrological system might be particularly significant and should be looked into more closely.

Also omitted from the discussion of impacts on South Dakota are the effects that water drawdown would have on the Black Hills area's two main industries, agriculture and tourism. If ranching wells cease flowing or are drawn down, and if hot spring
and fishing stream flows are reduced (pp. 2, 2-8 – 2-10, 4-4 – 4-17, 5-1 – 5-3, 5-7 – 5-12), our economic base would be seriously weakened. This issue should be discussed from an environmental, as well as from a socioeconomic, viewpoint.

The DEIS completely ignores the potential effects that enforcement of Indian water rights would have on any of the pipeline alternatives. As the Hearing Board requested more information on this issue, we are attaching an explanation of the Winters doctrine (Attachment 1), a newspaper article on Indian water issues (Att. 2), a copy of the 1868 Fort Laramie Treaty (Att. 3), and a newspaper article on the current status of that Treaty (Att. 4).

Basically, until the Fort Laramie Treaty issues are resolved, all waters within the Treaty area should be considered to be owned by the Dakota (Sioux) Nation. Regardless of the legal outcome of the Treaty issues, under the Oahe alternative, use of Missouri River water would be effected by the water rights of the Standing Rock, Cheyenne River, Crow Creek, and Lower Brule Reservations.

Fourth, under the omission of effects on the Black Hills, we were distressed to see that the very well-attended Edgemont meeting was excluded from the work group and balloting process (pp. B-1 – B-3). As this area will be heavily impacted by any of the coal-moving alternatives under consideration, the decision not to include a meeting in the southern Black Hills was, at least, absurd and, at worst, a demonstration of bad faith by the preparers of the DEIS.

In summary, if there was no systematic attempt to exclude the residents of our area from consideration, the scope of the DEIS makes it appear like there was such an effort. We suggest that a careful examination of the effects a pipeline would have on our area could only lead a decision maker to opt for the railroad alternatives. We see no logical reason for the DEIS's proclamation that pipelines are environmentally preferable over the existing railroads, as the evidence presented says just the opposite.

To magnify the problem, there are many energy projects proposed for our area, all of which would use water from a semi-arid region to the benefit of parts of the country which have ample water. Examples of these projects include: uranium mining and milling, synthetic fuels development (including Exxon's proposal to remove water from the Missouri River), coal mining and burning, and the population growth that goes with these projects. We believe that a regional environmental impact statement for water should be completed, along with the necessary base studies, before any further development is permitted.

Moving to our second area of comment, several key energy considerations are omitted from the DEIS that should be included in the Final EIS.

First, and most obvious, the consideration of the energy efficiency of the various alternatives should include the energy needed to make materials and to build the pipeline and related facilities. Considering that the railroads are already in place, these omissions seriously distort the alternatives' relative energy efficiency; although the No Action alternative is still called most energy efficient (p. 2-5).
Second, there is no examination of the potential effects that the microwave communications system for the pipeline alternatives would have on nearby people and animals. Because the Hearing Board specifically requested information on this topic, we are including a copy of an article from Science (Att. 5) and an article from Science for the People (Att. 6). We trust that the compilers of the Final EIS will use these documents to find out more about this potential problem.

Third, the DEIS excludes the possibility of using non-petroleum and non-coal fuels for the railroad alternatives (pp. 2-1, 2-6, 2-12). The mention of oil-derived diesel and undeveloped coal-based fuels should not end the discussion of railroad fuels, as renewable fuels are available: specifically alcohol and vegetable oils. Both, being renewable and produced in the United States, are safe fuel supplies bringing economic benefits to this country. As agricultural products, both might be produced near the point of need and, as developing technologies, both will be available within the decade. The Final EIS should include study of these alternatives in detail, both as to current feasibility and as to feasibility within the next five years.

Fourth, the DEIS assumes a growing need to produce electricity. The demand for electricity has slowed remarkably in the last few years, due to rising energy prices and increasing conservation. Utilities' predictions of need have proved to be very high, and as prices continue to rise, energy efficiency is improved, and renewable energy use becomes more prevalent, the demand can be expected to continue to sag ("Electrical Power Demand Dims," Sioux Falls Argus Leader, April 8, 1980, p. 7B; Shenon, "Excess Energy: Many Electric Utilities Suffer as Conservation Holds Down Demand," Wall Street Journal, October 9, 1980, p. 1).

Trends in electrical demand are not mentioned in the DEIS. If followed to their logical conclusion, recent trends would lead one to question the wisdom of and the need for investing large sums to create more capacity to produce electricity. One should especially question investment in a technology, such as coal slurry pipeline which have never been proved over a long distance and which are less energy efficient than the existing mode of transporting coal. In view of the nation's continuing energy crisis, energy efficiency should be a major, if not the major, consideration in any plan to move coal.

Turning to our third area of comment, we believe that adoption of any of the pipeline alternatives over the existing rail system would violate eleven of the twenty stated goals of the National Environmental Policy Act (pp. 5-17 - 5-18).

Goals 1 (responsibilities of each generation as trustee), 3 (assure healthful surroundings), 7 (widest range of beneficial uses without degradation), and 10 (widest range of beneficial uses without undesirable consequences) are violated simply by the fact that building a pipeline would hurt the environment more than the use of existing railroads. Goals 1 and 3 would be violated, more specifically, by the use and pollution of water for a pipeline or by a pipeline rupture.

Goals 11 (widest range of beneficial uses without unintended consequence), 16 (variety of individual choice), 19 (enhance quality of renewable resources), and 20
(maximum attainable recycling of depletable resources) would also be violated by water use for the proposed pipeline. We note here that water is renewable through natural systems, if those systems are allowed to work, but water is also depletable through over-use and pollution by human action. Number 11 is particularly unsettling, because a statement that that goal would not be violated would mean that water drawdowns and pollution are "intended" effects of a coal slurry pipeline. Use of water for a pipeline would violate goals 11 and 16 because once water was taken from wells and shipped south, it would limit our area's choice of water uses.

Under goal 20, it should be realized that the energy resources used to make materials build a pipeline and attached facilities, and maintain that system would be use of non-recyclable resources in a wasteful manner. The energy used could not be recycled, and meeting a goal of "maximum attainable recycling" would obviously favor the rail system already in place.

Goals 6 (culturally pleasing surroundings) and 13 (preserve cultural national heritage) would be violated by the irretrievable loss of cultural and archaeological sites which would not be disturbed by the No Action alternative. If the shutdown of railroad lines resulted from building a pipeline, another type of violation would be present. Railroads are already threatened in the northern Great Plains and, besides being economically essential to agriculture, they are the base of the existence and history of many towns here.

Goal 5 (assure aesthetically pleasing surroundings) contains no comment in the DEIS, but it would clearly be violated by adoption of a pipeline alternative. It is obviously detrimental to the aesthetics of an area to have a pipeline put in, to lose trees to such a project in a relatively treeless area, to face increased dust in the air, to lose water in a semi-arid region, and to have the facilities associated with a pipeline.

In summary, the Draft Environmental Impact Statement is massively deficient. The document also, on its face and contrary to the conclusion of the drafters of the document, shows that the railroad alternative is preferable to a pipeline. The basic assumption on which the pipeline proposal is based, the need for increased electrical output, is itself questionable. Unless the Final Environmental Impact Statement massively distorts the facts shown and the facts ignored in the DEIS, building a pipeline to transport coal would be environmentally ridiculous, energy foolish, and morally questionable—in addition to being in violation of eleven of the twenty stated goals of the National Environmental Policy Act.

Representatives of Energy Transportation Systems, Inc., have repeatedly stated that a pipeline will be built, and that there is nothing that the citizens of this area can do to stop it. In view of this fact and the types of questions asked by the Hearing Board, we expect the main difference between the DEIS and the Final EIS to be wording shifts designed to avoid lawsuits when ETSI tries to build a pipeline. Besides being arrogant, this type of action would insult the intelligence of the American people, would ignore the obvious conclusion that people in western South Dakota do not want their water used for the profit of large corporations, and would show active collusion by our government with those corporations. If those promoting
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If you and those who are not concerned with these facts, they should be concerned with the environmental destruction and misuse of non-renewable resources that building a pipeline to move coal would entail—and with the harsh judgment our descendants would place on a society that allowed such a travesty to occur.

Sincerely,

Lilias C. Jones  
for the Black Hills Alliance

cc: State, Local, and Tribal Officials  
Local Newspapers  
National Wildlife Federation

Enclosures