



DAKOTA RESOURCE COUNCIL
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News Release

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DRC members will urge safety first at Tuesday's oil rail hearing

Bismarck—Dakota Resource Council members will give written and oral comments regarding oil transportation safety at the North Dakota Department of Mineral Resources hearing, September 23. The hearing is at the DRM, 1000 E Calgary Ave, Bismarck from 9:00 a.m. to 5:00 p.m. Click here for DRC's written comments.

Dakota Resource Council (DRC) members are concerned about the issue because of the number of fiery train derailments the past year carrying crude from North Dakota across the continent. These include "Bakken Bomb" train explosions in Casselton, North Dakota and in Lac Megantic, Quebec. The Quebec derailment took the lives of 47 people.

"This is a matter of safety plain and simple. We do not need Bakken crude exploding in North Dakota or in places across the country" said Lynn Wolff, DRC board member from Fargo.

Once PHMSA (Pipeline and Hazardous Materials Safety Administration) released its study showing that Bakken crude was more volatile, it became clear to DRC members and many others that something had to be done to reduce the volatility of Bakken crude.

"This is North Dakota's chance to make the transportation of our oil safer for both Canada and the United States" said Theodora Bird Bear of Mandaree, DRC Oil and Gas Task Force Chairperson.

DRC's comments include an analysis of the excessively close ties between current state regulators and the oil industry and how doing "more promotion than regulation" has resulted in a shameful record of chaotic and dangerous development. The written comments include several examples.

The North Dakota community-based group's comments also provide an examination of two of the methods that could be used to render Bakken crude safe for transport, an overview of several accidents involving Bakken crude, a request to slow permitting, and policy recommendations regarding the implementation and enforcement of both conditioning and stabilization.

Oil conditioning is a method that can be done at well-sites. Without strong regulation, conditioning would likely increase flaring. The process of stabilization requires building more infrastructure, which would require much better planning for pipelines and micro-refineries. Criteria to protect landowners are needed to reverse years of shoddy treatment in the pipeline easement process. Stabilization is currently being successfully used in Texas. The agenda of the DMR hearing would indicate that North Dakota officials are already leaning heavily towards conditioning.

Rather than choosing between conditioning and stabilization, DRC recommends a phased or blended approach be used. Under the phased or blended approach oil operators would be allowed to use a combination of conditioning and stabilization until stabilization infrastructure is fully constructed. Under this regulatory route, enforcement is key. DRC recommends that companies prove to state regulators or third party experts that the company has competency in stripping volatiles out of the crude prior to applying for new drilling permits. In addition, DRC recommends incentives to ensure oil companies are using existing stabilization infrastructure and are building necessary stabilization infrastructure.

“A phased approach, with an enforcement component, is key in solving the problem regarding the explosive nature of Bakken crude in the short term, while ensuring that the Bakken has the necessary infrastructure to safely transport North Dakota’s oil” said Bird Bear.

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Founded in 1978, Dakota Resource Council is a statewide organization bringing together farmers, ranchers, small business owners, workers and other North Dakotans to address issues that affect their lives and livelihoods.