

Last Keystone XL pipeline holdouts are in Nebraska

By *Joe Duggan* / World-Herald Bureau



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LINCOLN — Nebraska now stands alone when it comes to landowners who have yet to sign easements for the proposed Keystone XL oil pipeline.

TransCanada Inc., the company that wants to build the 1,700-mile crude oil pipeline, announced recently that it has reached agreement with 100 percent of landowners in five of the six states on the project route. The remaining holdouts are in Nebraska.

The company says it has agreed to easement terms with 73 percent of the private landowners in Nebraska. That equates to about 365 of the route's roughly 500 landowners in the state.

“We're pleased with the progress we've made,” said Shawn Howard, a spokesman for TransCanada.

An alliance of Nebraska landowners who have not signed easements represents about 23 percent of the total, or roughly 115 landowners. Fewer than 35 landowners have neither signed an agreement nor joined the landowner alliance.

“Our landowners are stubborn and independent, which is good,” said Jane Kleeb, a leading pipeline opponent and director of Bold Nebraska.

The goal of alliance members is to not sign unless President Barack Obama approves the pipeline. Before the president makes a decision, however, the U.S. State Department must issue its final environmental report on the pipeline and seek input from other federal agencies.

If Keystone XL does gain federal approval, attorneys would negotiate easement terms on behalf of the landowner alliance, Kleeb said. The company predicts that it would take about two years to build the northern section of the project.

The 36-inch-diameter, high-pressure pipeline has the capacity to carry up to 830,000 barrels of crude oil per day to refineries on the U.S. Gulf Coast. Most of the oil would be heavy Canadian crude mined from the oil sands region of Alberta, but the underground pipeline also could carry lighter crude from North Dakota and Oklahoma, Howard said.

At Nebraska's request, the company shifted the route earlier this year to avoid crossing the environmentally fragile Sand Hills. Critics said that the route was not moved far enough to avoid all sandy soil and that the pipeline still represents a contamination threat to the Ogallala Aquifer.

Last week, the company sent out a new round of letters to some landowners on the route, Howard said. The letters included an offer of a signing bonus if the landowner agrees to terms within 30 days. TransCanada has offered such bonuses several times in the past.

Kleeb said TransCanada keeps trying to entice the holdouts with more money. For example, she said, the latest offer to one landowner in her group approached \$100,000, or about three times more than had been offered in the past.

TransCanada does have the authority to ask a judge to condemn land belonging to people who refuse to sign an agreement. But company officials view eminent domain as a tool of last resort, Howard said.

“We're not looking at eminent domain at this time,” he said. “Our goal is to get as many voluntary agreements as possible.”

Eminent domain is one of the central issues in a lawsuit challenging the constitutionality of the state law used to approve the new route. Attorneys made arguments and filed briefs in September, and Lancaster County District Judge Stephanie Stacy could issue her ruling as soon as next month.

Regardless of the outcome, the judge's decision is likely to be appealed.