



Nebraska landowners file lawsuit against state for new pipeline legislation New York(Platts)--23May2012/446 pm EDT/2046 GMT

Nebraska landowners filed a lawsuit Wednesday against the state's Department of Environmental Quality saying the state's current pipeline siting law weakens oversight for TransCanada's Keystone XL, which will cross through the state.

The state's pipeline siting authority "gives the Nebraska Department of Environmental Quality authority to review pipeline routes, and ultimately tasks Governor Heineman with approving a pipeline route and granting the pipeline company immediate eminent domain authority without having to wait for federal permits to be issued for the project," the advocacy group Bold Nebraska said in a statement.

"Critical steps and information for a transparent environmental assessment process was eliminated with LB 1161 [siting regulation], giving Nebraska land to a foreign country though eminent domain with insufficient review or oversight," said the group, which has been a vocal foe of the pipeline's route through the state.

The state's legislature in April passed a bill aimed at fast-tracking construction of the proposed Keystone XL pipeline through the state of Nebraska.

The new law removes pipeline siting authority from the state's Public Service Commission and instead places it with the state's Department of Environmental Quality, which is headed by a politically appointed director.

At the time, opponents of the bill indicated they would challenge the new law.

Plaintiffs identified in the lawsuit are Nebraska landowners Randy Thompson, Susan Luebbe and Susan Dunavan. Defendants in addition to the DEQ's Director Michael Linder include the state's Governor David Heineman and State Treasurer of Nebraska Don Stenberg.

Meanwhile, environmentalists have criticized revisions to the southern route of Keystone XL, which goes from Cushing, Oklahoma, to the US Gulf Coast, saying the new route will be exempt from vetting by the US Environmental Protection Agency.

"TransCanada has pursued a [US Army Corps of Engineers' Nationwide Permit 12] to further evade a thorough, science-based review of its

pipeline's likely impacts," Keystone XL opponent Friends of the Earth said in a May 3 statement.

TransCanada spokesmen were unavailable for comment.

Army Corps spokeswoman Vicki Dixon said Wednesday in a phone interview with Platts that Keystone XL's "alignment has changed slightly to avoid impacts."

"At this point it appears it will have only minimal impacts in waters in the US, which includes wetlands," Dixon said. "The applicant has reduced many of the impacts and has done some realignment that we had some problems with before."

An application for the Galveston, Texas, district was received by the Corps on May 11. The Corps is expected to issue a decision within 45 days of that, Dixon said, while districts in Fort Worth, Texas, and Tulsa, Oklahoma, are still reviewing TransCanada's applications.

She said the Army Corps of Engineers has not yet received a Keystone application from the Omaha, Nebraska, district.

Kim Huynh, a spokeswoman for the Friends of the Earth, said Wednesday that the EPA should have regulatory oversight of the "major national" pipeline rather than the Army Corps of Engineers, "which has an abysmal [environmental] record."

The Corps is "not allowing landowners or groups to see the TransCanada application," she said.

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