TransCanada Whistleblower Warns Of Shoddy Pipeline Practices

Posted: 06/11/2013 7:37 am EDT

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Former TransCanada Corp. employee Evan Vokes' impassioned testimony before a Canadian Senate committee last week painted "a very, very bleak picture of the pipeline industry in Canada, and probably by extension, the States," according to Sen. Betty Unger.

Vokes' allegations on Thursday against TransCanada, the Canadian company leading the controversial proposal to send tar sands oil from Alberta to the Gulf Coast via the Keystone XL pipeline, were sobering: a "culture of noncompliance" and "coercion," with "deeply entrenched business practices that ignored legally required regulations and codes" and carries "significant public safety risks."

"It's organized crime, in my opinion," Vokes, an expert in pipeline welding and now whistleblower against his ex-employer, told The Huffington Post after the hearing. "The source of revenue is legal, but how they go about it isn't legal."

TransCanada quickly came to its own defense after learning of the attack.

"We take great exception to the claims by Mr. Vokes that we do not take safety and compliance issues seriously," company spokesman Shawn Howard told HuffPost. "Our track record and the safety of our energy infrastructure network shows that we do."

Vokes worked for TransCanada for five years until May 2012, when he said he was fired without cause. From his first days at the company, Vokes recalled raising concerns, or as he put it, "pointing out the obvious." He provided the Canada Senate with evidence supporting complaints of what he said were shoddy safety practices, including management pressure to retract a welding code violation on a natural gas line feeding a tar sands project in Alberta, and the use of "substandard materials" in the original Keystone pipeline that carried the heavy, molasses-like oil into U.S. Midwest markets.

"What I have documented is a mix of politics and commercial interests that has resulted in the false public claims of exceptional industry practice," Vokes told the Senate committee.

Today, Vokes said, he sees the same "breaches of construction quality" in portions of TransCanada's Keystone XL already laid in Texas. The advocacy group Public Citizen Texas posted a video highlighting what it says are dents, faulty welds and other anomalies that have been unearthedin recent weeks. "What else are they cutting corners on? No one knows," said Vokes.

Damon Hill, spokesman for the U.S. Department of Transportation Pipeline and Hazardous Safety
Administration, said the agency is "in contact with TransCanada to discuss the results of recent inspections, the excavations of certain portions of the newly constructed pipeline, and to monitor the operator's activities to make any necessary repairs."

The anomalies that have been uncovered don't raise immediate concern for Richard Kuprewicz, president of the Redmond, Wash.-based pipeline safety firm Accufacts Inc. Still, Kuprewicz suggested that the industry is far from immune to safety issues.

"There is a tendency that the bigger the project, the harder it is to maintain control," Kuprewicz said. "You're just trying to do more things and so you've got to be sure management team has appropriate quality-control checks and balances."

One pressure, Kuprewicz added, is the "time value of money." The $7 billion Keystone XL project has now been stalled for three years as it awaits a permit from the Obama administration for the northern portion that crosses the U.S.-Canada border.

"Cash is only flowing when you're moving oil," Kuprewicz said.

Vokes said this industry reality showed itself to him as pressure to "step into unsound practice" and to "stop investigations." He said TransCanada managers forced him to take "stress leave" before he could finish submitting all of his documentation during an internal audit at the company.

"When he brought issues forward, TransCanada took Mr. Vokes' concerns seriously and believes it has treated him fairly and appropriately," said Howard, who would not provide a reason for Vokes' dismissal. "For legal reasons, we are unable to comment any further."

Don Wishart, a senior operations and major projects adviser at TransCanada, spoke in front of the same Canadian Standing Senate Committee on Energy, the Environment and Natural Resources on Feb. 12. In response to questions about an unnamed whistleblower, Wishart said the allegations were "administrative." He went on to suggest that tar sands oil "floats on water," which some scientists refute.

"What they presented to the Canadian Senate was a lie," Vokes told HuffPost.

"You don't know you're a whistleblower until the retaliation starts," he said. "The wrong-doers in positions of authority will do everything they can to discredit you."

Kuprewicz acknowledged the whistleblower label is something people "want to be careful about seeking," adding that it typically "doesn't go well in industry."

The Canadian senators expressed similar sentiments as they questioned Vokes on Thursday.

"I have enormous respect for you and the courage it's taken to come forward," said Sen. Judith Seidman. "I'm worried about Canadian safety as we look at building an increasingly larger infrastructure across the country."

At the same time, senators also demonstrated the Canadian government's push to get more tar sands oil flowing. "It's important for this country to get bitumen to the U.S.," said Sen. Michael MacDonald. "I
also think it's important to do it safely."

On this point, Vokes doesn't disagree. He called oil and gas the "lifeblood" and said he believes it is possible to pipe it all safely. "I don't have a problem with what's in pipeline," said Vokes. "I have a problem if it comes outside the pipeline."

In an interview in April, Joe Oliver, Canada's minister of natural resources, told HuffPost that 99.996% of oil going through U.S. pipelines is delivered safely. Unger underscored this safety record, and asked Vokes to "rationalize" his seemingly incongruous allegations.

"I've been on several projects that were very nearly disasters. I'm surprised there aren't more accidents," Vokes responded, noting that pipeline problems may not result in accidents until decades later -- often "long after designers and those that constructed them have retired."

"There's thousands of cracks in the system -- it's just which ones will become the problem? It's low probability, high consequence," Vokes said.

"Regardless of my poor experiences with some individuals, there are still a lot of people that would like to do it right," added Vokes. "That's the only thing that is saving us."