



KEYSTONE XL:

At emotional State Dept. hearing, Nebraskans vow to keep fighting

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GRAND ISLAND, Neb. -- The activists and ranchers who aligned to push Keystone XL from obscurity to the top of the nation's energy agenda yesterday carried a message to its backers through blinding snow: Even if the pipeline gets a presidential seal of approval, they don't plan to stop fighting.

The 1,200-mile Keystone XL would not cross this century-old railroad town on its way from western Canada to the Gulf Coast, where its 700,000-plus daily barrels of heavy oil sands crude represent a major boon to industry. But pipeline opponents flooded into the local fairgrounds by the hundreds yesterday to square off with supportive locals, led by union members, at a hearing that is likely the State Department's last during its years-long environmental review of the controversial \$5.3 billion project.

Jane Kleeb, the Bold Nebraska chief who has marshaled the state's pipeline foes, invoked an [editorial cartoon](#) in the Grand Island newspaper as she testified that when Keystone XL sponsor TransCanada Corp. looks to "cross the line here in Nebraska," Cornhusker State natives would reply, "no, not on our land, not in our country."

Kleeb offered a similar vow to allies before the hearing at a news conference that began just as TransCanada concluded an event of its own with representatives from the

Nebraska Farm Bureau and the Laborers International Union's local chapter. "You can bet your sweet ass that every single one of us will be at the border, stopping that bulldozer," Kleeb said.

Emotion flared on both sides of the debate. Darrell Turner, 63, of Heflin, Ala., spoke for many Keystone XL backers as he testified that its environmentalist critics seek to "have their cake and eat it, too" by staging frequent rallies that "they travel [to] in buses, trucks, planes, automobiles -- these are fossil-fuel burning vehicles, folks."

The pipeline showdown "goes much deeper than Keystone XL," Turner continued. "Stop the Keystone, and these people think they can somehow put the brakes on tar sands exploration."



Landowners and environmentalists who thronged the State Department's Keystone XL hearing yesterday in Nebraska raised black "Pipeline Fighter" armbands in silent protest during the remarks of project supporters. Photo by Elana Schor.

Few climate activists would dispute that assessment. Inside-the-Beltway greens and more outside-game players such as Bill McKibben's 350.org have united to brand Keystone XL as a symbolic battle against the oil sands, aiming to keep Canada's heavy crude "locked in" by blocking infrastructure proposed to export more of it.

The oil industry and Canadian government, among other pipeline supporters, counter that U.S. imports of heavy crude from the north already rival those from Saudi Arabia. If the Nebraskan opposition succeeds against long odds in blocking the XL line, they add, the nation would lose jobs and economic benefits as well as the chance to decrease reliance on oil from more geopolitically unstable countries.

The State Department's most recent environmental review of the pipeline last month echoed pro-Keystone XL arguments, finding that the project would have no significant impact on climate change ([E&ENews PM](#), March 1). Rejecting the pipeline would not halt a rise in oil sands development, federal reviewers added, because the industry is positioned to ship heavy fuel by rail in amounts comparable to the capacity of TransCanada's 36-inch line.

Yet Obama administration reviewers cited the crude-by-rail boom in North Dakota's Bakken formation -- located hundreds of miles closer to the U.S. border than Alberta -- as a model for oil sands transportation. Multiple Nebraskans at yesterday's hearing used sophisticated scientific and economic arguments in their own attempts to undercut the State Department's analysis.

Learning from Ark. and Mich.?

Another flash point for local pipeline critics is the month-old spill of 5,000 barrels of oil sands crude from Exxon Mobil Corp.'s Pegasus pipeline in Mayflower, Ark. The leader of the Arkansas Sierra Club testified against Keystone XL yesterday, as did a landowner affected by the 2010 oil sands crude pipeline leak in Kalamazoo, Mich.

Officials involved in the Michigan cleanup, along a line operated by TransCanada competitor Enbridge Inc., have pointed to difficulties in cleaning up heavier components of the spilled crude that sank below the surface of a local river.

The League of Conservation Voters has retained President Obama's former deputy press secretary, Bill Burton, as a senior adviser as it joins Nebraska opponents in a new campaign titled All Risk No Reward, which points to Mayflower and Kalamazoo to highlight the possibility of a spill from Keystone XL.

TransCanada yesterday appeared attuned to safety's growing prominence in the pipeline fight after months of focus on the climate impact of oil sands crude, which is about 17 percent more emissions-intensive on a life-cycle basis compared with conventional fuel.

"The industry, as a whole, has probably learned a lot from Kalamazoo," Corey Goulet, the company's Keystone pipeline vice president, told reporters of the leak. "Plans are continually being updated. The crews we use to respond to leaks are getting new equipment."

Goulet also acknowledged that "for the most part," cleanup response does not vary "from one crude to another."

The State Department's latest review did not include a final emergency response plan for Keystone XL. TransCanada is required to submit that plan to federal regulators at the Pipeline and Hazardous Materials Safety Administration before operation begins, though company representatives declined to say whether it would be publicly released.

Next steps

The State Department has received about 800,000 public comments on Keystone XL and will accept them until Monday. Another multi-day phase is set to begin when it releases a final supplemental environmental impact statement on the pipeline, meaning that a final decision on the project is likely at least three months away.

President Obama has told members of Congress that he expects a decision by the end of the year. His spokesman, Jay Carney, recently has emphasized State's primary role in the process, and Secretary of State John Kerry told lawmakers this week that "I'm staying as far away from that as I can now" (*E&E Daily*, April 18). But in Nebraska, Keystone XL remains a hot topic at sale barns and local diners. An *Omaha World-Herald* poll in September found the state favoring the pipeline, 61 percent to 28 percent. TransCanada's decision to move its route through the state away from the heart of the Sand Hills region, where the high water table of the Ogallala Aquifer can create natural seeps of clean groundwater, helped cement that support.

Kleeb of Bold Nebraska and other anti-pipeline landowners contend that the new route still crosses sandy soils that would be vulnerable to an oil leak. Many have organized into a separate group, known as the [*Nebraska Easement Action Team \(NEAT\)*](#), in a bid to maximize their negotiating power with the company.

TransCanada spokesman Shawn Howard said he could not estimate what share of Nebraska landowners along the pipeline's new route already have signed easements allowing the company to cross their land.

"Before the reroute, it was 94 percent," he told reporters. "There are hundreds of new landowners we're talking to. The process has started."

But [*Brian Jorde*](#), the lawyer representing the group, said NEAT -- which has about 200 members, by his count -- has not yet met with TransCanada and is unlikely to do so while its presidential permit application is still active