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FOR IMMEDIATE RELEASE:

**District Court Declares Nebraska Pipeline Law Unconstitutional
Governor's Approval Of Pipeline Declared Invalid -
TransCanada KXL Pipeline Hits Wall In Nebraska Court**

OMAHA, Neb. – February 19, 2014 – The Nebraska Legislature's 2012 L.B.1161 allowing TransCanada Keystone XL Pipeline Co. to proceed with construction across Nebraska was declared unconstitutional and void. The ruling came from Lancaster County District Court Judge Stephanie Stacy, today.

The Court ruled for three Nebraska landowners who challenge the law. The ruling includes a permanent injunction preventing Gov. Dave Heineman, and the Nebraska Department of Environmental Quality from taking any further action to authorize or advance the pipeline under the unconstitutional law.

Judge Stacy concluded that LB 1161 unconstitutionally confers upon the Governor of Nebraska authority to approve a crude oil pipeline route, and to authorize the crude oil pipeline company to exercise the power of eminent domain against Nebraska landowners.

Siding with three landowner plaintiffs, the District Court concluded that under Nebraska's State Constitution, exclusive regulatory control over pipeline companies like TransCanada Keystone XL must be exercised by the Nebraska Public Service Commission, and cannot be given to the Governor.

The Court declared LB 1161, unconstitutional and void. Judge Stacy also concluded that action by Nebraska Gov. Dave Heineman purporting to approve TransCanada's route and to empower the pipeline company to take land from Nebraska property owners is null and void. The court's action effectively rescinds Gov. Heineman's notification to Pres. Barack Obama that Nebraska legal procedures had been satisfied.

Now, it is back to the drawing board for Gov. Heineman and the Legislature. Dave Domina, the lawyer who handled the case for the landowners summarized the Ruling: "Under the Court's ruling, TransCanada has no approved route in Nebraska. TransCanada is not authorized to condemn the property against Nebraska landowners. The pipeline project is at standstill in this State."

The Court's extensive, 50-page opinion is accompanied by 248 footnotes. The opinion dissects LB1161 on state constitutional grounds. The decision turns largely on the pipeline's status as a "common carrier". Common carriers are regulated by the Public Service Commission under the Nebraska Constitution.

Dave Domina noted that "this case is not about the merits of any pipeline in particular. This is a landowner rights case involving whether a specific statute was invalid under the Nebraska State Constitution."

Domina's clients contend the law was, and is, unconstitutional and void. The District Court agreed.

Domina stressed, "This is not a commentary on the pipeline project. That subject belongs to the President of the United States exclusively. This ruling means that, in

Nebraska, the Governor's office has no role to play, and all state law decisions must be made by the Public Service Commission."

A copy of the Court's Opinion is found HERE:

<http://www.dominalaw.com/documents/LB-1161-Court-Order-Feb-19-2014.pdf>