

NPPD gearing up again for Keystone XL role

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FULLERTON — Just one of the five Keystone XL pumping stations the Nebraska Public Power District is positioning itself to serve as soon as 2015 would use as much electricity as the Merrick County seat of Central City. That means having pipeline builder TransCanada as a customer will help curtail rate increases for all customers in the years ahead, NPPD officials said here Wednesday.

But that's not why the Columbus-based NPPD is gearing up to build as many as 24 miles of new transmission lines to provide power to push oil from Canadian oilfields across Nebraska toward Gulf Coast refineries.

The fact is the public power agency doesn't get to decide who can be on its customer list, NPPD spokesman Mark Miller said.

"We have to serve without discrimination. We can't pick and choose our customers."

If Miller's description sounds familiar, that's because an open house for landowners Wednesday in Fullerton, just a few miles west of a proposed pump station site, is the first step in NPPD's second effort at responding to TransCanada's service request.

It's all happening again because the Canadian company decided to move the route out of the erosion-prone Nebraska Sandhills and away from the most porous parts of the Ogallala Aquifer after NPPD locked in on its transmission line choices the first time.

"Now we're starting over again," Miller said as he and at least a dozen others from NPPD ranks prepared for the first in a series of input sessions leading toward a public hearing and three new route selections for overhead lines.

The idea of their public power provider reaching out to TransCanada as the company moves into the sixth year of trying to build the northern leg of the Keystone XL may not sit well with some of the 300 landowners invited to the Fullerton event.

That's despite easement payments that could add up easily to thousands of dollars per landowner.

But an added consolation is that TransCanada will pay for the \$12 million worth of work NPPD already has done, as well as the estimated \$30 million cost for serving the pipeline's new proposed route.

"They paid for our lunch today," said Don Veseth, as asset management consultant for NPPD. "They pay every penny."

Despite that, landowner Ray Heda of Silver Creek didn't sound thrilled at the prospect of signing an easement for power line construction as he hurried away from the open house to deal with a breakdown of soybean-harvesting equipment.

"They said they'd stay on the section lines," Heda said. That would mean no poles across fields he's trying to farm. Beyond that, "I don't have a lot of choice," he said.

NPPD has the power of eminent domain, and TransCanada would have that same power for an approved, interstate project.

"I own the ground and yet I don't," Heda said.

NPPD's Terry Werth said land condemnation is a last resort and has been a rare choice for past projects.

"On our transmission projects that we've done through the years, less than 2 percent have gone through eminent domain," he said.

The NPPD open-house team conceded that number could go up for a transmission line for an oil pipeline that can't be made completely invulnerable to a spill.

But that brought Veseth back to the point Miller made earlier about NPPD having to respond to all customers.

“If it happens, we have to serve it,” he said of the pipeline application awaiting President Barack Obama’s approval.

“If it doesn’t happen, everybody takes their money and goes home.”

Max Nelson of Columbus, who owns land in Polk County, wanted to know why NPPD is working so hard on a project that still doesn’t have federal approval.

“I don’t know why they would want to put in a line for something that doesn’t go in,” he said.

But NPPD officials said they have to be ready to move quickly if presidential approval is granted.