

TransCanada sets deadline for easement offers

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Landowners along the route of the proposed Keystone XL pipeline received letters Wednesday warning them that current easement offers will be pulled after May 14 -- and future offers will be significantly less lucrative.

TransCanada Corp., the Calgary-based company seeking to build the pipeline, has made offers as high as \$250,000, including up-front crop damage payments and land-use compensation.

After the deadline, the company said, compensation packages will be refigured to reflect actual land values and commodity prices.

TransCanada spokesman Shawn Howard said the deadline is a standard business practice, and the company has made efforts to negotiate in good faith.

"No matter what we do, some people are going to criticize us, but these offers are not going up," he said.

TransCanada says it has 78 percent of the easements it needs in Nebraska and all of the necessary easements for South Dakota and Montana to build the 1,179-mile, 36-inch pipeline from Hardisty, Alberta, to Steele City.

The Nebraska percentage does not reflect the number of landowners nor miles the pipe will cross, because one landowner might have signed more than one easement.

Nebraska attorney Brian Jorde of the Domina Law Group called the deadline announcement a scare tactic and questioned why TransCanada would not wait until after President Barack Obama and Secretary of State John Kerry decide whether to approve a permit to allow the pipeline to be built across the border between Canada and the United States.

"Nebraska remains the state with landowners holding out for fairer easement terms," Jorde said. "It's no surprise TransCanada is threatening lower payments in an attempt to force Nebraska hold-outs to hurry and sign up by mid-May."

Jorde works with the Nebraska Easement Action Team, a nonprofit legal defense fund established to help landowners and tenants get the best deal possible when dealing with TransCanada.

It has pushed for additions to contracts that include having the pipeline removed when its useful life has ended, eliminating risks of liability or financial loss for landowners, annual cash payments and allowing irrigation pipes to cross the pipeline.

The \$5.4 billion northern leg of Keystone XL would pump tar sands oil from Canada to a hub in Steele City. The southern leg would carry the oil to U.S. refineries along the Gulf Coast.

The southern part of the pipeline was built at a cost of \$2.6 billion and began shipping oil in January from Cushing, Okla., a trading and storage hub for the oil industry.

The Obama administration won't make a decision until after a 90-day review period for federal agencies that started when the State Department released a final environmental impact statement in late January.

Opponents of the pipeline say it is a threat to efforts to curtail global warming, and to groundwater and property rights.

"TransCanada has yet to realize this is not about offering more money to landowners," said Jane Kleeb, director of Bold Nebraska.

"Families have real concerns ... and still do not think a pipeline pumping almost 1 million barrels of tar sands and unnamed chemicals going as close as a few hundred feet to their house or water well is a good idea."

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