

US state gives key approval for Keystone pipeline

November 20 2017



The controversial \$5.3 billion project was first proposed in 2008, with Donald Trump reversing his predecessor Barack Obama's decision to block it

Regulators in the US state of Nebraska on Monday granted a key approval needed for construction of the Keystone XL pipeline, the source of a nearly decade-long feud between environmental activists and the energy industry.

Officials in Nebraska granted TransCanada the final major permit it needs to begin construction of the 1,180-mile (1,900 kilometer) pipeline, days after a leak in the existing Keystone line spilled around 5,000 barrels of oil in South Dakota.

In a 3-2 vote, the Nebraska Public Service Commission approved the project, but required the pipeline's operator to use an alternative to its original preferred route.

By state law, the regulatory body was not allowed to consider the risk of leaks or the potential environmental impact.

TransCanada said that, once built, the pipeline extension would connect to an existing network and ferry 830,000 barrels of oil per day from landlocked Alberta, Canada to US Gulf Coast refineries.

In a statement, the company's president Russ Girling said it would evaluate how the commission's decision to approve an alternate route through the state "would impact the cost and schedule of the project."

Meanwhile, Canadian Natural Resources Minister Jim Carr welcomed the decision, saying the pipeline would "strengthen the Canadian resource industry as a whole," and "bring significant economic benefits to Canada for years to come."

He also said increases in Canadian oil shipments through the new conduit to the United States would bolster the two nations' close energy relationship.

The controversial \$5.3 billion project was first proposed in 2008. US President Donald Trump reversed his predecessor Barack Obama's decision to block it.

Construction had been held up by environmental groups and Nebraska landowners concerned about negative environmental and economic impacts.

Supporters have argued that the pipeline is a safer alternative to other forms of ground oil transport, and would create jobs and boost America's affordable energy supply.

Commissioner Crystal Rhoades, who voted "no", was the only one to make prepared remarks during the short morning meeting.

She expressed skepticism about the pipeline's touted economic gains, along with concerns that some landowners were not properly informed of the alternative route's path through their property.

"(TransCanada) provided insufficient evidence to substantiate any positive economic impact for Nebraska from this project," she said.

The approval of an alternative route could give new grounds for opposing landowners to file an appeal within the next 30 days.

A law firm representing landowners hailed the decision to deny TransCanada its preferred Keystone XL route through Nebraska.

"We will carefully evaluate the Order and meet with our clients," attorney Dave Domina said in a statement.

Opposition group Bold Nebraska said the alternative route raises concerns over possible environmental contamination of an area of sand dunes and an aquifer, and also provides new grounds to push back against the pipeline's construction.

"This decision today throws the entire project into a huge legal question

mark," Jane Kleeb of Bold Nebraska told a news conference.

Kleeb said the alternative [route](#) was not reviewed by federal authorities and would force TransCanada to seek new approvals.

The approval of an [alternative route](#) "opens up a huge victory for us in order to fight this now on the federal level," she said.

© 2017 AFP

Citation: US state gives key approval for Keystone pipeline (2017, November 20) retrieved 26 April 2024 from <https://phys.org/news/2017-11-state-key-keystone-pipeline.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.