

# Keystone XL

# Tar Sands Pipeline



## **Background on the Keystone Pipeline System**

The Keystone Pipeline System is a pipeline system built by TransCanada to transport tar sands oil from Canada to the U.S. Currently, the Keystone Pipeline System carries tar sands oil from the Athabasca Oil Sands in Alberta, Canada to destinations in the U.S. through the existing “Keystone I” pipeline and “Cushing Extension” pipeline. TransCanada wants to expand its pipeline system by adding a new pipeline to the system, the “Keystone XL” pipeline. If approved, the Keystone XL pipeline would carry tar sands oil from the oil sands in Alberta to Texas. Keystone XL would run through Montana, South Dakota, and Nebraska. At Nebraska, it would connect with the existing “Cushing Extension” pipeline that runs through Kansas and part of Oklahoma. The last segment of Keystone XL would start at the end of the Cushing Extension and continue through the rest of Oklahoma and down through Texas to a refinery on the Gulf Coast.

## **Trespass through Lakota Treaty Lands**

If built, the proposed Keystone XL pipeline will illegally cross through the Great Sioux Nation treaty lands as defined by the 1868 Ft Laramie Treaty. Article 2 of the Ft Laramie Treaty expressly prohibits unauthorized persons (which would include TransCanada and its employees) from passing over or settling upon the territory described in that Article. Such lands (the Great Sioux Nation treaty lands) consist of all land within the federally recognized boundaries of the state of South Dakota which lie west of the Missouri River. The proposed Keystone XL pipeline would require construction of 7 new pump stations [FEIS Table 2.2.1-1, p. 2-10] and 314.8 miles of new pipeline [FEIS Table 2.1-1, p. 2-2] in lands “set apart for the absolute and undisturbed use and occupation of the Indians” described in the Treaty. By authorizing TransCanada to build the pipeline, the U.S. government would be sanctioning the disturbance of 5,433.7 acres of Lakota land [FEIS 2.1.2-1, p. 2-7] for the construction of the pipeline, and perpetual disturbance of 1,972.5 acres of Lakota land [FEIS 2.1.2-1, p.2-7] for the operation of the pipeline in clear violation of Article 2 of the Treaty.

## **Are tar sands oil pipeline safe? NO! Do they ever leak? YES – A LOT!**

Tar sands oil pipelines are definitely not safe, they spill all the time. Because Keystone I (built in 2010) is owned by the same company that wants to build Keystone XL, and because Keystone I carries the same product that Keystone XL would carry, a look at Keystone I provides a good indication of what to expect from Keystone XL.

## **What should we expect if Keystone XL is built?**

Because Keystone I is owned by the same company that wants to build Keystone XL, and because Keystone I carries the same product that Keystone XL would carry, a look at Keystone I provides a good indication of what to expect from Keystone XL.

### Facts about the Keystone I Pipeline:

- TransCanada claims Keystone I was designed with state of the art safety features and was expected to spill no more than once every 7 years
- Keystone I began operating in June 2010; since that time (over the course of a year and a half) the “state of the art” Keystone I pipeline has spilled at least 14 times
- May 2011: A broken pipe fitting in North Dakota caused a 60 foot geyser of tar sands crude oil and a 21,000 gallon tar sands crude oil spill
- May 29, 2011: A pipeline malfunction in Kansas caused a 430 gallon spill

## **Would the Keystone XL pipeline really help unemployment by creating jobs? NO!**

If the XL extension is built, the construction process would require a “peak workforce” of approximately 5,000 to 6,000 employees spread along the full distance of the route; these are TEMPORARY construction jobs (most would only last from 6 to 8 months), and would include already-employed Keystone employees! Keystone would attempt to hire from the local population, but expects that **only 10% to 15% could come from local communities (fewer in rural areas)** (FEIS page 2-48, section 2.3.5.1)

Even more shocking, according to the Final Environmental Impact Statement (“FEIS”), “Operation and maintenance of the pipeline system would typically be accomplished by *Keystone personnel*. **The permanent operational pipeline workforce would comprise about 20 U.S. employees strategically located along the length of the pipeline in the U.S.**” It appears that the pipeline would not directly create a single new permanent job in the United States.

## **Background on EPA Approval/Denial Process for Keystone XL:**

Because the proposed Keystone XL pipeline is an oil pipeline that would carry oil across an international U.S. boundary, federal law requires Keystone to obtain a Presidential Permit. Before a Presidential Permit can be granted, federal law (Executive Order 13337) requires the Department of State to determine whether or not the proposed project would be in the national interest.

In addition, the National Environmental Policy Act requires federal agencies to prepare a document called an Environmental Impact Statement (“EIS”) before taking major action that would significantly affect the environment. Because the most substantial federal decision related to the proposed project is whether or not to issue the Presidential Permit, and because the Department of State makes the national interest determination for that permit, the Department of State is the lead federal agency for compliance with NEPA and preparing the EIS.

## **Keystone XL History and Status**

- September 19, 2008: TransCanada Keystone Pipeline, LP (“Keystone,” a subsidiary of TransCanada) filed an application for a Presidential Permit with the Department of State (“DOS”) to build and operate the Keystone XL pipeline
- August 26, 2011: DOS issued the Final EIS (“FEIS”), which was largely based on research and investigation by Cardno ENTRIX, a private environmental consulting firm hired by DOS to assist in preparing the EIS
- DOS consulted with 8 other federal agencies and solicited public comments to gather information for the DOS national interest determination, which is the basis for granting or denying the Presidential Permit
- November 20, 2011: DOS announced that before it can make a national interest determination, it must examine alternative routes for the pipeline that would avoid the Sandhills in Nebraska
- December 23, 2011: A payroll tax bill that required a final decision on the Presidential Permit within 60 days (by February 21, 2012) was signed into law
- January 18, 2012: DOS denied the Presidential Permit on the grounds that the 60-day deadline prevented DOS from fully and adequately examining alternate routes for the pipeline
- February 27, 2012: TransCanada announced that it will apply for a new Presidential permit in the near future, and that the “Gulf Coast segment” of the pipeline, from Cushing, OK to the

Gulf Coast in Texas will be built separately from the rest of the project and without a Presidential Permit

- April 18, 2012: TransCanada released its new preferred route for the pipeline through Nebraska, which does not directly cross through the Sandhills.
- April 18, 2012: The U.S. House of Representatives passed a highway/transportation bill that transfers authority over the Keystone XL pipeline decision to the Federal Energy Regulatory Commission, and mandates that FERC approve the pipeline within 30 days of receipt of an application. The bill, H.R.4348, will be taken up by the Senate in the near future.

### **The Keystone XL Pipeline Issue Is Far From Over**

Although Keystone's request for a Presidential Permit was denied earlier this year because of the 60-day time restriction imposed by Congress, Keystone is allowed to resubmit its permit application. The permit denial was based on the fact that DOS was not allowed adequate time to review alternative routes – it was not based on the merits of the issue. Keystone can resubmit its request for a permit, and the company has stated that it plans to do so. Keystone will apply for a Presidential Permit again in the near future. At that point, the process will start over and DOS will again be required to prepare an EIS and make a national interest determination.

In addition, Congress has been working tirelessly to circumvent the Presidential Permit process and work around necessary environmental safeguards through proposed legislation. The most recent attempt by the House of Representatives is H.R.4348. This bill has been passed by the House and must now be considered by the Senate. If enacted into law, this bill would remove lawful authority to permit or reject the Keystone XL pipeline from the President, and it would place such authority in a single agency and require that agency to approve the pipeline within a 30 day time period.

### **What is tar sands oil?**

Tar sands oil is an unconventional form of crude oil that is thicker, stickier, and heavier than conventional crude oil – and therefore more harmful to the environment and human health.

After bitumen is extracted from the ground in regions called “oil sands” or “tar sands,” it must be treated and converted into synthetic crude oil or diluted bitumen, aka “dilbit.” Synthetic crude oil and diluted bitumen are commonly known as “tar sands oil.”

### **Where does bitumen (the source of tar sands oil) come from?**

Bitumen for the tar sands oil that would be transported by Keystone XL would come from oil sands regions in Alberta, Canada. The surface of this land is **forest land used by indigenous people to provide sustenance and life since time immemorial**. The People share this land with the caribou, which are still relied on as a means of human subsistence. Human life, health, culture, and caribou are among the earth's many natural blessings that are being damaged or threatened by the extraction of bitumen.

### **How is the bitumen removed from the ground?**

There are two way to remove bitumen from the earth. The first way is by **strip mining** tar sand from vast open pits. This method actually extracts tar sand, which is a natural mixture of bitumen, sand, clay, and water. Strip mining can only be used in about 20% of the oil sands reserves because the remaining 80% of the reserves are too deep for mining.

For the remaining 80% of the oil sands, oil companies use a process called "**in situ**" to extract the bitumen from more than 75 meters below the earth's surface. In situ operations involve 'deforesting' sections of boreal forest, stripping away the layers of earth between the vegetation and the oil sands, and using significant amounts of natural gas to inject steam into the well to heat the bitumen so that it is separated out of the oil sand and can be pumped out of the ground.

### **How is the bitumen actually turned into tar sands oil?**

Once the bitumen is extracted, it has to go through a preliminary refining process to turn it into a substance that can actually flow through a pipeline. There are two different preliminary refining processes that are used, depending on whether the bitumen was extracted through strip mining or in the situ process. If the bitumen was removed by strip mining, the preliminary refining process includes separating the bitumen from the other materials in the oil sand. This leaves behind large amounts wastewater, byproducts, and "tailings" that are dumped in toxic "**tailings ponds**" that have been poisoning the waters of indigenous communities in Canada. These tailings ponds are known to leak significant amounts of toxic chemicals and other contaminants into the groundwater.

After the initial refining process takes place near the oil sands, the tar sands oil would be pumped through the pipeline to refineries in Texas. There, the tar sand soil would go through a second refining process to turn the tar sands oil into a useable petroleum product.

**For more information: <http://www.walkinbeauty-bethechange.com/kxl-threat.html>**