

As Canadian Oil Moves South, Americans Push Back

Martin Kaste, National Public Radio, 3-29-11

Part 1 of a two-part series on the impact of Canadian oil in the U.S.

The oil sands of Alberta, Canada, constitute one of the biggest proven oil reserves in the world. Today, Canada is the single biggest foreign source of oil for the U.S., and industry analysts project that 20 years from now, it may be supplying one-fourth of all U.S. oil needs.

But getting all that oil across the border requires heavy-duty infrastructure, and some new projects are causing cross-border tensions.

The Megaloads In Montana

A tractor-trailer creeps down a winding mountain road in Montana, caution lights flashing through the midnight snow flurries. It's hauling a coke drum for an oil refinery in Billings, Mont., and the drum, imported from Asia, is huge — two lanes wide, three stories tall.

The drum is just one way oil-industry growth in Canada may soon be visible on the mountain highways of Idaho and Montana. Imperial Oil, a Canadian company controlled by ExxonMobil, is preparing to send about 200 loads of oil-processing equipment through the region to Alberta.

The loads are so big — taking up two highway lanes — they have to travel at night. The coke-drum-hauling tractor-trailer was part of a dry run performed in early March.

Zack Porter, an organizer with the group All Against The Haul, tailed that first ConocoPhillips convoy as it crawled around mountain curves east of Lolo Hot Springs, Mont.

"These trucks have no business being here, and we're going to do what it takes to keep them out," Porter says.

Activists in both Idaho and Montana have picketed and filed suit against the plan. They've even published a book, *The Heart of the Monster*, about the specter of oil industry convoys despoiling a region known for outdoorsy pursuits such as fly-fishing.

Novelist David James Duncan co-wrote the book. Sitting in his log cabin-style house just off the highway, Duncan warns darkly that the trucks will drive Montana into "a shabby petrostate, like parts of Texas."

Bobbie Bartlette, who runs a nearby campground that caters to square dancing and round dancing, says tourists come for the dancing, but also the tranquillity of Lolo Creek.

"It's wild, it's scenic, it's beautiful. It just fills your soul," she says. "Big rigs don't fit that picture for me."

Still, opinion along Montana's U.S. Highway 12 is mixed.

A few miles up the road, a handwritten sign posted on a garage declares, "Welcome to Montana Big Rigs!" The sign is the handiwork of Kelly Sayler, who watched the first ConocoPhillips load go by at 4 a.m. with her family.

She says the load was "cool" and that she doesn't understand why anyone would oppose equipment that's destined to build up nearby oil industries.

"It's gonna make gas for *us*," she says. "So if people like driving their cars, I don't think they should have a problem with it."

The American Petroleum Institute is trying to reinforce Sayler's attitude with radio ads that point to the size and proximity of the Alberta oil reserves, as well as the promise of thousands of new American jobs as the oil works its way south.

Bringing The Oil South

TransCanada builds and operates energy infrastructure in North America and recently completed a major pipeline — the Keystone — which runs from Alberta to Illinois. The company is planning a second line, called the Keystone XL, that would run from Alberta to Nebraska with an extension from Oklahoma to the refineries on the Gulf Coast.

That project is also hitting American resistance because the proposed Keystone XL pipeline would cross parts of Nebraska that would be especially vulnerable to an oil spill.

Nebraska Sen. Mike Johanns says the new pipeline's route is unacceptable.

"[There] could not be a worse route in the entire state of Nebraska," he says. "Maybe couldn't be a worse route in the entire country."

Many farmers in Nebraska are worried about potential oil leaks, a concern that's more acute on land where the water table is high. "You can drive through areas and the water is sitting there on top of the surface," Johanns says. "I mean, the Ogallala Aquifer lays right there."

Some landowners have refused to sell TransCanada the right to build across their land, and the Nebraska Legislature has considered new, tougher pipeline regulations.

But TransCanada representative Jeff Rauh says the worries are unfounded because the pipeline would be built to high standards. He says the pipes are designed to resist corrosion, and leaks are relatively rare across the pipeline industry.

And besides, he says, the pipeline is being built to satisfy American demand.

"The choices are to either get more oil from the Middle East or Russia or Nigeria," Rauh says, "or alternatively to seek oil from North America."

Rauh says it makes more sense to buy oil from a neighbor than to buy oil that's shipped across the ocean — but Canadian oil isn't the same as oil from elsewhere.

Making The Winning Argument

Canadian oil starts out as bitumen, a tarry substance that has to be mined or steamed from the ground, meaning it has a larger carbon footprint. All told, using oil from Alberta releases about 15 to 20 percent more greenhouse gases than conventional oil.

Susan Casey-Lefkowitz of the Natural Resources Defense Council says it's a mistake to increase American oil dependence on oil sands. "These pipelines are around for decades, and so they lock us into a very dirty form of energy," she says, "and they really encourage expansion of that dirty form of energy."

But in Washington these days, the global warming argument doesn't get you very far.

Johanns, for example, is adamant that his opposition to the Keystone XL pipeline has nothing to do with global warming — a phenomenon he believes hasn't been scientifically established.

Instead, it's the backyard environmental objections that have formed real speed bumps for Canadian oil in the U.S.

In the mountain West, protests and permit challenges have helped delay Imperial Oil's plan to send its big rigs to Montana.

And in Washington, the Obama administration has held off on approving the project while it conducts a supplemental impact statement and takes public comment.