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U.S. Department of State Presidential Permit Applications: TransCanada Keystone Pipeline, L.P, National Interest Determination

Docket No. DOS-2014-0003

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# REMARKS FOR BRIGHAM A. MCCOWN FORMER ACTING ADMINISTRATOR PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION U.S. Department of State Presidential Permit Applications: TransCanada Keystone Pipeline, L.P, National Interest Determination Docket No. DOS-2014-0003

Pipelines Are The Safest Form of Transportation, Bar None.

--MARCH 6, 2014--

Despite Claims To The Contrary, Oil Sands Crude Is No Different Than Conventional Heavy Crude.

**Keystone XL Will Be the Safest Pipeline Ever Built.** 

**Keystone XL is in the National Interest.** 

#### Introduction

Having served in federal, civilian, and uniformed service for almost twenty-six years, it is a pleasure to comment on this imperative national issue.

Today, I would like to directly address the misperceptions and distortions concerning pipeline safety, which has permeated the opposition for this crucial international infrastructure project.

Much will depend on the **Environmental Protection Agency**, one of the eight agencies involved, which criticized the State Department's <u>draft environmental review as "insufficient"</u> last April, a month after it was released. The EPA last also <u>flagged issues about the safety</u> of transporting Canadian crude via pipeline following a high profile spill in

a Michigan river in 2010.

Yet comments that criticize the State Department's draft environmental review as 'insufficient' fail to acknowledge the more than five year review process that contributed to the current positive final environmental impact statement. The review began in 2008 and has included two releases of a draft environmental impact statement in 2011, extensive open-comment periods, additional review, the release of a final environmental impact statement in 2011, a reroute study and approval, a second full review and release of a draft environmental impact statement in 2013 and the release of a final environmental impact statement in 2014. Additionally, as I will outline below, comments that focus on the safety of transporting crude via pipeline are inherently making an argument for the approval of the Keystone XL pipeline. Pipeline operators safely transport crude and refined supplies 99.999952% of the time.

I formerly served as the federal government's pipeline safety chief as the first acting administrator of the United States Department of Transportation's ("DOT") Pipeline and Hazardous Materials Safety Administration ("PHMSA"). In this position, I was responsible for overseeing the safe and secure movement of all hazardous materials, by air, land, sea, rail and pipeline.

The 2.6 million miles of pipelines within our boarders are crucial to supporting our current way of life and represent our Nation's energy highways. These energy highways transport almost two-thirds of all energy products consumed in our country each and every year.

# First, Pipelines Are The Safest Form of Transportation, Bar None.

At no point in our nation's history has the role and future of our national pipeline infrastructure been subject to more careful review and scrutiny.

Our 2.6 million miles of pipeline (enough to wrap around the earth 100 times) have – for decades – transported the lion's share of our nation's needed energy, chemical, and water resources. For most of that time, our underground "energy highways" have remained "out of sight and out of mind." That of course is no longer the case given the heated debate surrounding construction of the Keystone XL pipeline.

Yes, pipeline releases can and do occur. Yet, we must also understand that the goal of our robust and mature pipeline safety regulations is zero accidents. When they do occur, comprehensive federal regulations exist to minimize the consequence of any such releases.

Last year the U.S. transported 13.5 billion barrels of crude and refined products. Of that amount, pipeline operators safely transported these supplies 99.999952% of the time.

Although the Final SEIS dedicated 100 pages to alternatives such as rail, I would like to point out that according to federal government statistics, pipelines are 16 times safer than rail and 189 times safer than commercial motor vehicle when comparing freight tons shipped. To take it a step further, pipelines are 451 times safer tan rail on a per mile basis and 29,280 times safer than CMVs.

Without even addressing the methodology associated with rail capacity assumptions, rail cannot come close to matching the safety record of pipelines. If we are to ship crude in the most efficient and safe manner, maintaining and increasing the available pipeline infrastructure is clearly in the national interest.

# Second, Despite Claims To The Contrary, Oil Sands Crude Is No Different Than Conventional Heavy Crude.

Critics of Keystone XL are quick to highlight their claim that oil sands resources – like those transported by Keystone XL – are more corrosive than traditional crude oil and, thus, more likely to spill.

## This is simply untrue.

The federal government has not documented a single instance of where a release of oil sands crude was caused by internal corrosion of pipelines. The characteristics of diluted oil sands crude, such as that which would be transported by Keystone XL, are similar to conventional crude oil. In fact, Canadian diluted bitumen, sometimes called dilbit, is actually less corrosive than crude oil from Mexico, Colombia, and even California. While opponents claim this type of crude is more corrosive, they have been unable to produce a single study, which agrees with their assertions. On the other hand, studies in the United States and Canada have shown that this type of oil is not more corrosive.

## Third, Keystone XL Will be the Safest Pipeline Ever Built.

Scrutiny is, of course, a welcome and warranted thing. But, in the face of this analysis, it is of the utmost importance that we, as a nation, recognize the indispensable role that pipelines have played and will by necessity continue to be utilized in our economy.

The fact is, there is simply no replacement for the efficiency, safety, and expansiveness of our pipeline system.

Opposing the construction of Keystone XL – by all accounts, a state-of-the-art system that will set the standard for pipelines in years to come – is short-sighted, unrealistic, and not founded in a true understanding of our nation's energy infrastructure.

Despite cries to the contrary, development of Keystone XL will actually help to reduce the likelihood of spills in the future.

Keystone XL exemplifies the next generation of pipelines. I have reviewed the technical specifications proposed by TransCanada. I have reviewed the route, the preparedness and response planning. In short, every aspect of this pipeline raises the bar for all pipeline operators. TransCanada should be commended for its actions.

### Conclusion

As the Final SEIS found, there are no significant environmental impacts found for this project. Given that finding, this infrastructure project is unequivocally in our nations' interest.

Successfully resolving the challenges of today, and preparing for the challenges of tomorrow is a job we have to face head on. Let there be no mistake, the oil and gas industries play a crucial role in our Nation's economy, and the very success of our economy highly depends on important infrastructure projects.

And there is no project more important to our Nation, than Keystone XL.