

NORTHERN PLAINS PIPELINE LANDOWNERS GROUP OF MONTANA

2010

Landowners' positions on Keystone XL Pipeline

Who we are

Northern Plains Pipeline Landowners Group (NPPLG) is made up of Montana landowners crossed by the proposed Keystone XL tar-sands pipeline. Our work is based on the belief that the best way to protect our property rights, land, water, and livelihoods, is to come together to share information and develop a joint agreement with TransCanada that will guide pipeline construction and maintenance across our land. NPPLG is a democratically organized group with an elected representative committee, membership meetings, and a collaborative team-like approach within the group so that all members may have the opportunity to have power over their situation.

Position statement

NPPLG believes in fairness to landowners, county taxpayers, and neighbors of the pipeline. We do not oppose the pipeline and are organized in order to reach a balanced and fair situation for landowners, the community, and the company.

Background

The proposed Keystone XL project will pump up to 900,000 barrels of oil per day through a 36-inch pipeline (\$65 million worth per day, estimated value) from the tar sands of Alberta, through eastern Montana, to the Gulf Coast of Texas. The value of the oil passing beneath landowners' property each day vastly exceeds the total value of the property. TransCanada has presented initial right-of-way proposals to landowners which fail to address many concerns.

NPPLG landowner positions

Liability

NPPLG wants to ensure that landowners are not forced to accept liability, which could exceed the value of landowners' property, for problems that arise because a pipeline is on their property. Current TransCanada contracts offered to landowners seem to impose liability on them for damages to TransCanada or other parties if found to be at fault for interruption of oil deliveries, leaks, fire, explosion, weed spread, erosion, or other problems.

Compensation

Landowners seek fair compensation for the disruption to their



A pumping station for Keystone 1 in eastern North Dakota.

crops, to their livestock, and to their time. The pipe will be in the ground possibly forever, and landowners fear their land will be devalued because of it, especially if any potential liability transfers with the land in the event of a sale. Landowners must not be hurt financially by the presence of a pipeline they did not ask for.

Safety

A large construction operation always brings with it concerns about safety, and the Keystone XL Pipeline is no exception. Landowners deserve to know that the safest methods of construction, maintenance, and operation will be used, and they should have the ease of knowing it is agreed to in writing with the company.

Pipeline design

TransCanada has applied to the U.S. Department of Transportation to operate the Keystone XL Pipeline at a higher ratio of operating pressure to burst pressure than normally permitted for oil pipelines in areas considered to be "low consequence," in other words, rural areas as is most of the route in Montana. This would allow TransCanada to use thinner, cheaper pipe. NPPLG believes TransCanada should build this pipeline according to accepted, up-to-date engineering standards, even in low-population areas to protect the landowner, the land, and the community from environmental damage from spills of material which might be classified as hazardous waste.

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Pipeline must benefit eastern Montana

Reclamation

It is important that the company agree in writing to restore the land to pre-pipeline status. Trash and construction tools should be removed, prevention and prompt treatment of any noxious weeds introduced should be tended to diligently, artifacts should remain with the land, proper replacement of top soil should be a priority, settling and other damage should be avoided and treated, and irrigation ditches should be restored.

NPPLG community considerations

Jobs

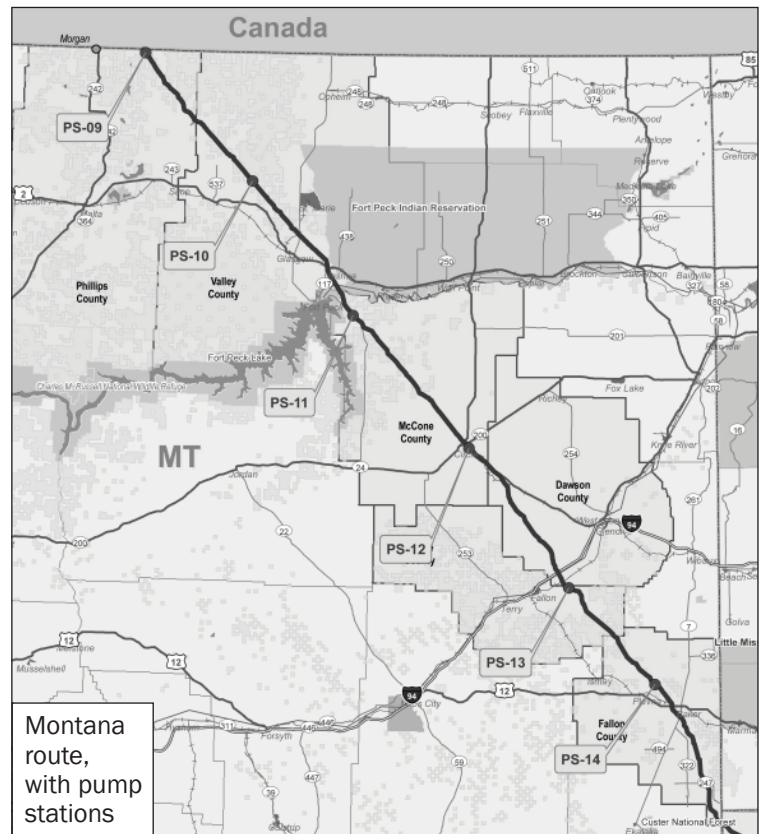
The Northern Plains Pipeline Landowners Group (NPPLG) looks forward to the new jobs that may be created with the construction and maintenance of the Keystone XL Pipeline and hopes that local residents will be hired for these jobs rather than outside contractors as has been the case in prior TransCanada pipeline construction.

Taxes

The NPPLG looks forward to the influx of tax revenue that the Keystone XL Pipeline will bring to communities in Montana. The NPPLG believes that an independent financial analysis should be conducted so that counties know how much to expect, rather than relying on estimates from the company. TransCanada should not be allowed to legislate a tax exemption after being permitted to build as they did in Kansas for its Keystone 1 Pipeline. Taxpayer money should not be used to maintain or repair roads that TransCanada will use heavily for construction purposes.

Roads and safety

There will be a huge amount of road wear on our county and private roads for the construction of the Keystone XL Pipeline. NPPLG recommends that counties secure adequate bonds from TransCanada to repair and maintain roads during and after construction. Families in eastern Montana rely on adequate roads to get their children to school, get to work, deliver crops to market,



TransCanada map

and receive ambulance or other emergency services. Families on or near the route of the Keystone XL Pipeline should not be inconvenienced or put in jeopardy because of road damage.

Eminent domain

In order for a company to receive the power of eminent domain, otherwise known as condemnation, it must be considered a common carrier. NPPLG believes that if the pipeline is not available to carry Bakken or local oil in addition to Alberta tar sands oil, it should not receive eminent domain status. If we are going to be asked to live with this pipeline that we did not ask for, it should support our local economy rather than just serve as an import-export superhighway from Alberta to Texas.

Representatives:

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Northern Plains Resource Council is a grassroots conservation and family agriculture group that organizes Montana citizens to protect our water quality, family farms and ranches, and our unique quality of life.

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