



Minnesota Center for Environmental Advocacy

The legal and scientific voice protecting and defending Minnesota's environment

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May 7, 2008

BY ELECTRONIC AND U.S. MAIL

Ms. Elizabeth Orlando
OES/ENV Room 2657
U.S. Department of State
Washington, D.C. 20520

**Re: Enbridge Pipeline Projects; Alberta Clipper/Southern Lights
Supplemental Scoping Comments of the Minnesota Center for
Environmental Advocacy**

Dear Ms. Orlando:

These supplemental scoping comments are submitted on behalf of the Minnesota Center for Environmental Advocacy ("MCEA") and in lieu of MCEA attending the Supplemental Scoping Meeting in Clearbrook, Minnesota on May 8. These comments supplement those originally submitted to you on December 7, 2007. MCEA also references and incorporates its comments addressed to you on December 28, 2007, which concerned review of the Enbridge LSr pipeline project, as many of the same issues are relevant here and, as set forth in more detail below, because the various Enbridge projects in Minnesota are connected, phased, and/or cumulative actions requiring review in a single Environmental Impact Statement ("EIS").

MCEA urges a broad scope for the Alberta Clipper/Southern Lights Diluent pipeline project (hereinafter referred to as the "Alberta Clipper Project") under consideration here. As set forth in MCEA's initial comments on December 7, 2007, the National Environmental Policy Act ("NEPA") requires an EIS to include analysis of all direct, indirect, and cumulative environmental effects of a project, such as the increased refining that is part and parcel of the Alberta Clipper and impacts from the tar sands extraction in northern Alberta. Moreover, an EIS must include analysis of actions, in addition to the primary proposed action, of connected, phased, or similar actions. *See*, 40 C.F.R. §§ 1508.7; 1508.14, 1508.16, 1508.25, and 1508.27. Clearly, an adequate EIS for the Alberta Clipper and related projects should not simply consider impacts of semi-liquid carried in a tube and the narrow footprint of the tube, but also analyze from where the substance originates, where it is going, and what the environmental

effect of extracting and using the product carried will be. Movement of heavy tar sands crude oil is obviously not an end in itself. The Alberta Clipper Project EIS should not treat it as such.

In its initial comments, MCEA pointed out Enbridge and various refiners' own statements demonstrating the connected nature of the various pipeline and refining projects throughout the Upper Midwest and the clear need to consider these connected and indirect effects from moving more tar sands heavy crude oil into the Upper Midwest region. In addition to the information included with MCEA's earlier comments, please see the enclosed report of the Canadian Association of Petroleum Producers ("CAPP"), *Crude Oil Forecast, Markets and Pipeline Expansions*, June 2007. The CAPP report indicates that demand for western Canadian crude oil, primarily heavy crude from the tar sands, will dictate additional pipeline capacity to meet demand from both existing, but also new, markets. The CAPP report specifically mentions the Enbridge projects at issue here, clearly making the connection. The CAPP report also makes a strong connection between diluent from Upper Midwest refineries and the need for moving increased amounts of that diluent back to the tar sands in Alberta to aid in increased extraction, another clear connection between the various components that must be addressed in the Alberta Clipper Project EIS. And again, the CAPP report specifically references the Enbridge diluent pipeline from Chicago, through Minnesota. Finally, the CAPP report draws a line straight to increased refining in the U.S., especially the Upper Midwest, in connection with increased tar sands output and increased availability through pipelines such as the Alberta Clipper Project. All of these components must be included in the scope of the Alberta Clipper Project EIS.

The Alberta Clipper Project EIS must also include analysis of the increased refining that CAPP, Enbridge, and the refineries themselves assert is driving and/or will be driven by, the increased extraction and transportation of tar sands heavy crude. MCEA's earlier comments noted the statements of Murphy Oil, Flint Hills Resources, BP and Enbridge itself in this regard. As noted above, the Canadian Association of Petroleum Producers believes that the increased refining is connected. Moreover, that increased refining has significant adverse environmental effects. In addition to the items cited in MCEA's earlier comments, please take notice of the pending U.S. Environmental Protection Agency, Environmental Appeals Board ("EAB") pending action, EAB docket # PSD 07-02, regarding the ConocoPhillips refinery expansion being driven by the refining of tar sands crude. As noted in the comments and filed items in the EAB docket, refining tar sands' dirtier crude oil will substantially increase refining pollutants in the Upper Midwest---whether from refineries in Chicago, Superior, Wisconsin, Union County South Dakota (Hyperion), Detroit, or here at Pine Bend and Marathon Oil in the Twin Cities¹. The increased pollutants include carbon, the primary cause of global warming, higher sulfur dioxide emissions, and more heavy metals (e.g. mercury). Carbon dioxide emissions are further increased by the added energy needed to crack the heavy, long hydrocarbon molecules into the final products and remove the increased sulfur dioxide pollutants. Flint Hills Resources' Pine Bend and Marathon Oil refineries here in the Twin Cities have both recently expanded in order to increase the amount of tar sands crude they can refine.

¹ Please note that all of these locations are currently expanding or entirely new refineries, with the expansions and/or new refineries primarily devoted to refining tar sands crude. This is not a hypothetical, but "reasonably foreseeable" development as that term is used and applied in NEPA and related cases.

Also as set forth in MCEA's initial comments, the Alberta Clipper Project EIS must include analysis of the very severe and significant environmental impacts of extracting the crude oil that will be carried in the Alberta Clipper pipeline. In addition to the information included with MCEA's earlier comments, please see the following enclosed items regarding significant environmental effects of tar sands extraction:

- Collection of news articles regarding migratory waterfowl deaths numbering *in excess of 500* last week when migrating birds landed on various tar sands tailings basins;
- News items regarding First Nation's and downstream community's concerns regarding human health effects from impaired waters and air emissions related to tar sands extraction;
- Nelder, Chris, *Tar Sands: The Oil Junkie's Last Fix, Parts 1 and 2*, Energy and Capital, August 24 and September 9, 2007; regarding the poor economics of tar sands extraction, the extreme costs of water use associated with its extraction and the extraordinarily high energy use and attendant greenhouse gas emissions (three times more than extraction of conventional oil) associated with tar sands extraction²;
- University of Alberta news release and report, Schindler, David, *Running of out Steam? Oil Sands Development and Water Use in the Athabasca River-Watershed: Science and Market Based Solutions*, May 2007; outlining that the Athabasca River, especially when taking into account the effects of global warming, is likely oversubscribed to tar sands and how tar sands development threatens important habitat in the Athabasca-Peace delta in northern Alberta, the world's largest boreal delta.

Allowing piecemeal analysis of the various Enbridge projects and piecemeal analysis of the movement of tar sands crude from Alberta to new and expanding refineries in the Upper Midwest will defeat the core purposes of NEPA: to ensure full and effective exchange and analysis of information regarding significant environmental effects of actions taken by our government in order to make the best and most-informed decisions possible and to avoid environmental degradation where possible. Those purposes could not be in sharper relief than at this time when we are at an energy cross-roads and where further development of the tar sands, enabled by pipeline and refinery projects, will create large, irreversible environmental problems for decades or more to come.

² One of the additional indirect impacts of the tar sands extraction noted in the Nelder article is the use of natural gas for tar sands extraction and what that does to the availability of this cleaner fuel for residential and other uses. Please also note the enclosed article from the New York Times Business Section, April 9, 2008, which reports on the recent proposal of BP and ConocoPhillips to build a natural gas pipeline from Prudhoe Bay to the tar sands. The proposal and article try to shield the issue by not explicitly mentioning the tar sands, but the map in the article is clear that the primary purpose is to supply natural gas to the tar sands---a proposal that is clearly economic and energy-policy folly. Any extension of the BP/ConocoPhillips pipeline to the U.S. is speculative at best. You should also note that BP and ConocoPhillips both lease and operate extraction facilities in Northern Alberta.

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Finally, MCEA urges the State Department to ensure that the Alberta Clipper Project EIS adequately address water and wetland impacts, habitat fragmentation, and cumulative edge impacts from the route of the pipeline itself. On this point, MCEA encloses its supplemental comment letter to Administrative Law Judge Eric Lipman, dated April 28, 2008 and incorporates its contents here by reference.

Thank you for the opportunity to supplement MCEA's comments regarding the scope of the Alberta Clipper Project EIS. Adequately examining the breadth of the environmental impacts related to this project is critical, particularly in light of the very damaging aspects of tar sands extraction and refining at a time when Minnesota and the Nation is concerned about global warming and our need for a coherent and comprehensive energy conservation policy.

Sincerely,



Janette K. Brimmer
Legal Director

JKB/ejs

Enclosures