The U.S. has been increasing its imports of tar sands from Canada as a source of petroleum. Tar sands bitumen, which is strip-mined and heated out from under Canada’s boreal (i.e., Northern) forest, has more destructive environmental impacts than other forms of oil because of where and how it is produced, the magnitude of the pollution, especially carbon pollution, from processing and burning it, and the higher risk of pipeline leaks and damage from those leaks compared to other forms of oil.

While Canada currently produces approximately 2 million barrels of tar sands per day, Canada would like to triple production over the next two decades. Such an expansion of the landlocked Alberta tar sands would require new tar sands pipelines like Keystone XL to the U.S. Gulf Coast and other proposed pipelines to the west and east.

I. PRIMARY STATUTES

- Under Executive Order 13337, the State Department must approve or reject pipelines that cross the U.S. border after determining whether they would be in the national interest. As part of making that determination, the State Department prepares an Environmental Impact Statement, which is subject to public comment.

II. MAJOR CONCERNS

- MINING AND DRILLING IMPACTS

Large swaths of Alberta’s Boreal forest are being destroyed, and a massive amount of energy and water are used to produce the tar sands. Tar sands mining operations require between two to four barrels of fresh water for every barrel of oil produced. In addition, toxic tar sands tailings ponds now cover 65 square miles of Alberta, an area the size of Washington, D.C. The other extraction method involves pumping steam underground to melt the tar sands and is very energy intensive with even higher greenhouse gas emissions and massive fragmentation of Boreal forests and wetlands.

- NEW PIPELINES WOULD ALLOW THE EXPANSION OF TAR SANDS PRODUCTION AND USE, AND INCREASE CARBON POLLUTION

The Canadian pipeline company TransCanada has proposed building a new pipeline, the Keystone XL, to carry tar sands oil from Alberta to Texas. The pipeline would carry 830,000 barrels of tar sands oil a day through the U.S. to be processed along the Gulf and most of it shipped overseas. According to the Congressional Research Service, burning 830,000 barrels per day of tar sands oil instead of conventional oil would create the same carbon pollution as adding over 4 million cars on the road. Moreover, this oil would not even be used in the U.S. TransCanada has confirmed that the purpose of Keystone XL is to enable tar sands to be exported as diesel from the Gulf to take advantage of higher international market prices. Canadians have not yet been willing to have major new tar sands pipelines cross to their coasts and put their lands and waters at risk, so the oil industry is targeting the U.S. instead.
NEW TAR SANDS PIPELINES WOULD POSE INCREASED SAFETY RISKS.

Tar sands bitumen is a heavy, viscous oil and its pipelines seem to have more spills than conventional oil pipelines. Between 2007 and 2010, pipelines in North Dakota, Minnesota, Wisconsin, and Michigan—the main states with a history of pipelines carrying diluted bitumen—spilled almost three times as much crude oil per mile of pipeline when compared to the U.S. national average. And tar sands oil is more harmful and more difficult to clean up than conventional oil. In the summer of 2010, more than one million gallons of tar sands oil gushed from an Enbridge pipeline in Michigan. After over two years and roughly a billion dollars spent on cleanup, nearly 40 miles of the Kalamazoo River are still contaminated.

III. UPCOMING ISSUES

- KEYSTONE XL TAR SANDS PIPELINE

In late 2011, Congress passed legislation setting a deadline for President Obama to make a decision on the then-pending Keystone XL pipeline proposal. In January 2012, President Obama rejected the Keystone XL tar sands pipeline, citing concerns about the route through Nebraska and saying that Congress had short-circuited the review process, preventing an adequate evaluation. In response, TransCanada split the pipeline into two segments. It has begun work on a southern portion (from existing oil terminals in Oklahoma to refineries in Texas), which did not require State Department approval because it did not cross international borders. TransCanada also reapplied to the State Department to build a northern transboundary segment. The proposed route for Nebraska will still cross sensitive groundwater areas and the pipeline will lead to the expansion of tar sands development and increased greenhouse gas emissions. Early this year, the State Department is due to release its draft environmental review of the project on the latest TransCanada proposal. A decision is expected late spring or summer 2013. NRDC is urging the State Department to reject the Keystone XL tar sands pipeline.

- OTHER PIPELINES

There are proposals at varying stages to build new tar sands pipelines or to use existing oil pipelines to transport tar sands oil in Vermont, Maine, New Hampshire, Michigan, Illinois, Missouri, Kansas, Oklahoma and Texas.