

NEWS RELEASE



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Enbridge end-run around insurance provision challenged by local environmental group

(MADISON) Climate group 350-Madison today petitioned the Dane County Zoning and Land Regulation Committee to rescind its April 21st conditional use permit for a tar sands oil pipeline pumping station near Marshall. The pipeline, Line 61, is owned by the Canadian firm, Enbridge Energy, which has one of the worst records for oil spills. Line 61 passes through the best agricultural land and across some of the most critical waterways in the U.S as it runs from once-pristine forests in Alberta to the Texas coast for export. It carries tar sands oil, the extraction of which generates three to four times more greenhouse emissions than conventional oil.

According to 350-Madison spokesperson, Peter Anderson, the Zoning Committee was only able to grant a permit for Enbridge to build a giant pumping station on the County's prime agricultural land if it could impose conditions that would guarantee funds to clean up the inevitable leaks over the pipeline's decades-long lifetime. The Committee did this by requiring Enbridge to retain environmental clean-up insurance.

"Unfortunately," said Anderson, "some unidentified lobbyists subsequently lobbied the Legislature to slip an amendment into the state budget at the 11th hour with no debate. That amendment barred counties from imposing insurance requirements intended to remediate oil leaks, apparently in the belief that taxpayers, not the derelict company responsible, should have to pick up the sometimes billion dollar clean up tabs."

Anderson pointed out to the Committee that there are other assurance mechanisms, not barred by the new law, that would protect the state's taxpayers from being forced to bail out this Canadian company. Among them, he said, are segregated trust funds, which is what 350-Madison is asking the Zoning Committee to substitute for the insurance requirement covered by the new law.

"It is ironic," Anderson said, "that this new law will dramatically increase the cost for Enbridge to provide Dane County with the essential assurances needed to protect taxpayers. By spreading risk over a pool, the cost of insurance would be nominal to Enbridge, so long as its representations are true that it operates safely," he said. "Trust funds, which is the only viable remaining option, unfortunately will cost Enbridge 20 times more," Anderson noted. "If I were Enbridge," he concluded, "I would thoroughly investigate who it was who lobbied to so significantly increase its costs of showing adequate assurances by outlawing the far cheaper insurance option."