

# THE MINNESOTA-CANADA OIL BOND AND THE ENBRIDGE PIPELINE EXPANSION PROPOSAL

When one thinks of states hit hard by oil prices, California and Hawaii usually come to mind. However, in May 2013 the trend was reversed, with the Midwest (particularly Minnesota) leading the pack in the highest oil prices.

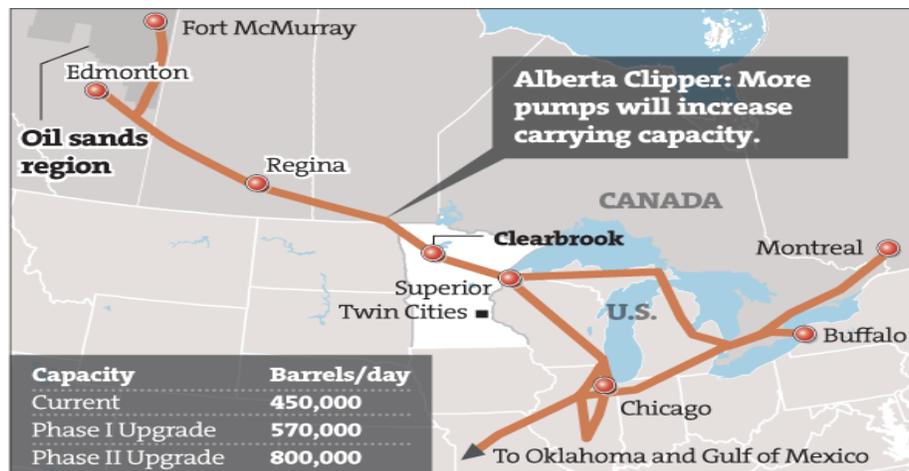
While the prices of oil are based on a multitude of forces, with both domestic economic influences and international relations playing a role, a main contribution to this price increase was the simultaneous closure of three oil refineries in Minnesota.



While many blame this simply on the unfortunate timing of events, others are asking for a more dependable source of oil. Presently, many are fighting to increase the capacity of the Enbridge Pipeline, which is responsible for transporting crude oil from the Tar Sands Oil region of Hardisty, Alberta Canada to Superior, Wisconsin. Enbridge fights to increase the pipeline capacity to over 800,000 tons of oil a day, stating “[they] do not invest in pipelines unless the demand exists.” They also reject criticism that tar sand extraction exceeds greenhouse gas emissions of typical oil refineries.

### **PUMPING MORE CRUDE OIL THROUGH MINNESOTA**

Enbridge Energy plans another upgrade to its Alberta Clipper crude oil pipeline to increase capacity. The company says the 36-inch-diameter pipeline, completed in 2010, can handle the higher pressure.



Source: Enbridge Energy, Association of Oil Pipelines

Star Tribune

The Enbridge Pipeline proposal comes in sharp contrast to many Minnesota Environmental Non-Profits such as MN350 and the Sierra Club.

Besides the obvious negative environmental effects correlated with Tar Sand Oil Extraction and cross-continental oil pipelines, these groups are also fighting the pipeline on a basis that Minnesota is already too dependent on Canadian oil. While oil production is currently 782,000 tons/day in North Dakota, Minnesota still imports 80% of their crude oil from Alberta, Canada. Even Minnesota senator Amy Klobuchar noted on the issue, “One state shouldn’t suddenly have oil prices quick shoot up and gas prices shoot up at the time when we have some record surplus of oil and we saw the barrel just go down to 94 bucks.”

While no final decision has been made on the pipeline expansion, the Minnesota PUC has decided to have a contested case review of Enbridge Energy Inc., and the need to expand the pipeline. This comes as a win for the anti-pipeline activists, who need as much time as they can to gain public opposition to the expansion.

Source: <http://www.globalsiteplans.com/environmental-design/the-minnesota-canada-oil-bond-and-the-enbridge-pipeline-expansion-proposal/>