



INSTITUTE FOR 21ST CENTURY ENERGY  
U.S. CHAMBER OF COMMERCE



March 14, 2014

The Honorable Catherine Ann Novelli  
Under Secretary of State for Economic Growth, Energy, and the Environment  
U.S. Department of State  
2201 C Street, NW  
Washington, DC 20520

Dear Undersecretary Novelli:

We write to urge the Department of State (DOS) to expeditiously grant a Presidential Permit reflecting a transfer of border-crossing facilities pursuant to Public Notice 5092 (“Name Change Permit”) to Plains Pipeline L.P. (“Plains”) for its Poplar Pipeline (“Poplar”) and to express concern about delays in issuing Name Change Permits for other existing cross border pipelines.

As chambers of commerce representing businesses, workers, and communities in Montana, North Dakota, and across the United States, we are concerned that DOS actions threaten to delay or make cost prohibitive this pipeline and potentially other pipelines trying to bring North American resources and products to market. This pattern is certainly not consistent with the President’s stated objective of expediting critical energy infrastructure.

Plains Pipeline owns border-crossing facilities covered by a valid Presidential Permit issued in 2007 by DOS for the border-crossing portion of the Poplar Pipeline in Sheridan County, Montana. The Permit is currently in the name of two Plains affiliates, and Plains seeks issuance of a Name Change Permit to reflect the transfer of the Poplar assets to Plains Pipeline.

We have been told that DOS intends to conduct an environmental review of the effects of an interconnection of Poplar with the new Bakken North pipeline (“Bakken North”) before granting the Name Change Permit. It is also our understanding that DOS has asked Plains to not complete the interconnection of the Bakken North pipeline with Poplar nor operate the Poplar pipeline pending this review.

We are concerned about this delay and pending review. Article 9 of the existing Presidential Permit allows for continued operation under that Permit if “the United States facilities and the operation and maintenance thereof authorized by this permit will remain substantially the same as before the transfer” pending issuance of a Name Change Permit. The Plains Pipeline facilities covered by the existing Presidential Permit have undergone no substantial change. In addition, DOS regulations implementing National Environmental Policy Act (NEPA) review include a categorical exclusion from environmental review for name change permits, because the transfer of assets does not cause any environmental impacts.

Further, we believe that the review of Bakken North is beyond the scope of DOS authority. Bakken North is a new pipeline existing entirely within the U.S. and built to transport crude from the Bakken shale. Its interconnection with Poplar is over 6 miles south of the U.S.–Canadian border. DOS has been delegated limited authority under Executive Order 13337 to issue Presidential Permits for activities at the border, not over all segments of a pipeline that include a border crossing, or all interconnections with such pipelines. DOS has clearly overreached its authority, which does not include the ability to regulate downstream or upstream liquid petroleum pipeline connections.

We respectfully urge that DOS not interfere with Plains Pipeline’s right to continue to operate under the existing Presidential Permit and that their Name Change Permit be granted expeditiously.

The United States is leading the North American energy renaissance, and our continent is leading the world’s transformation to a new energy future. We believe that DOS actions delaying, or making cost prohibitive, this pipeline and other infrastructure would have a detrimental impact on consumers and our nation’s ability to fully realize all the benefits of the North American energy revolution.

Sincerely,



Karen Harbert  
President and CEO,  
Institute for 21st Century Energy  
U.S. Chamber of Commerce



Andy Peterson  
President and CEO,  
Greater North Dakota Chamber of Commerce



Webb Brown  
President and CEO,  
Montana Chamber of Commerce

cc: Senators Heidi Heitkamp, John Hoeven, Jon Tester, and John Walsh