

NRDC's Latest Document on Pipelines Transporting Oil Sands Misleading and Erroneous

Calgary, AB - November 30, 2011 - The Canadian Energy Pipeline Association is concerned with the ongoing campaign of misinformation conducted by the NRDC regarding pipeline safety associated with the transport of oil sands products.

As an association representing many companies that operate pipeline systems that transport bitumen products, we categorically disagree with the statements made by the NRDC in its latest document entitled: *Pipeline and Tanker Trouble: The Impact to British Columbia's Communities, Rivers, and Pacific Coastline from Tar Sands Oil Transport*.

The information found in this document has been refuted numerous times by the Alberta pipeline regulator, the ERCB and more recently by an independent research organization called Alberta Innovate. The key facts about crude oil derived from Canadian oil sands are:

- No differences between oil sands products and conventional oil that would lead to greater safety concern about pipelines transporting oil sands products.
- Diluted bitumen (raw bitumen mixed with light oil to reduce the thickness) is no different than other heavy crude oil.
- Analysis of pipeline failure statistics in Alberta has not identified any significant differences in failure frequency between pipelines handling conventional crude versus pipelines carrying oil sands products.
- Some CEPA member companies have been transporting crude from oil sands production for the past 30 years. Pipeline integrity analysis on these pipelines show no increased risk or incidence of internal corrosion compared to conventional oil pipeline systems.
- No evidence that diluted bitumen (DilBit) pipelines are subject to potentially more corrosion, ruptures or spills than conventional pipelines.
- Once mixed with diluents, DilBit should behave in much the same manner as other crude oils of similar characteristics.
- Alberta Innovates study published in early November 2011 states that "the characteristics of dilbit are not unique and are comparable to conventional crude oils during pipeline flow. Analysis of historic data shows that the internal corrosion related pipeline failure rate of dilbit is statistically comparable to the conventional oil in the US."
- The ERCB, based on their comprehensive statistics on pipeline performance since 1975, asserts that: "There is no indication that the types of pipelines transporting blended crude bitumen, crude oil or synthetic crude oil have an increased risk of internal corrosion issues".

Transmission pipeline are by far the safest method to transport large quantities of oil and gas products over long distances. Pipeline operators have a strong record of reducing the number and volume of spills, as a result of active oversight by pipeline regulators in both Canada and the US and industry's commitment to safety improvement and technology innovation. The rate of incident is extremely low.

Pipeline operators don't build multi-billion dollar assets to then destroy them with a corrosive product. Our members are world leaders in providing safe, reliable long distance energy transportation.

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For more information about Canadian transmission pipelines, please visit www.cepa.com

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