

Mention of Noah and Curtis' recently published paper on imperiled species in NV...

Las Vegas City Life

Getting the shaft

Officials want to expand the state's gas pipeline. How much? Enough to cause some environmental headaches

by JASON WHITED

PROMINENT transportation and energy officials are hailing the proposed \$400 million expansion of the pipeline that supplies Southern Nevada with gasoline and jet fuel as a necessary next step to meet long-term fuel needs. But a representative of the one state environmental group actually aware of the project warns that the construction could have unintended ecological consequences.

Kinder Morgan Energy Partners, the mammoth, Houston-based firm that owns Southern Nevada's pipeline, plans to build a new, 16-inch diameter petroleum artery across 233 miles from Southern California, northeast through the Mojave Desert and into the Las Vegas Valley. By the time the new pipeline is ready in early 2011, more than 300,000 barrels a day could flow into the area, nearly doubling the capacity of the existing line.

The only problem, says Lydia Ball of the Nevada chapter of the Sierra Club, is that the proposed expansion requires a new so-called right-of-way from the federal Bureau of Land Management. Since a right-of-way is a legal term for a strip of land, Ball says the new construction project could have serious environmental consequences once Kinder Morgan begins to lay the new pipe. Additional acreage could be damaged if the project hits a snag or if the pipeline itself ruptures. "Yes, obviously, if (pipeline supporters) are telling you one thing and the federal registry is telling you something else, then that's a problem," says Ball.

Most construction crews aren't known for their environmentally friendly practices, and with a recent study from the Center for Biological Diversity finding that a majority of Nevada's 384 imperiled species are not protected by either reserves or laws such as the Endangered Species Act, Ball warns that Nevada's already fragile ecosystem could face further jeopardy from Kinder Morgan.

"It makes the most sense for it to be in the existing right of way, that way you don't have all that new construction and new environmental destruction," says Ball.

In October 2006, after a year of study, a Clark County blue ribbon panel examining how best to meet Southern Nevada's energy needs recommended a viable, long-term fix to fuel future economic growth: grabbing the biggest "straw" possible -- to suck as much petroleum as possible into the local economy.

Kinder Morgan owns that straw -- actually, two straws in one: parallel 14- and 8-inch diameter pipes that run from Southern California to Vegas. The current pipeline supplies nearly all of Southern Nevada's motor vehicle fuel, as well as all of the jet fuel for McCarran International Airport.

Kinder Morgan plans to build the new, 16-inch diameter pipeline along the same route. Combined with newer, stronger pumping stations, the proposed pipeline could increase the number of amount of fuel flowing into Southern Nevada from 156,000 barrels per day to more than 300,000 daily barrels. With each barrel containing 42 gallons of fuel, Nevada consumers would have access to 12.6 million gallons of fuel -- or nearly three times the 3 million gallons used by Nevada motorists and the 1.27 million gallons of jet fuel used at McCarran each day.

Back in October 2005 when Clark County Commission Chairman Rory Reid empaneled the study group, few people disputed the claim that Southern Nevada needed more fossil fuels to keep growing. This was long before oil was trading at more than \$137 per barrel and driving up the costs of consumer goods at an historic pace; long before the state's foreclosure crisis turned into a meltdown that threatened to take a host of other industries down with it; and long before anyone in their right mind began suggesting that record fuel costs would one day threaten the appeal of Las Vegas'

tourist-based economy to visitors who must either drive, or fly, to Sin City.

Despite recent reports that rising fuel costs will hurt area tourism in the long run, coupled with the fact that airlines operating out of McCarran plan to cut the number of domestic seats coming into the airport by at least 12 percent this year, Randall Walker, director of the Clark County Department of Aviation and the former chair of the county panel that recommended expanding the pipeline, still believes in the project.

"This is just totally in line with what needed to happen. Obviously, we're very supportive," says Walker. "Without the capacity to deliver fuel ... it's hard to grow if you can't get the fuel to grow your economy."

Frankly, you have to hand it to both Kinder Morgan and its supporters. At least the company isn't trying to imbue this pipeline expansion with a false sense of purpose. They don't claim that a fatter pipe will mean lower prices at the pump. Good thing, too. Such a sales pitch might work the first time, but would likely fall flat for the additional three Southern Nevada pipeline proposals floating around from three other energy companies. Kinder Morgan is the first company whose approach appears politically viable. Other pipeline projects, such as a proposed artery running from Utah to Vegas, have run up against regulatory problems.

The only way the proposed pipeline expansion will affect gas prices is if it's never built at all, says Peter Krueger, state executive with the Nevada Petroleum Marketers and Convenience Store Association. If Southern Nevada's growth outpaces fuel supplies, consumers would likely see rapidly rising prices as gas companies then turned to tanker trucks to make up the difference. Tanker trucks only carry about 10,000 gallons of fuel. The trucks, and their drivers, cost money to maintain -- money that could be saved with a fatter fuel pipeline. Kinder Morgan might be the nation's largest pipeline corporation, but it still faces stiff competition from at least 16 smaller, yet still highly funded such companies across the nation. And every dollar counts.

"They're [Kinder Morgan] doing it at this time to ensure they don't lose market share," says Krueger. "Kinder Morgan is a carrier, no different from FedEx and UPS. There's increasing competition, so somebody could lose market share. Their motivation is not just that Las Vegas gets more fuel."

Neither Krueger, nor Walker nor any of the pipeline proponents talks much about the wisdom of investing in an energy stream with proven vulnerabilities to both foreign political instability and environmental disaster. Industry figures are consistent in their praise for the project.

"The more supply we get, the better. We're getting as much fuel out of that existing system as we can get. Any expansion in capacity is a good thing," says Krueger.

Kinder Morgan spokeswoman Emily Mir Thompson says the company aims to "minimize environmental impacts" as the federally required environmental impact study approaches.

She says, "In the limited areas where it is not possible to use existing right-of-ways, Kinder Morgan is committed to working cooperatively with local cities/entities to minimize the temporary disruption from the project's construction and to partner in targeted right-of-way restoration efforts."