

Jan. 24, 2013

To the Judges:

In the fall of 2011, when the national debate over the Keystone XL oil pipeline was ramping up, InsideClimate News reporter Lisa Song traveled to Nebraska and heard landowners along the proposed 1,702-mile route express a common fear: What would happen if the line spilled oil into the Ogallala aquifer, the region's primary source of drinking and irrigation water?

Back home, Lisa set out to answer that question. But she quickly discovered that little is known about the type of fuel the Keystone XL would be carrying—diluted bitumen, or dilbit—or how it might react when spilled into water. In fact, little research at all has been done on dilbit, outside of closely guarded reports prepared for industry.

For the next 15 months Song, supported by reporters Elizabeth McGowan and David Hasemyer, reported almost exclusively on pipeline safety and on dilbit, which is composed of a thick Canadian hydrocarbon called bitumen that is diluted with liquid chemicals so it can flow through pipelines. For a news organization with just four fulltime reporters, it was a major commitment, but one we felt compelled to make. U.S. imports of dilbit are projected to quadruple in the coming decade, putting dilbit into thousands of miles of new or re-purposed pipelines. Much had been written about the oversized carbon footprint of Alberta's petroleum, also known as tar sands oil. But little attention had been paid to what would happen if it spilled into a waterway—or whether U.S. pipelines and regulators were prepared for the import boom.

Our first step was to investigate a little-known accident that happened in July 2010, when a ruptured pipeline owned by Enbridge, Inc. dumped more than a million gallons of dilbit into Michigan's Kalamazoo River. Because the accident occurred on the heels of BP's disastrous oil spill in the Gulf of Mexico, it barely registered on the media's radar. The U.S. Environmental Protection Agency also downplayed its seriousness, because it assumed it was dealing with conventional oil that could be cleaned up in a couple of months.

Our three-part narrative, "The Dilbit Disaster: Inside The Biggest Oil Spill You've Never Heard Of," revealed that the ruptured pipeline had a long history of corrosion problems, including a defect at the rupture point that for years had been documented in federal records. We also discovered that pipeline operators aren't required to tell first responders what their pipelines are carrying, so the EPA didn't know it was dealing with dilbit until more than a week into the cleanup.

Most important, we proved—using federal documents and extensive interviews with nearby residents as well as scientists and regulators who responded to the disaster—that dilbit reacts very differently from conventional oil when it spills into water. After the pipeline ruptured, the liquid chemicals in the dilbit began evaporating, leaving the heavy bitumen to sink to the river bottom. The stench was so strong that emergency hot lines were flooded with calls.

Cleanup techniques that work well for conventional oil—which floats on water—were ineffective on this spill. The Kalamazoo cleanup continues today, two and a half years after the spill occurred. At \$809 million, it is the most expensive oil pipeline spill in U.S. history.

Columbia Journalism Review called our series "a superb example of how proactive journalism gets ahead of the story rather than waiting to respond to official 'news,'" and praised InsideClimate

News for "following up on stories that the rest of the attention-deficit-disordered media has either ignored or forgotten about." McGowan and Song were interviewed on Public Radio International's "Living on Earth" and other radio shows. And the New York Times ran an op-ed by InsideClimate publisher David Sassoon on the unique risks of dilbit and the need for updated pipeline safety regulations.

Our findings were later supported by the National Transportation Safety Board's damning report on the accident. Enbridge has since paid a record \$3.7 million civil penalty for almost two-dozen violations of federal regulations.

In the months after "The Dilbit Disaster" appeared, we continued our reporting.

Song analyzed 10 years of federal data and found that the general public detects more oil pipeline spills than the industry's much-touted leak detection systems. She also found that better technology is readily available—but is used on less than 1 percent of the nation's pipelines because it isn't required by federal law. Adding it to the Keystone XL in the most vulnerable part of the Ogallala aquifer would increase the project's cost by less than 0.13 percent.

Hasemyer examined the ongoing replacement of the ruptured Michigan pipeline and found that despite Enbridge's poor safety record, the project is getting little extra oversight from state officials. When one Michigan township asked Enbridge to obey local ordinances that other utilities routinely follow, the company simply refused.

Most recently, Hasemyer and Song reported on a section of the replacement line in Indiana, where it runs through the Lake Michigan watershed. The lake supplies drinking water to 10 million people, but that section of the pipeline will not be protected by the sophisticated technology Song wrote about, and no state or federal agency has authority to require Enbridge to install it or to move the pipeline to a safer location.

Despite our relatively small readership, our stories have had a big impact. Enbridge has agreed to comply with the Michigan township's laws—but has warned that if we continue to write about the replacement project, company executives will "complain to their friends at Bloomberg," whose website carries our stories. Thanks to our work, the word "dilbit" and the Kalamazoo spill are now part of the ongoing national debate over the Keystone XL, best evidenced by a Los Angeles Times editorial titled "Keystone's 'Dilbit' Problem."

As we submit this body of work for the Pulitzer Prize for national reporting, our investigations continue. Recognition by the Pulitzer Committee would help this important subject remain at the center of the national energy debate, and we thank you for the opportunity to share it with you.

Sincerely,

Susan White Executive Editor, InsideClimate News 619-501-0511 (office) susan.white@insideclimatenews.org