

# United States Senate

WASHINGTON, DC 20510-4504

November 17, 2011

The Honorable Hillary Clinton  
Secretary  
U.S. Department of State  
2201 C Street, NW  
Washington, D.C. 20520

Dear Secretary Clinton:

I write to thank you for the recent decision to delay a final determination on the Keystone XL pipeline until 2013, but also to reiterate my deep concerns about conflicts of interest in the State Department's handling of the review process and the National Interest Determination.

I welcome the State Department's decision to conduct a supplement to the final environmental impact statement (FEIS). However, the State Department needs to include a full review of *all* environmental impacts of the Keystone XL pipeline, including impacts from any new or modified route that may be proposed. This should include examination of the greenhouse gas emissions impacts, particularly in light of the recent news reports that executives at TransCanada admitted that there is not a near-term alternative method to ship tar sands oil from Canada that approaches the scale of Keystone XL. This admission calls into question assertions in the FEIS that the Canadian tar sands will be fully exploited regardless of construction of this pipeline.

In addition, I am deeply concerned that Cardno Entrix "will be considered" to write the supplement to the FEIS, according to a State Department official. As you know allegations of a conflict of interest for Cardno Entrix were first reported in a *New York Times* article from October 7, 2011. That article discussed how TransCanada, the pipeline project developer, was able to screen applicants and successfully recommend that Cardno Entrix be selected as the contractor to conduct the environmental impact statement (EIS) mandated under the National Environmental Policy Act. The article went on to state that Cardno Entrix lists TransCanada as a "major client," and that Cardno Entrix may not have fully disclosed all of its potential financial ties with TransCanada in the conflicts of interest statement required in the EIS.

Now, thanks to disclosures that result from a Freedom of Information Act request filed by a non-governmental organization, I have learned that representatives from Cardno Entrix, the supposed impartial third-party contractor, were present for a *lobbying* meeting between TransCanada and the State Department regarding Keystone XL in 2010. On its face, this appears completely inappropriate. If the State Department allows Cardno Entrix to conduct the supplement to the FEIS, it will unnecessarily taint the supplement. The State Department should not continue with TransCanada's hand-picked contractor, and should instead select a new and truly impartial third-party contractor to conduct the supplement.

As you know, the State Department Inspector General announced on November 7, 2011, that a special review would be conducted of the State Department's handling of the EIS and National Interest Determination related to Keystone XL. In light of that inquiry, I urge that the State Department hold off on conducting the supplement to the FEIS until the special review is completed and all findings made public. This will ensure that any conflicts of interest or deficiencies in the FEIS can be remedied prior to conducting the supplement.

Thank you for your attention to this matter.

Sincerely,



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BERNARD SANDERS  
United States Senator