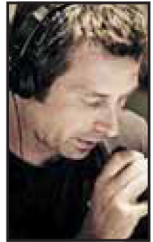


Montana community 'invested' in Keystone outcome

"I've lived in Baker all my life. Was postmaster here for 20 years and have been retired now for 35 years," Drury Phebus, said. "I'm only 92 years old!"



JASON SPIESS
For Bakken Breakout Weekly

In addition to his 20 years as Baker's postmaster, Phebus served in the Air Force during World War II and is vice chairman of the Fallon County Democratic Central Committee. This resume, along with having coffee with the locals, gives Phebus a deep pulse on the community culture.

"I know everybody pretty much, well the older people at least," Phebus said. "There is two generations I don't know that well, the younger people, but I pretty much know everybody that's above ground."

When asked about the Keystone XL pipeline, Phebus said he believes the project would be a great asset to Baker, but believes federal politics is the No. 1 holdup.

"I see the Keystone pipeline as a great project for Baker with the on-ramp," Phebus said. "I am sure when the administration changes, the two-party system will work and the project will go through."

The World War II veteran even opined far enough to reach the commander in chief.

"Obama won't sign off and he is using it for political reasons. I do believe that," Phebus said. "The president hasn't been kind to Fallon County, holding up the pipeline."

When asked about the environmentalists in the area, Phebus said there is a small group of environmental activists, but questioned if they were looking at the big picture.

"There is a group of environmentalist who do not want anything to happen," Phebus said. "They want to do away with coal. They don't want the pipeline to go through. We got to progress. We got to move with the times."

Nicole Schuler, executive director with Baker Chamber of Commerce and Agriculture, also grew up in Baker and has lived there the majority of her adult life, outside of a few years in Fargo. She

agreed with Phebus' impromptu analysis of the activists against the pipeline.

"The majority of the people around here are for it," Schuler said.

"There are very few that are against it. Or speak out against it directly I should say."

According to Schuler, the environmental issues aren't as big as the education and information issues surrounding the Keystone pipeline. She believes the Bakken's sweet crude has created some Canadian confusion.

"The main factor, or what it comes down to, is people think it is just oil from Canada. It is also going to carry oil from the Bakken. They can't ship it out of there fast enough," Schuler said.

"When the Keystone comes through here (Baker), there is an on-ramp that will connect to the Bakken and that oil

"I see the Keystone pipeline as a great project for Baker with the on-ramp."

— *Drury Phebus, longtime Baker resident*



will be pipelined together then. That's one thing people don't realize; it isn't just carrying Canadian oil."

Schuler then referenced several articles and online posts that were incorrect and misleading, which adds another element to her position on the information confusion.

"Keystone is very good about keeping us, county and city officials in the loop," Schuler said.

The proposed Keystone XL pipeline project is 1,179 miles of 36-inch-diameter crude oil pipeline that would begin in Hardisty, Alberta, and connect in Steele City, Neb., to continue down the Gulf Coast.

The pipeline will have the capacity to transport up to 830,000 barrels of oil per day to Gulf Coast and Midwest refineries.

Confusion continues with the national conversation in opposition with the pipeline, yet local officials have to prepare accordingly to the intelligent signs and signals not picked up. For example in South Dakota parts of the pipeline are



JASON SPIESS

Baker is primed for growth that the Keystone XL pipeline would bring to the Fallon County, Mont., community.

already running through the state and have been since 2010, and down south in Texas, that portion of the Keystone is old news.

"The oil will eventually move down to the Gulf Coast and what most people do not realize is that bottom leg of the Keystone is already built," Schuler said. "It's already pumping oil and supplying it to the Gulf Coast refineries to be refined."

Like Phebus, Schuler believes politics is holding up the project. Her position, however, contains an economic element.

"It's the crossing of the borders between Canada and the United States that is the holdup," Schuler said. "Many people do not know that one of the biggest man camps is going in just two miles west of town here when it does get built. Huge camp, they are talking 400-600 people on an average, but at one point during the construction there could be as many as a thousand."

Schuler added there has been a number of resources spent by the Keystone investors and the city of Baker.

"Keystone has already given the city money for infrastructure," Schuler said. "That's a done deal. It's already been paid for, there has already been upgrades to our city, water, sewer."

The confusion in the media and political pressures have created some issues with securing long-term investors in the community.

"People have looked at developing here and investing in Baker but aren't sure with the Keystone and the oil prices," Schuler said. "This would bring some stability to our town and might help those developers decide whether or not they are willing to invest here."

She said the project will add people to a well-prepared community primed for

growth.

"We do know once the Keystone is completed and that on-ramp is built, there will be permanent jobs here in Baker," Schuler said. "Keystone will have their own employees because of that on-ramp and everything that is going on here."

According to Schuler several development projects are either complete or underway in anticipation of the Keystone project. "We have several subdivisions in the works right now. Baker had been very proactive for the past seven to eight years. Because we are on the edge of the Bakken, and how industry can come and go in some areas, we actually created a growth policy," Schuler said. "We saw what was happening in Williston, Watford City, Ray and some of those towns (in North Dakota) so we have a growth policy in place to protect ourselves from what is being built, can it be built, how is it done properly with our city's infrastructure."

Phebus said he has seen paperwork with plans for subdivisions in Baker and knows of the ones in progress.

"A lot of people have bet on the come," Phebus said. "Apartments, we got a new hotel, if it don't go through, a lot of people have their neck stuck out."

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