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PETROLEUM, PIPELINES, AND POLITICS: THE FATE OF THE NORTHERN-TIER PIPELINE, 1977-1982

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POSTER PRESENTATION

This paper examines the Northern-Tier Pipeline Company's (NTPC) failed operations in the Northwest United States during the Carter and Reagan administrations and provides an illustrative example of the risks of ignoring local culture. Using documents from the University of Wyoming's American Heritage Center collection, it addresses the vital role of petroleum infrastructure in the United States' energy industry and the challenging regulatory structure that can make the difference between a successful and an unsuccessful venture.

NTPC's mistake was that while it accounted for what it considered reasonable political concerns in Washington, Idaho, Montana, South Dakota, Minnesota and nationally, it failed to recognize the particular pro-environmentalist culture of the Seattle area and its impact on local politics. Spurred by the worsening OPEC energy crisis and Canada's recent decision to halt oil exports, NTPC was formed in 1977 to build a pipeline and bring Alaskan oil from the Pacific to the Midwest. NTPC even undertook a special public relations effort telling of multiple benefits of the pipeline. However, the company did not address the environmentalist culture of Seattle and its pervasiveness within politics and the bureaucracy within Washington's state environmental agencies.

NTPC received immediate support from the Democratic-controlled congress, President Carter, and the northern states through which the pipeline would traverse. The company complied with all of the necessary federal and local regulations, and the federal government even expedited their permits. Company executives thought they would be able to proceed quickly. However, NTPC executives continued to ignore the environmentalist sympathies in the Pacific Northwest. Negative reports, later traced to a group of federal and state bureaucrats known as the "Muskoxen" who covertly tried to control business operations in Washington, spurred public opposition to the pipeline. Despite presidential and congressional pressure, Governor Spellman killed the plans. Ultimately, after its lengthy and expensive legal battles with Washington, NTPC could not afford a second round of planning and permitting. It could not reroute the pipeline outside of Washington, and the venture failed.