

Imperial to break up mega-loads for shipping to oilsands

BY DAVE COOPER, EDMONTON JOURNAL FEBRUARY 26, 2011

With its \$8-billion Fort McMurray-area Kearl oilsands project more than half complete and scheduled to open late next year, Imperial can't wait any longer for its shipment of Korean-made modules, which have been stalled at the inland port of Lewiston, Idaho, amid protests from residents.

The oil giant has decided to break apart 33 of the megaloads into 60 smaller shipments, which will allow them to travel on major highways rather than the winding and scenic U.S. Highway 12 through Idaho and Montana en route to the Fort McMurray area.

"This is our secondary plan. We still intend to move the balance of the 207 units on the original route," spokesman Jon Harding said.

He couldn't comment on the cost of "reconfiguring" the massive modules, which can contain pressure vessels, pipe racks and sophisticated monitoring equipment.

But on a major construction project, the modules must adhere to a tight delivery schedule to ensure installation crews can work efficiently at remote job sites such as Kearl. If the modules can't be delivered as planned, delays will boost labour bills and the cost of the whole project.

Reducing the height and weight of the megaloads, which are 10 metres high and 60 metres long, would allow them to move on Interstate 90 and other freeways.

Last month, Montana gave the green light for Imperial Oil to transport the modules across the state en route to Fort McMurray. But as part of the deal, the oil firm won't be allowed to block traffic along Highway 12 for more than 10 minutes, and must build 54 turnouts along the route to meet that requirement.

The first shipload arrived in October at the Port of Vancouver, Wash., across from Portland on the Columbia River, and the units were towed by barge up the Columbia and Snake rivers to Lewiston, Idaho. They've been stored there as residents fought to prevent the shipments.

On learning that the loads could be broken down into smaller sizes, critics pounced on Imperial's plan and asked Idaho's Transportation Department to withdraw its permits.

"They spent 2010 telling the public, the Idaho Transportation Department and everybody that those loads were not reducible, and they insisted there was no alternative route," opponent Borg Hendrickson, who lives along the original route, told a local newspaper. "They're being slowed down, and suddenly they find an alternate route."

Imperial has said the modules destined for Kearl represent 20 per cent of the off-site prefabrication work, with the rest taking place mostly in the Edmonton area. All firms now use as much prefabrication as possible to reduce the amount of work done at the remote sites.

At Kearl, the first of three phases of the mine and separation units will produce about 110,000 barrels of bitumen a day. The total trip to from the Port of Vancouver to northern Alberta covers more than 2,100 kilometres by river barge and road.

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