TransCanada Reaffirms Keystone Pipeline Restart

TransCanada has reaffirmed its plan to restart the Keystone oil pipeline from Canada to the Midwest on Saturday, although rainy weather is hampering the company's on-site work.

TransCanada shut down the 2,100-mile pipeline Wednesday after tests showed possible safety issues. Company spokesman Shawn Howard said Friday that no leaks have been detected but declined to provide more specifics until the pipeline is inspected.

The pipeline carries about 590,000 barrels of crude per day from Canada to facilities in the Midwest. The potential problems were detected in a section of the line between Missouri and Illinois.

Heavy rains were affecting efforts to move equipment into the area so workers could excavate the pipeline for inspection. Howard said in an email that TransCanada still expects oil to begin flowing through the pipeline again sometime Saturday.

A federal inspector has been sent to the site to review test results, observe repairs and monitor any additional necessary safety issues, according to Jeannie Layson, a spokeswoman for the Pipeline and Hazardous Materials Safety Administration, which oversees pipelines in the U.S.,

The temporary closure isn't expected to affect refinery production or retail gas prices because crude supplies are plentiful across the U.S.

Howard said it is unclear what impact the pipeline's closure may have TransCanada customers. He said crude should flow at normal rates once the pipeline is restarted, although the company may have to make up some volume in November.

The shutdown comes amid delays over TransCanada's plans to build a $7 billion pipeline called the Keystone XL that would transport heavy tar-sands crude oil from Canada to Texas' Gulf Coast refineries.

Opponents warn the new pipeline would be carrying heavy, acidic crude oil that could more easily corrode a metal pipe and lead to a spill. TransCanada says its pipeline would be the safest ever built.

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