

Bond Case Briefs

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EMINENT DOMAIN - TEXAS

In re Texas Rice Land Partners, Ltd.

Court of Appeals of Texas, Beaumont - May 23, 2013 - S.W.3d - 2013 WL 2250717

Texas Rice Land Partners (“TRL”) owns property in Jefferson County, Texas, currently used for rice farming. Real party in interest, TransCanada Keystone Pipeline, L.P. is the owner and operator of the United States’ portion of the Keystone Pipeline System.

After unsuccessful attempts to negotiate the purchase of a necessary easement, TransCanada filed a petition for condemnation seeking to condemn an easement across property owned by TRL in order to complete construction of the pipeline. The trial court entered an order appointing special commissioners, and a hearing was held in which the special commissioners awarded TRL \$20,808 in compensation for the easements sought by TransCanada.

TRL objected on the ground that TransCanada did not possess the power of eminent domain as it was not a common carrier. The Court of Appeals ruled that TransCanada had provided sufficient evidence to establish that the Keystone Pipeline is a common carrier line, and thus possesses the power of eminent domain.