Keystone XL won't boost oilsands growth, U.S. State Dept. says

Pipeline no greater risk than other methods of transport, official says

CBC News Posted: Mar 1, 2013 3:27 PM ET | Last Updated: Mar 1, 2013 5:57 PM ET

Canada

Photo Galleries

Building the northern leg of TransCanada's controversial Keystone XL pipeline won't have a major impact on Alberta's oilsands development, the U.S. State Department says — a finding that might make it easier for the White House to approve the controversial project.

A State Department official said the pipeline "remains unlikely to significantly impact the rate of development of the oilsands or the demand for heavy crude oil in the United States."

Kerri-Ann Jones, an assistant secretary with the department, said the pipeline doesn't pose any greater risks to the environment than any other modes of transportation.

The State Department has now given that new route its blessing, too, despite claims by environmentalists that the risks to the Sand Hills region of the state remained dire.

"The new proposed route is 509 miles [835 km] shorter than the previously proposed route; however, it would be approximately 21 miles [34 km] longer in Nebraska to avoid sensitive areas including the ... Sand Hills region," the lengthy report reads.

The department's findings represent the clearing of a significant hurdle for TransCanada in its marathon bid to win approval from the Obama administration.

Finding 'at odds' with scientists'

The State Department, tasked with assessing the pipeline because it crosses an international border, is sorely mistaken that the pipeline won't fuel more oilsands development, said Bill McKibben, head of 350.org.

That finding is "at odds" with what scientists around the world have found, he said.

"Everybody who reads the industry press in Canada, anyone who pays attention to the financials, knows that if they don't have it, they aren't going to be able to expand the tarsands the way they want to," McKibben added.

"We're hopeful that President [Barack] Obama and Secretary of State [John] Kerry conclude that the bureaucrats have done a poor job here."

However, it wasn't all good news for TransCanada.

The report also cast doubt on one of the strongest pro-pipeline arguments — that Keystone XL will help the U.S. meet its energy needs.

In fact, the report suggests, the growth in rail transport of oil from Western Canada and America's Great Plains could provide plenty of energy for the U.S. over the next decade, regardless of whether the pipeline is ever built.

The analysis also put a far more conservative estimate on the number of

Related Stories

- John Kerry speech ominous for Keystone XL pipeline
- What will Obama's 'green quarterback' mean for Keystone XI ?
- Canada defends dimate record amidst U.S.
 Keystone XL protests
- Obama's climate challenge will impact Canada, U.S. envoy says
- Pipeline delays 'devastating' to Canadian economy, says report

External Links

• View the State Department updates:

(Note: CBC does not endorse and is not responsible for the content of external links.)

REGIONS British Columbia Hamilton Kamloops Toronto Ottawa Calgary Edmonton Montreal Saskatchewan **New Brunswick** Manitoba Prince Edward Island Thunder Bay Nova Scotia Sudbury Newfoundland &

Labrador

North

Stay Connected with CBC News

Windsor







ADVERTISEMENT

Top News Headlines



- Keystone XL won't boost oilsands growth, U.S. State Dept. says
- El investigators' manual outlines tips to root out fraud ■
- Obama OK's budget cuts after talks fail with Republicans
- Canadian papal contender's path traced to Quebec roots



jobs that would be created by Keystone XL.

Proponents of the pipeline have predicted a veritable hiring bonanza, with some Republicans suggesting hundreds of thousands of jobs are in the offing. But the report said that while the pipeline's construction would support 42,100 jobs during the one- to two-year construction period, with total wages of about \$2 billion US, only 35 permanent and temporary jobs would remain once Keystone XL is fully operational.

The department also set 45 days for public comment on plans by Calgary-based TransCanada Corp. to build the \$7-billion, 2,700kilometre pipeline to carry mostly oilsands crude from Western Canada to refineries in Texas.

The department has jurisdiction over the project because it crosses an international border. However, most observers expect Obama to make the final decision, which isn't expected to come until mid-summer.

Proposal a flashpoint

The State Department will have to respond to the public comments on its draft analysis before finalizing it.

As well, State officials still have to conduct a separate examination into whether Keystone XL is in the national interest of the United States.

The pipeline plan has become a flashpoint in the U.S. debate over climate change.

Republicans and business and labour groups have urged the Obama administration to approve the pipeline as a source of much-needed jobs and a step toward North American energy independence. Environmental groups have been pressuring Obama to reject the pipeline, saying it would carry "dirty oil" that contributes to global warming.

There are also worries about a spill.

Obama has twice thwarted the pipeline because of concerns over its route through sensitive land in Nebraska, but has not indicated how he will decide on the pipeline now that Nebraska's governor has approved a new route.

Last month, Obama promised in his inaugural address to respond vigorously to the threat of climate change.

With files from The Canadian Press and The Associated Press

Report Typo Send Feedback

 MacKay promises supply ships despite budget officer's report



Most Recent



Latest Canada News Headlines



 Senator Mike Duffy's P.E.I. seat not safe yet ...

- Keystone XL won't boost oilsands growth, U.S. State Dept. says
- El investigators' manual outlines tips to root out fraud -
- B.C. premier's top staffer resigns amid 'ethnic vote' controversy -
- Alberta couple pleads guilty in disabled woman's death -





The Current

Why internet addiction is a controversial diagnosis

Mar. 1, 2013 2:33 PM

Why some health professionals believe Internet Use Disorder should be recognized in the same way other addictions are.



- Iceland tests find meat pies contain no meat at all
- B.C. premier's top staffer resigns amid 'ethnic vote' controversy
- Obama OK's budget cuts after talks fail with Republicans
- Keystone XL won't boost oilsands growth, U.S. State Dept. says
- El investigators' manual outlines tips to root out fraud
- U.K.'s 'Naked Rambler' behind bars, again
- Canadian dies at Cuban resort area
- Alberta couple pleads guilty in disabled woman's death
- Senator Mke Duffys P.E.I. seat not safe yet





INSIDE CANADA'S HOSPITALS

VITAL SIGNS:

Inside the News

Exclusive behind the scenes videos, photo galleries, special recommendations and columns from Peter Mansbridge.

the fifth estate: Hospital survey

Have you or a loved one stayed in a hospital in the past five years? Share your experiences, good or bad, in this questionnaire.



ADVERTISEMENT

Don't Miss



CBC.ca **CORPORATE** Kids' CBC Wonder World **CBC** Member Centre Aboriginal About CBC Independent Producers Books Music **CBC** Plaver Ptch a Radio or Audio Program Transparency and Accountability Contests News CBC Shop Program and Content Sales Digital Archives **Parents** Production Facilities Archive Sales Documentaries Program Guide Mobile Production Rentals Educational Sales Image Research Library & Still Photos Kids Radio Ombudsman Kids' CBC Preschool Sports CBC: Get the Facts Tapes & Transcripts Digital TV Television STAY CONNECTED MOBILE | RSS | PODCASTS | MEMBER SERVICES: NEWSLETTERS & ALERTS CBC (Radio-Canada Terms Of Use Reuse & Permissions Contact Us Advertise Privacy Site Map Copyright © CBC 2013 cbc.radio-canada.ca cbc.ca radio-canada.ca