



A Primer on the Status of the Keystone XL Pipeline Project

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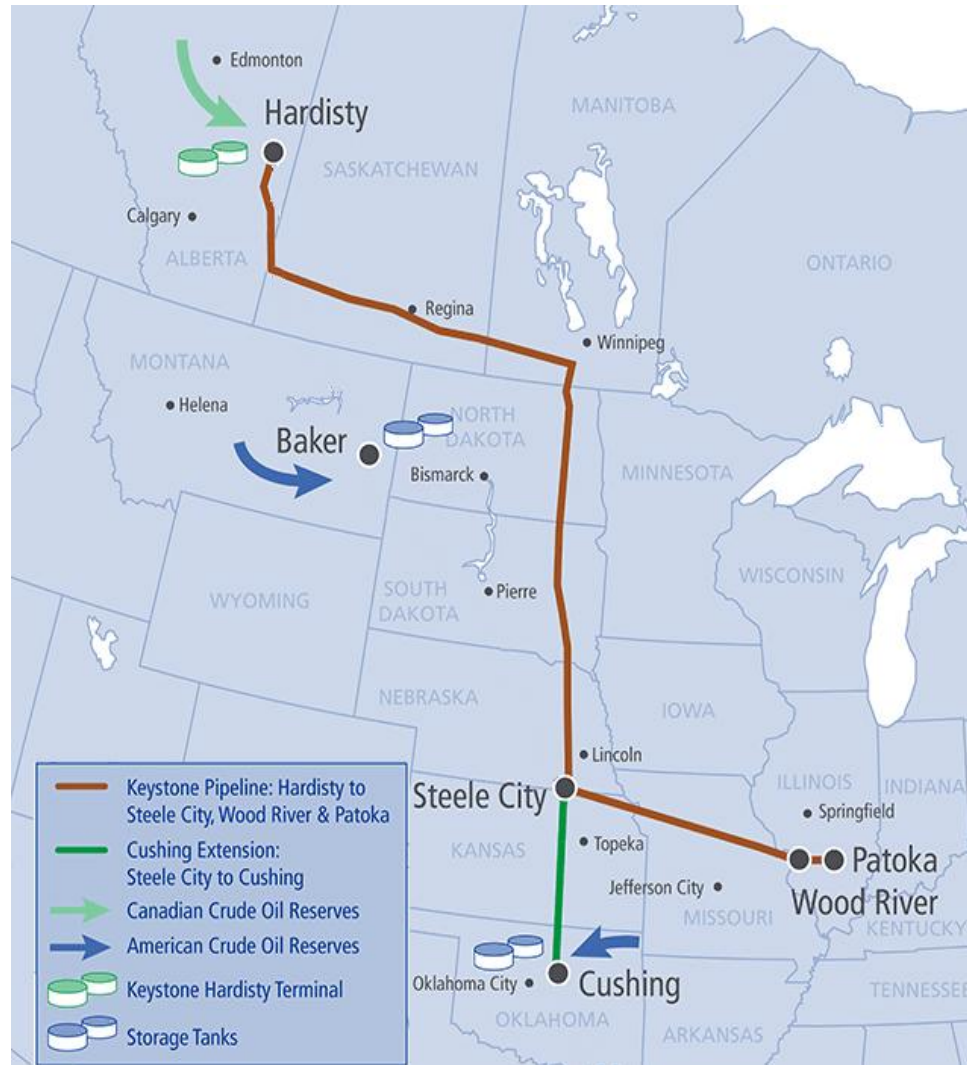


2005 Keystone Pipeline System





2006 Keystone Pipeline Project





2008 Keystone XL Pipeline Project





2012 Keystone XL Pipeline Project





Presidential Permit Process

- Executive Order 13337
- Department of State has authority over facilities for import of fuels
- Project must serve “national interest”
- DOS must consult a variety of officials and appropriate governments
- National Environmental Policy Act requires an Environmental Impact Statement



Permit Process History

- Keystone Pipeline approved in 2008
- 2008 Keystone XL permit was rejected in 2012
- 2012 Keystone XL permit awaiting decision
 - Most recently, the decision was delayed due to a decision by Nebraska's Third District Court
 - DOS has not announced an expected timeline for the decision



Concerns and Potential

Environmental Concerns

- Oil sands extraction process
 - Land disturbance, water usage and quality
- Pipeline safety
 - Oil spills, effects of oil sands crude on pipelines, Keystone XL's operating parameters
- Climate change policy
 - Emissions of oil sands crude, development and usage of fossil fuels

Economic Potential

- Immediate economic impact
 - Construction and permanent jobs, tax impact
- Trade impact
 - Energy security, exports to other markets
- Existing pipeline constraints
 - Meeting demand of Gulf Coast refineries, access to the Bakken formation