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The federal review of the Keystone XL oil pipeline is continuing on its longtime track, the White House and State Department said today as environmentalists and oil-industry players reacted to President Obama's televised outlining of his priorities to evaluate the controversial project.

Obama told Nebraska's KETV yesterday that State would give him "a report" and "recommendations" on the \$7 billion Canada-to-U.S. pipeline, giving a shot in the arm to green groups that have long wanted the White House to take a leading role in deciding whether to approve the pipeline (E&E Daily, Nov. 2).

Asked about those comments today, Obama spokesman Jay Carney -- who directly distanced the president from State's process Monday -- reiterated that the review of the XL link is progressing at that department, not the White House.

But "this is the Obama administration," he added, "and we certainly don't expect, and the president doesn't expect, and you should not expect that the ultimate outcome of this process will do anything but reflect the president's views."

The executive order that governs review of the pipeline, which would significantly boost U.S. imports of emissions-heavy Canadian oil sands crude if approved, directs State to refer a final decision to the president if any other federal agency objects to its final ruling on whether Keystone XL is in the national interest.

"The process is moving forward now on the basis of the delegation of authority, pursuant to the executive order," State spokeswoman Victoria Nuland told reporters today, adding that Secretary of State Hillary Rodham Clinton "has responsibility for running this process, and she's looking to run an open, transparent, thorough process, which brings in the views of all the

agencies."

Nuland also said directly what many stakeholders tracking the project -- a top priority of oil and gas groups as well as Republicans and labor unions that tout its economic upside -- have acknowledged in recent weeks: that State's goal of releasing that national interest ruling before 2012 may not be met.

"We'd like to get it done by the end of the year, but if thoroughness demands a little bit more time, nobody's slammed the door on that," the State spokeswoman said.