

Harper Offers Obama Climate Action for Keystone, CBC Says

Notebook: Keystone

Created: 9/6/2013 4:46 PM

Updated: 12/15/2013 4:22 PM

URL: <http://www.bloomberq.com/news/2013-09-06/harper-offers-obama-climate-action-fo...>

Harper Offers Obama Climate Action for Keystone Approval

By Mark Dragem & Andrew Mayeda - 2013-09-06T21:52:08Z

Canadian Prime Minister [Stephen Harper](#) offered to participate in joint efforts with the U.S. to cut greenhouse-gas emissions to win approval of the Keystone XL pipeline, according to a person familiar with the matter.

Harper sent a letter to President [Barack Obama](#) last month as part of an effort to deal with U.S. concerns about the pipeline, said the person, who asked not to be identified because he is not authorized to discuss it publicly. Environmentalists are urging Obama to reject the pipeline, saying it will contribute to global warming.

The offer from Harper might give Obama an opening to seek accommodations as a way to approve the project while blunting the environmentalists' complaints.

"The [oil sands](#) is a uniquely Canadian issue," Clare Demerse, director of federal policy at the Pembina Institute, a Calgary-based group that supports clean energy, said in an interview. "So joint work with the U.S. is not the answer for the oil sands sector, which is the single largest source of the growth in our greenhouse gas pollution. It's Canada's responsibility." Demerse said she had not seen the letter.

'Significantly Exacerbate'

In June at [Georgetown University](#) in Washington, Obama in a speech declared Keystone shouldn't be approved if it were found to "significantly exacerbate" carbon pollution. The U.S. State Department is reviewing [TransCanada Corp. \(TRP\)](#)'s request to build the \$5.3 billion link from [Alberta](#)'s oil sands to U.S. refineries in the Gulf Coast.

"A key question is whether or not Harper would be amenable to greenhouse gas reductions that would be directly linked to tar sands," said Daniel J. Weiss, director of climate strategy at the Center for American Progress, a Washington-based think tank with close ties to the administration. Only then, Weiss said, would such a plan help meet what Obama has said is a key test the project, he said.

The White House hasn't responded to Harper's letter, according to the Canadian Broadcasting Corp., which reported on the letter earlier today. Harper's plan to raise the issue with Obama at the Group of 20 meeting in [St. Petersburg, Russia](#), today was sidelined by the discussion on [Syria](#), the CBC reported on its website.

The U.S. State Department referred calls about the letter to the White House. The White House press office didn't respond to requests for comment.

Route Revisions

"We do not comment on correspondence between leaders," Stephen Lecce, a spokesman for Harper, said in an e-mail. "The prime minister raises the job creating Keystone XL project every time he speaks with the president."

TransCanada applied to build Keystone XL in September 2008. It changed the route to avoid a sensitive ecosystem in [Nebraska](#) after state officials warned of environmental risks. The State Department said it won't complete its environmental-impact review until after reviewing and publishing 1.5 million public comments, a months-long process.

"We have not seen the letter but as we have said before, the Canadian government has been a strong ambassador for Keystone XL," said Shawn Howard, a spokesman for TransCanada. "As a country, [Canada](#) has a great track record on the environment -- and is the only country that the U.S. currently imports oil from that has substantial greenhouse-gas emissions regulations in place."

830,000 Barrels

TransCanada has said the pipeline could carry 830,000 barrels of oil a day with 100,000 barrels reserved for the light sweet crude from the Bakken formation in [North Dakota](#) and [Montana](#).

"Despite the rhetoric from the professional activists," Howard said. "Keystone XL will move oil long distances with almost no direct emissions."

A March draft environmental impact statement found that the project wouldn't significantly increase greenhouse-gas emissions because the oil sands would be developed without Keystone, and shipped out through other pipelines or by rail.

Environmental advocates have challenged the State Department conclusion and said no trade-off is possible to compensate for the expansion of production of oil-sands in Alberta.

No Deal

"Keystone is an expansion project for the [tar sands](#)," Daniel Kessler, a spokesman for the group 350.org, which is leading the fight against the pipeline, said in an e-mail. "There is no deal that would be palatable to us."

In April, the Globe and Mail in Toronto reported that Alberta's government presented a proposal to increase levies on carbon pollution and force oil sands producers to cut emissions as much as 40 percent.

"The Harper government has gotten really good at rolling out these vague plans, and then stepping on the brakes," Eddie Scher, a spokesman for the [Sierra Club](#), said in an interview. Compensating for digging up the oil sands and burning it for fuel, "doesn't pass the laugh test."

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