

Daily Oil Bulletin

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Trump Signs Orders Advancing Keystone XL; Industry Groups Pleased, Although Caution Urged



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U.S. President **Donald Trump** on Tuesday signed executive actions to accelerate the Keystone XL and Dakota Access pipeline projects and to decree that American steel should be used for pipelines built in the United States.

Trump also signed an action to expedite environmental review and approval of high-priority infrastructure projects that he hopes to get moving as part of his drive to rebuild U.S. airports, roads and bridges.

Trump told reporters that "we are going to renegotiate some of the terms" of the Keystone XL project. "And if they like we will see if we can get that pipeline built — a lot of jobs, 28,000 jobs, great construction jobs."

He said the Dakota pipeline would be "subject to terms and conditions negotiated by us."

Trump said his order on pipelines "will put a lot of steelworkers back to work."

"We are very insistent that if we are going to build pipelines in the United States, the pipes should be built in the United States," he said.



<http://www.dailyoilbulletin.com/media/img/trumpjoshuarobertsreuters.png>

U.S. President Donald Trump. Photo credit Joshua Roberts/Reuters.

CEPA pleased

The **Canadian Energy Pipeline Association** (CEPA) said it is pleased with today's decision from the United States government to move forward on the construction of the Keystone XL pipeline.

“This critical energy infrastructure project will provide a reliable and safe source of Canadian oil to American refineries, while strengthening North America's energy security,” said CEPA president and CEO, **Chris Bloomer**.

“The United States is a key trading partner and major existing market for Canadian oil and gas. While recent pipeline approvals will ensure our energy moves to tidewater, we must continue to maintain the long-standing, strong relationship that we have with our neighbours to the south. All pipeline projects in Canada remain critically important to North America's energy interests.”

The Keystone XL project has undergone rigorous review and environmental assessment in both Canada and the U.S., and will be built and operated to the highest safety standards with world-class regulatory oversight throughout the entire lifecycle of the pipeline, he said.

The project will also offer significant economic benefits to both American and Canadian businesses and citizens, he said.

Another industry representative urged caution.

“The executive action announced today is of course positive but still falls short of a clear endorsement because Mr. Trump has indicated again that he wants to ‘renegotiate some of the terms,’” said **Gary Leach**, president of the **Explorers and Producers Association of Canada**. “What this means is anybody’s guess.

“I notice the pipeline owner has been muted in their reaction. I think today the upstream and midstream industry have learned not to get overly excited by statements from politicians or even regulatory approval — better to wait until the inevitable legal challenges and other protests are overcome and construction is completed before we can start cheering.”

Tim McMillan, president and CEO of the **Canadian Association of Petroleum Producers (CAPP)**, told the *DOB* that this was a positive move from the U.S. president, although it was no surprise given the recent election campaign in the U.S.

While the proponent will have to work with the administration and other stakeholders through the process, the decision today signaled that it is a priority for the new administration.

North America's Building Trades Unions 'celebrate' presidential action to jumpstart Keystone XL and Dakota Access pipeline construction

"Today, President Donald J. Trump gave continued hope to thousands of skilled craft construction professionals in America's heartland for whom the Keystone XL and Dakota Access pipeline projects have been an economic lifeline," **North America's Building Trades Unions** said in a statement.

North America's Building Trades Unions is an alliance of 14 national and international unions in the building and construction industry that collectively represent over 3 million skilled craft professionals in the United States and Canada.

"We are grateful that President Trump understands that 32 per cent of today's construction industry workforce is employed on energy projects, amounting to over two million workers, and that projects such as the Keystone XL and Dakota Access pipelines are significant job creators that generate above-average wages and benefits for hard-working Americans.

"NABTU is encouraged that one of President Trump's first official actions will put tens of thousands of Americans to work and unleash billions and billions of dollars of earned wages into our economy, contributing to a significant boost in our nation's GDP. It should be noted these jobs will be

created without a single dollar of government assistance for project finance, and because they are being constructed under the guidance of a collective bargaining agreement, they also have structures in place for apprenticeship training opportunities for historically neglected communities.

"In politics, there are people of words, and people of deeds. North America's Building Trades Unions are grateful that President Trump is a man who puts action behind his words."

"We are pleased to see the new direction being taken by this administration to recognize the importance of our nation's energy infrastructure by restoring the rule of law in the permitting process that's critical to pipelines and other infrastructure projects," added **Jack Gerard**, president of the **American Petroleum Institute** (API). "Critical energy infrastructure projects like the Keystone XL and the Dakota Access pipelines will help deliver energy to American consumers and businesses safely and efficiently."

"The United States is leading the world in the production and refining of oil and natural gas and in the reduction of carbon emissions which are near 20-year lows. We look forward to working with the Trump administration on putting in place policies to continue our nation's energy leadership that will benefit American consumers and workers, while protecting the environment."

-- with a file from Reuters

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