

## **Barack Obama rejects Keystone XL pipeline project**

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**Washington:** US President Barack Obama denied Canadian energy infrastructure company a cross-border permit for construction of the Keystone XL pipeline, a proposed project harshly criticised by environmental groups.

Obama on Friday said he agreed with the decision of the state department, which had conducted a seven-year review and concluded that the pipeline by TransCanada "would not serve the national interest of the US", Efe news agency reported.

Construction of the pipeline was to have transported up to 830,000 barrels of Canadian "tar sands" crude oil per day from Hardisty town in Alberta state of Canada to Steele city in Nebraska state, US, en route to the US gulf coast refineries.

The pipeline "would not make a meaningful long-term contribution to our economy," Obama said in a statement.

The proposed 1,179-mile pipeline would have been the final phase of the larger Keystone pipeline system, which has already been transporting Canadian crude to the US for three years.

The announcement came two days after the state department denied TransCanada's request to temporarily suspend its review of the company's application.

Obama also said construction of the pipeline would not lower what the US consumers pay at the pump, adding that gasoline prices have been falling steadily for several years amid the plunge in global crude prices.

Moreover, the head of state said his administration had made major strides in its goal of increasing the US energy security by slashing oil imports and producing more crude at home and that "shipping dirtier crude oil into our country" did not fit in with that strategy.

Furthermore, the US now is a "global leader when it comes to taking serious action to fight climate change" and "approving this project would have undercut that global leadership," the president said.

TransCanada, for its part, slammed the decision in a press release.

"We are disappointed with the president's decision to deny the Keystone XL application," the company's president and CEO Russ Girling was quoted as saying, adding "misplaced symbolism was chosen over merit and science -- rhetoric won out over reason."

The Sierra Club in the US, however, hailed the Obama administration's decision.

"Today President Obama said yes to clean energy and public health, and no to dirty oil and dangerous pollution," Michael Brune, the executive director of San Francisco-based environmental group, said in a statement.

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