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From: Sent: To: Cc: Subject: Mills, Cheryl D <MillsCD@state.gov> Thursday, November 10, 2011 4:07 PM H Sullivan, Jacob J; Mills, Cheryl D Fw: pre-KAJ call media assessment

Fyi b/l

From: Klevorick, Caitlin B Sent: Thursday, November 10, 2011 03:51 PM To: Mills, Cheryl D Subject: pre-KAJ call assessment

The stories thus far are pretty clear cut: there's an additional enviro study, it's going to look at Nebraska because of public concern/stakeholder engagement and differences between state regulatory oversight in NE versus the other states along the route.

Besides the facts of the development there are a few storylines

Some are taking political angle: this is obama finding an "escape hatch"—this will be post-2012

Enviros think this is right decision but want more

And there seems to be a divide in Canadian response:

Harper's spox response: "We are disappointed with today's decision to delay a decision on the Keystone XL pipeline," he wrote. "We continue to believe the Keystone XL pipeline will create thousands of jobs and billions in economic growth on both sides of the border. While we are disappointed with the delay, we remain hopeful the project will be decided on its merits and eventually approved." [Andrew MacDougall]

versus

A separate Harper aide suggested Thursday that the difficulties with getting the project approved could spur greater effort by Canada to push a pipeline for crude from Alberta to the Canadian west coast, where it could then be shipped to Asia. That line is also facing regulatory hurdles, including stiff opposition from Canadian native groups. "It could be part of the discussions," Sara MacIntyre, the aide said. She noted that Canada's natural-resources minister is currently travelling in China "just to highlight the resource that we do have here in Canada."

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