

WE WERE RIGHT!
Keystone XL Will Be the Tar Sands Road to China

Just over four years ago, we wrote in the February 2011 *Petroleum Economics Monthly* that the Keystone Pipeline would be Canada's "Tar Sands Road to China." (The report is available [here](#).) Our claims were hotly denied by TransCanada's CEO, who asserted that Canadians preferred to pollute US land with their crude rather than ship it across British Columbia, raising havoc with Canada's pristine forests.

Our analysis has been vindicated. Reuters reported on April 20 that Shell and BP, not waiting for the pipeline's completion, are now exporting Canadian crude from US ports.¹ Crude is going not to China, though, but to Spain and the Netherlands. No doubt the defenders of Keystone XL will call this an anomaly. However, facts are facts. As *The Wall Street Journal* reported today, Canada's First Nation bands are fiercely resisting attempts to build pipelines across their lands.² Apparently, it is easier for pipeline proponents in Canada to subvert US than Canadian politicians.

¹ "BP, Shell Ship Canada Crude Cargoes from Texas to Europe: ClipperData," Reuters, April 20, 2015
[<http://goo.gl/NBgDK6>].

² Alistair Macdonald and Paul Vieira, "Canada's Own Pipeline Problem," *The Wall Street Journal*, April 19, 2015
[<http://goo.gl/Obvd9X>].