



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 12, 2015

### **Keystone XL Pipeline Approval Act**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on January 8, 2015*

In May 2012, a private firm submitted an application for a Presidential permit to construct the proposed Keystone XL pipeline, which would carry crude oil from Alberta, Canada, to Steel City, Nebraska. Under current law, the proposed pipeline requires a Presidential permit because it would cross international borders. That application is still under review by the Department of State, which is responsible for issuing such permits.

This legislation would specify various procedures pertaining to federal review and permitting of the proposed Keystone XL pipeline. In particular, the legislation would specifically authorize the private entity to construct, connect, operate, and maintain the proposed pipeline and related cross-border facilities described in the existing application.

Based on information from affected agencies, CBO estimates that enacting this legislation would have no significant effect on federal spending for regulatory activities related to the proposed pipeline. (Any such regulatory activities are subject to the availability of appropriated funds.) Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

The Keystone XL Pipeline Approval Act contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Megan Carroll. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.