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For G.O.P., Pipeline Is Central to Agenda

By JENNIFER STEINHAUER

WASHINGTON — Just six months ago, [Keystone](#) for many Americans was the state nickname for Pennsylvania. But now Keystone, the Canadian pipeline, has become a centerpiece of the Republican economic and political agenda, and the party's preferred truncheon against [President Obama](#).

On the airwaves, on the campaign trail and in both chambers of Congress, Republicans are relentlessly pushing for an expansion of the pipeline known as [Keystone XL](#) and criticizing Mr. Obama's decision to reject the project for now, forgoing thousands of pipeline jobs. Democrats, increasingly worried that the pounding on the issue will detract from their own message against [income inequality](#), are looking for ways to defuse it.

Republicans are framing Keystone as an urgent jobs and energy project at a time of high unemployment and creeping gasoline prices, and trying to portray Mr. Obama as giving in to hard-left environmentalists in an election year at the expense of addressing both.

The Republican presidential candidates frequently invoke Keystone on the campaign trail. [Newt Gingrich](#) highlighted the project in his [concession speech in Florida on Tuesday](#), saying approval of the project would be one of his first priorities as president.

Republicans are [further spotlighting](#) the support that many Democrats — and some labor unions —

have shown the project, as a way of demonstrating that Mr. Obama's party, not theirs, is divided over the project.

"I think people care very much about the price of gas," said Senator Claire McCaskill, a Democrat facing a tough re-election battle in Missouri. "I support the pipeline," she said. "I disagree with it being used as a political football."

This week, Democrats moved to blunt the Keystone attacks, with some party leaders showing qualified support for the project. On Tuesday, Senator Harry Reid of Nevada, the majority leader, said that if a Keystone bill would guarantee that oil extracted in the project be sold domestically, not overseas, as some critics fear, "then I'll take a look at it."

Representative Steny H. Hoyer of Maryland, the No. 2 House Democrat, told reporters that the project "has merit."

For Republicans, the pipeline is a political trifecta. It unites most of their party and divides the Democrats. It is also fairly easy to explain to voters, and it hits on the key concerns of many Americans: jobs, energy independence and fear of economic competition with China, which Republicans have said will be the recipient of the Canadian oil without the Keystone plan.

"The American people are asking, Where are the jobs?" Speaker John A. Boehner wrote in an e-mail, "and Republicans are going to fight for these jobs."

House Republicans have made approval of the pipeline, which would stretch from oil sands formations in Alberta to refineries on the Gulf Coast, a central goal this year. Their latest bill would remove the State Department's authority over the project.

Senate Republicans have their own legislation to permit the Keystone project to proceed outside Nebraska while a new route is formulated that would avoid the environmentally sensitive Sand Hills region of Nebraska and the Ogallala Aquifer, which provides water to many states.

The number of jobs that could be created by the Keystone expansion — supporters say 20,000 — is disputed. But many companies and labor unions around the country were counting on the expansion and had already made materials or hired workers to gear up.

“We are on the other side of the Ping-Pong table here,” said J. M. Bernhard Jr., president of the Shaw Group, a supplier of fabricated piping systems that had begun to do work for the project.

“It’s hard to understand why we would allow pipelines through the marshes of Louisiana, which I dearly love, and not have other states participating in something for the betterment of the entire United States,” said Mr. Bernhard, a supporter of Mr. Obama who donated to his 2008 campaign.

Keystone has been mired in politics for years, with opponents and supporters of the project each claiming to represent the people of Nebraska, which sits in the center of the proposed expansion. Supporters portray the state as universally in love with the project, while opponents say the state’s residents validate their own dislike of it.

The truth is somewhere in between. [TransCanada](#), the company behind Keystone, initially proposed a route that would cross the Sand Hills and Ogallala Aquifer. Many Nebraskans — including Gov. Dave Heineman, a Republican, and some members of the state’s Congressional delegation — resisted that plan even though the State Department, which has jurisdiction over the project, found it acceptable after extensive review.

Late last year, Mr. Heineman called a special session of the Legislature that [resulted in a law](#) requiring the new Keystone XL route to be constructed away from the Sand Hills. TransCanada agreed, but the Obama administration, facing continued protests from environmental groups, said it would delay a decision on the new route until after the election.

House Republicans pushed back, using an amendment to the [payroll tax](#) holiday extension bill in December to require that the administration make a faster decision while allowing the Nebraska reroute to proceed. Mr. Obama responded by rejecting the TransCanada application.

“We have said from Day 1 we support the project but objected to the route,” Governor Heineman said in an interview. “So now we’re trying to figure out, where do we stand? I think everyone in Washington is playing games. I think we can use a little American and Nebraskan common sense here.”

The White House is betting that Americans will ignore the Keystone issue, and that Mr. Obama’s recent speeches on the road about his energy initiatives, including one in which he said that the Department of Interior would hold a new drilling lease sale for the Gulf of Mexico, will blunt Republican efforts.

“As for the president’s commitment to energy security and expanding domestic production,” said Clark Stevens, a White House spokesman, “the numbers speak for themselves. Since 2008, domestic oil and gas production has increased each year, and last year we produced more oil at home than at any time since 2003.”

A wild card is whether workers invested in the project will serve as an echo chamber for the Republicans’ criticism.

“The problem with Keystone,” said Representative Bill Cassidy, Republican of Louisiana, “is that many of the workers are blue collar. They go to their job and come home and take care of their children, and I don’t know if they are going to get on Facebook and ‘friend’ a bunch of people or anything like that.”



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