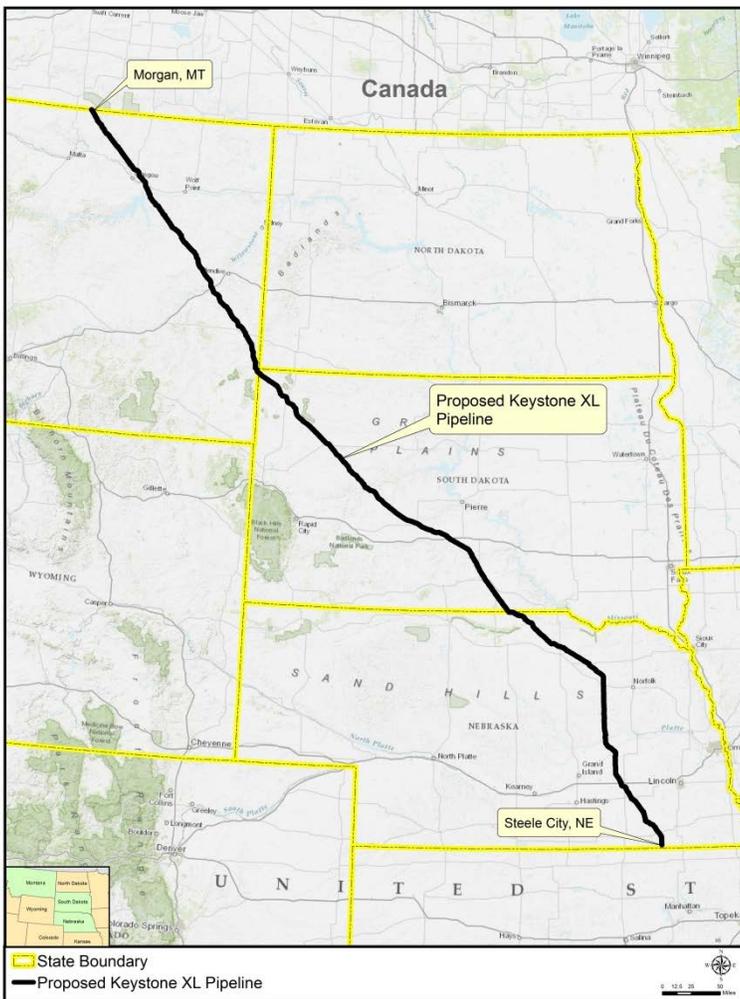


KEYSTONE XL PIPELINE – FACT SHEET 2014



On January 31, 2014, the U.S. Department of State (“the Department”) released the Final Supplemental Environmental Impact Statement (Final Supplemental EIS). The analysis in the Final Supplemental EIS was done consistent with the National Environmental Policy Act and is in response to TransCanada’s application (May 4, 2012) for a Presidential Permit to construct and operate the Keystone XL Pipeline.

The President’s authority to approve or deny a cross-border pipeline permit is delegated to the Secretary of State or his designees in Executive Order 13337.

The analysis in the Final Supplemental EIS builds on the Draft Supplemental Environmental Impact Statement released on March 1, 2013 as well as the documents released in 2011 as part of the previous Keystone XL Pipeline application.

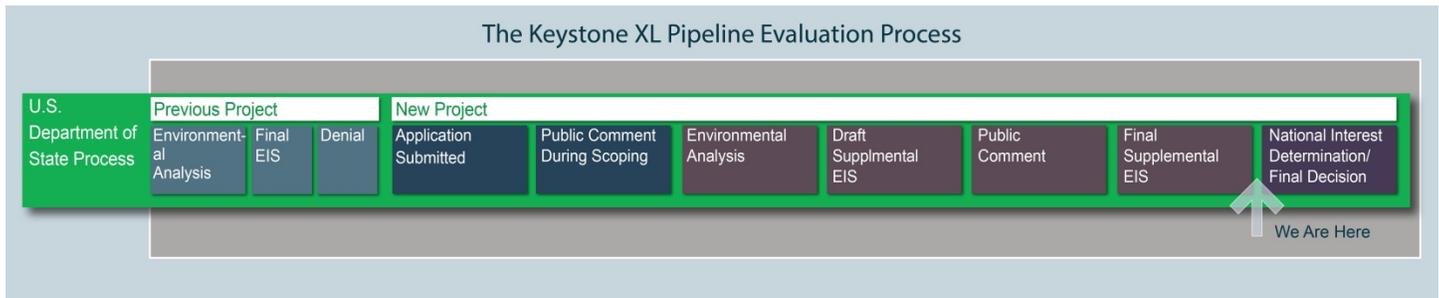
The proposed Keystone XL project consists of a 875-mile long pipeline and related facilities to transport up to 830,000 barrels per day of crude oil from Alberta, Canada and the Bakken Shale Formation in Montana. The pipeline would cross the U.S. border near Morgan, Montana and continue through

Montana, South Dakota, and Nebraska where it would connect to existing pipeline facilities near Steele City, Nebraska for onward delivery to Cushing, Oklahoma and the Gulf Coast area.

The Final Supplemental EIS is not a decisional document on whether to approve or deny the proposed project. The Final Supplemental EIS is a technical assessment of the potential environmental impacts related to the proposed pipeline. It responds to over 1.9 million comments received since June 2012 (from both the scoping and Draft Supplemental Environmental Impact Statement comment periods). The Final Supplemental EIS reflects the most current information on the proposed Project as well as discussions the Department has had with both state and federal agencies. Notable changes since the Draft Supplemental Environmental Impact Statement released in March 2013, include: an expanded analysis of potential oil releases; an expanded climate change analysis; an updated oil market analysis incorporating new economic modeling; and an expanded analysis of rail transport.

The Presidential Permit evaluation process (see figure below) now focuses on whether the proposed Project serves the national interest, which involves consideration of many factors: including, energy security; environmental, cultural, and economic impacts; foreign policy; and compliance with relevant federal regulations and issues. During this time the Department will consult with, at least, the eight agencies identified in the Executive Order: the Departments of Defense, Justice, Interior, Commerce, Transportation, Energy, Homeland Security and the Environmental Protection Agency.

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A 30-day comment period begins on February 5, 2014 and will close on March 7, 2014. During this period, members of the public and other interested parties are encouraged to submit comments on the national interest to <http://www.regulations.gov>. Comments are not private and will be made public. Comments may also be mailed directly to:

U.S. Department of State
Bureau of Energy Resources, Room 4843
Attn: Keystone XL Public Comments
2201 C Street, NW
Washington, D.C. 20520

Additional information related to the application is available at:

<http://www.keystonepipeline-xl.state.gov/>