

Among Those Aware, Support for Pipeline

<i>Heard about Keystone XL pipeline?</i>	Feb 2012 %
A lot	24
A little	39
Nothing at all	37
Don't know	<u>1</u>
	100
N	1,501
<i>If heard, should gov't approve or not?</i>	
Should approve	66
Should not approve	23
Don't know	<u>11</u>
	100
N	1,072

PEW RESEARCH CENTER Feb. 8-12, 2012. Q64-65. Figures may not add to 100% because of rounding.

\$359,000 a minute

While the Obama Administration actively works to prevent construction of the Keystone Pipeline, Americans are spending \$359,000 more each minute on gas than when the President took office.

Source: U.S. Energy Information Administration



It has been MORE THAN THREE YEARS since the application was filed to build the Keystone XL pipeline and bring jobs and energy security to America. Congress has demanded action -- how much longer will President Obama make us wait?

On November 10, 2011, the Obama administration announced that no decision would be made on the long-sought Keystone XL pipeline. Instead, the administration would seek a new route and a new comprehensive environmental review, which would push a final decision into the first quarter of 2013, after the next presidential election.

The Keystone XL pipeline is a proposed \$7 billion, nearly 1,700-mile, 36-inch crude oil pipeline that will stretch from the oil sands in Alberta, Canada to the Gulf Coast, bringing significant new oil supplies to refineries in the U.S.

With the Obama administration already behind schedule in approving this job-creating project, the U.S. House of Representatives voted in July 2011 to require a final decision by November 1, 2011. The bill drew [strong bipartisan support](#), with 47 Democrats joining Republicans to vote yes on this project. However, the Obama administration dismissed it at the time, [saying](#), "The bill is unnecessary because the Department of State has been working diligently to complete the permit decision process for the Keystone XL pipeline and has publicly committed to reaching a decision before December 31, 2011."

With the administration's refusal to make a decision, Congress has once again taken action to demand that President Obama approve the Keystone XL pipeline unless he finds that it is not in the national interest. H.R. 3765, the Temporary Payroll Tax Cut Continuation Act, was approved by the House and Senate and signed into law by President Obama on December 23, 2011. The bill requires the president's decision within 60 days from enactment, which means a final decision on the Keystone XL pipeline will come by February 21, 2012. Use the clock above to see how long it has been since the day Congress called on President Obama - and the president agreed - to make a decision on this job-creating project, and [read more here](#) about the Keystone XL review timeline.

The Keystone XL Pipeline is a Major Job Creator

Estimates from [TransCanada](#) , the company that applied to build the pipeline, project that more than 100,000 jobs could be created over the life of the project, including an estimated 20,000 jobs in construction and manufacturing. Their figures are based on a June 2010 study by [The Perryman Group](#) :

The Perryman Group measured the total impact of the construction and development of the proposed Keystone XL pipeline on the US economy. These effects over the life of the project were found to include \$20.931 billion in total spending, \$9.605 billion in output, and 118,935 person-years of employment. These effects are significant in the states along the route, though spillover gains to other areas, particularly with regard to manufacturing, are quite notable.

The tremendous job-creating potential of this project is one reason why labor unions are lining up in support of the Keystone XL pipeline. In fact, several labor unions have already signed a Project Labor Agreement with TransCanada to set the terms of work on the project – but all those jobs remain in limbo until President Obama makes a decision.

A [November 2011 op-ed](#) appearing in the Huffington Post by Mark Ayers, President, Building and Construction Trades Department, AFL-CIO, details the significant economic benefits of this project, along with the scrutiny it has received in its more than three-year review process:

The privately-financed Keystone XL pipeline project is projected to create tens of thousands of U.S. jobs in construction and manufacturing, and without one single dollar of government assistance. There is also an economic multiplier effect associated with this project, as the economic impact spreads to other industries where demand and expenditures for goods and services within and around the vicinity of the pipeline's construction are expected to increase significantly. ...

In total, the Keystone XL pipeline project has been subjected to tremendous amounts of scrutiny through the National Environmental Policy Act, which includes review by ten federal agencies, as well as numerous state and local agency reviews. The State Department [Supplemental Draft Environmental Impact Statement] has concluded that the proposed Keystone XL pipeline would have "limited adverse environmental impact during construction and operation" and that it would significantly strengthen U.S. economic security.

But most importantly, it is America's workers who are clamoring for the expedited approval of this important project.

As President Obama has rightfully declared when it comes to the creation of jobs, "WE CAN'T WAIT."

The urgent calls for action are nothing new. An [October 2010 letter](#) to Secretary of State Hillary Clinton from the General Presidents of four international unions made the case for approval of the project more than a year before the Obama administration announced its plans to delay a final decision until after the next election:

Each week that goes by in the State Department's permitting process of the Keystone XL, a process that has gone on for more than two years, is lost ground for thousands of workers who are sitting on the sidelines of our ailing national economy.

All four of our International Unions - the United Association of Plumbers and Pipefitters, the International Union of Operating Engineers, the International Brotherhood of Teamsters and the Laborers' International Union of North America - have executed a project labor agreement to build the Keystone XL Pipeline. We are committed to making Keystone XL a reality for our nation and we are prepared to begin work as soon as the Presidential Permit for the \$7 billion privately funded Keystone XL pipeline is approved.

With such strong and lasting support for this project, the president's move on November 10, 2011 to delay a final decision until after the election was a bitter disappointment to the unions that have lined up to build this pipeline. A [November 10, 2011 statement](#) from Terry O'Sullivan, General President of the Laborers' International Union of North America, sums up the reaction:

Environmentalists formed a circle around the White House and within days the Obama Administration chose to inflict a potentially fatal delay to a project that is not just a pipeline, but

is a lifeline for thousands of desperate working men and women. The Administration chose to support environmentalists over jobs – job-killers win, American workers lose.

Luckily, it's not too late. With strong bipartisan support for the Keystone XL pipeline in Congress, both the House and Senate approved – and President Obama signed – a bill that requires the president to approve the pipeline within 60 days unless he finds the project, with all of its jobs and energy benefits, is not in the national interest. The clock is ticking.

The Keystone XL Pipeline: Secure, Stable Oil Supplies from a North American Ally

Canada's recent oil sands discoveries are game-changers in the world energy market. Estimated at 170 billion barrels of recoverable oil, the oil sands place Canada behind only Saudi Arabia and Venezuela in proven reserves. In addition, the enormous and newly discovered Bakken formation in North Dakota and Montana is producing over 400,000 barrels per day and climbing. With production projected to increase substantially over the next several years in these areas, current pipeline capacity is struggling to keep up with new volumes.

With this development in mind, TransCanada began constructing the Keystone pipeline system in 2008. The initial line moves 590,000 barrels of oil per day from Northern Alberta to offload points in Cushing, OK and Patoka, IL. The "XL" extension – once approved – will expand the system by 700,000 barrels per day and bring the line further south to Texas. With XL's addition and another planned expansion along the Texas coast, the Keystone system will transport 1.4 million barrels of oil per day from Alberta and North Dakota to Midwest and Gulf Coast refineries.

Iran's recent war games in the Strait of Hormuz underscore how unstable nations on the other side of the globe can affect U.S. energy security. [Bloomberg](#) reports:

About 15.5 million barrels of oil a day, or a sixth of global consumption, passes through the

Strait of Hormuz between Iran and Oman at the mouth of the Persian Gulf, according to the U.S. Energy Department. Crude futures have risen 7.4 percent since Dec. 16 on increased concern OPEC's second-largest producer would close the passage in the face of pressure from the U.S. and European governments to abandon a suspected nuclear weapons program.

Canada is the United States' largest trading partner, but our northern neighbor has recently begun exploring other options for their oil sands supplies. If the U.S. keeps stalling on the Keystone XL project, Canada has oil-hungry customers all over the world that would be more than willing to consume these stable energy supplies.

Already a year behind schedule, TransCanada has stated it cannot continue with this project if it continues to experience unreasonable delays. If the project is not approved in a timely manner, the tens of thousands of jobs and the millions of barrels of non-OPEC oil meant for U.S. consumers will be lost at the hands of the administration.

The Keystone XL Pipeline and Gas Prices

The recent run-up of gas prices is mostly attributable to threatened, disrupted, and restricted oil supplies in the Middle East and North Africa due to political turmoil in producer nations. These events have heightened anxiety among investors and physical traders of oil, which has caused prices to rise and remain at high levels. Fluctuating gas prices demonstrate how our economic and national security is threatened by reliance on unstable sources of oil.

Discovery of the Canadian oil sands has the potential to change the current gas price dynamic. If this resource is allowed to be produced and brought to market as quickly and efficiently as possible, it could significantly rebalance global oil markets toward North America's favor.

The Keystone pipeline system can play a major role in maximizing this resource's potential. Bringing a massive amount of oil to market from a politically and economically secure source can restore market confidence and bring down gas prices. The Department of Energy

determined this pipeline, along with vehicle efficiency improvements, could “essentially eliminate” our Middle East oil imports.

The Keystone XL Pipeline: Environmental Studies are Complete, but the Bureaucratic Delays Continue

TransCanada submitted its application for a Presidential Permit, which is required for a pipeline to cross our border, in September 2008. The process and criteria under which a Presidential Permit is evaluated is detailed in the National Environmental Policy Act (NEPA) and Executive Order 13337. Historically, the NEPA process for a crossborder pipeline takes 18 to 24 months. The TransCanada Keystone XL application has been pending for 39 months.

In April 2010, the State Department (the lead agency in this process) issued its Draft Environmental Impact Statement for the project. The EPA rated it “inadequate,” forcing further review that did not conclude until April 2011, when a Supplemental Draft Environmental Impact Statement was issued.

In August 2011, the Final Environmental Impact Statement (FEIS) was released, kicking off a 30-day public comment period and 90-day federal agency comment period. The FEIS addressed all concerns raised by EPA in previous iterations, and was in fact largely supportive of the project. After weighing all options and outcomes, the State Department identified its “preferred alternative,” which was to build the pipeline as currently proposed. Just as the federal agency comment period neared completion, and the State Department appeared ready to issue a National Interest Determination, on November 10, 2011, the Obama administration changed course and announced it would seek a new route and a new environmental study, which would take another 15 to 18 months.

The State Department itself has [details](#) about the extensive review process that has already been undertaken for the Keystone XL pipeline. Ironically, at least as late as December 31, 2011 (and perhaps still), the State Department website still says a final decision is expected by the end of the year. This shows that the full and comprehensive review was on track for completion until the political decision to delay the project yet again, this time for more than a

year, until after the next election. Unfortunately a delay of this length could very well jeopardize the entire project.

The Obama administration points to concerns in the state of Nebraska as its reason for delaying the entire Keystone XL pipeline project. However, there is no federal role – and no Presidential Permit required – for an intra-state pipeline like the re-route within the state of Nebraska. The legislation passed by Congress and signed into law by President Obama makes clear that the State Department's existing Final Environmental Impact Statement for the Keystone XL pipeline stands. The law states any environmental review of the modified route through Nebraska will be performed by the State of Nebraska.