

## **Supporting Keystone XL: National Interest Determination Comment Period**

The Keystone XL Pipeline has been thoroughly reviewed for over five years and five iterations of environmental assessment. With the release of the State Department's Final Environmental Impact (EIS) Statement, the State Department has initiated a 30-day public comment on the project's National Interest Determination. Essentially, the State Department will evaluate if the project is in the national interest and, as such, worthy of a President Permit.

The State Department will be utilizing nine criteria in its national interest overview. Below is a brief response to each of those criteria.

### **1. Environmental Impact of the project:**

Each of the five environmental reviews – which have involved multiple federal, state and local agencies, the final EIS concluded that the project will “have limited adverse environmental impacts” during construction and operation. In terms of the project's impact on climate change, the final EIS also concluded that the project would not have a significant impact on the development of the Canadian oil sands.

### **2. Impacts of the proposed project on the diversity of supply to meet U.S. crude oil demand and energy needs:**

The United States will continue to consume over 18 million barrels a day of crude oil for the foreseeable future. Keystone XL would transport 830,000 barrels of Canadian and American crude daily to refineries in the Gulf Coast. Refineries in the Gulf Coast region still rely on OPEC oil for over 60 percent of their crude oil imports, much of which are heavier crude imports from Venezuela and the Middle East. Keystone XL alone could displace all of the crude oil that PADD III refineries import from Venezuela. Access to Canadian and U.S. oil will alleviate the vulnerability that Gulf refineries – and by effect consumers across the country – face relying on overseas imports.

### **3. The security of transport pathways for crude oil supplies to the U.S. through import facilities constructed at the border relative to other modes of transport:**

Keystone XL provides the most efficient, safest and least intrusive method for transporting Canadian and Bakken crude to markets in the Gulf Coast region. Alternative transport methods will result in greater energy use and carbon emissions. Furthermore, the likelihood of an incident leading to a release or spill of crude oil is much lower for pipelines than other transport methods. For all these reasons, pipelines carry nearly two-thirds of the oil and petroleum products transported domestically.

#### **4. Stability of trading partners from whom the U.S. obtain crude oil:**

The United States and Canada enjoy the largest trading partnership and the longest peaceful border in the world. Conversely, Venezuela and Middle Eastern countries that currently import oil to the Gulf Coast do not share friendly or stable bilateral relationships with the United States.

#### **5. Impact of a cross-border facility on the relations with the country to which it connects:**

The Keystone XL pipeline will strengthen the trade relationship between the United States and Canada and enhance our collective energy security. For every \$1 that the United States spends on Canadian goods and services, Canada returns \$0.89 importing American goods and services.

#### **6. Relationship between the U.S. and various foreign suppliers of crude oil and the ability of the U.S. to work with those countries to meet overall environmental and energy security goals:**

With smart policies that allow development of our oil and natural gas resources, North America could be energy self-sufficient by 2020. U.S. crude imports from Canada could reach 4 million barrels a day by 2030, eliminating the need for heavy crude imports from Venezuela and the Middle East. Keystone XL is necessary to ensure the United States receives these imports.

#### **7. Impact of proposed projects on broader foreign policy objectives, including a comprehensive strategy to address climate change:**

Any analysis by Consumer Energy Alliance shows that carbon emissions associated with crude oil transport would be five times higher if Keystone is not built, assuming Gulf Coast refineries continue to rely on overseas heavy crude and Canadian oil sands producers send their product to China.

The final EIS concluded that “the overall contribution to cumulative GHG impacts from proposed Project construction and operation would not constitute a substantive contribution to the U.S. or global emissions.”

#### **8. Economic benefits to the U.S. of constructing and operating proposed projects:**

The \$7 billion Keystone pipeline expansion will support as many as 42,000 new American jobs during construction and generate \$2 billion in workers’ salaries. In just the first year of operations, tax revenues from the project would amount to over \$55 million for the 27 counties along the pipeline’s route. The final EIS estimated that “This impact to local property tax revenue receipts would be substantial for many counties, constituting a property tax revenue benefit of 10 percent or more in 17 of these 27 counties.”

## 9. Relationships between proposed projects and goals to reduce reliance on fossil fuels and to increase use of alternative and renewable energy sources:

U.S. Energy Information Administration estimates show that the United States will continue to rely on fossil fuels as its dominant source of energy for decades to come. Through 2040, the EIA estimates that the United States will consume at least 18 million barrels of liquid fuels a day.

### Keystone XL Pipeline Jobs by State

• Alaska	Jobs by 2015: 78	Jobs by 2020: 147
• Arizona	Jobs by 2015: 558	Jobs by 2020: 993
• Colorado	Jobs by 2015: 1,129	Jobs by 2020: 2,192
• Florida	Jobs by 2015: 1,624	Jobs by 2020: 2,919
• Idaho	Jobs by 2015: 149	Jobs by 2020: 256
• Indiana	Jobs by 2015: 799	Jobs by 2020: 1,403
• Mississippi	Jobs by 2015: 270	Jobs by 2020: 482
• Nevada	Jobs by 2015: 260	Jobs by 2020: 473
• North Dakota	Jobs by 2015: 76	Jobs by 2020: 132
• Ohio	Jobs by 2015: 2,419	Jobs by 2020: 4,594
• Oklahoma	Jobs by 2015: 396	Jobs by 2020: 702
• Texas	Jobs by 2015: 3,421	Jobs by 2020: 6,312
• Utah	Jobs by 2015: 262	Jobs by 2020: 468
• Wisconsin	Jobs by 2015: 2,871	Jobs by 2020: 5,719
• Wyoming	Jobs by 2015: 73	Jobs by 2020: 137

Overall, the Keystone XL pipeline project will:

#### Create thousands of jobs

- Produce 20,000 well-paying jobs during manufacturing and construction;
- Increase personal income for all America workers by \$6.5 billion during the lifetime of the project.

#### Increase tax revenue for local governments

- Generate an estimated \$138.4 million in annual property tax revenue for state governments and local entities where the pipeline is located;
- Create \$585 million in new taxes for communities along the pipeline route;
- Create more than \$5.2 billion in property taxes during the lifetime of the pipeline.

#### Spur additional indirect economic impact

- Generate additional private sector investment of around \$20 billion on food, lodging, fuel, vehicles, equipment, construction supplies and services.

Source: Institute for 21<sup>st</sup> Century Energy, US Chamber of Commerce, [www.energyxxi.org/keystone-xl-benefits](http://www.energyxxi.org/keystone-xl-benefits)