WHY AMERICANS SAY YES TO KEYSTONE XL
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In the rollout of his climate plan, President Obama said that the approval of Keystone XL hinges on a finding that the pipeline will not significantly increase greenhouse gas emissions. As he put it, “Allowing the Keystone pipeline to be built requires a finding that doing so would be in our nation’s interest. And our national interest will be served only if this project does not significantly exacerbate the problem of carbon pollution. The net effects of the pipeline’s impact on our climate will be absolutely critical to determining whether this project is allowed to go forward. It’s relevant.” Of course, the State Department has already stated on more than one occasion that Keystone XL will not impact the climate because Canada will still develop its oil sands. In fact, if Keystone XL isn’t built, global greenhouse gas emissions are likely to increase because more oil sands crude would be refined in countries like China where current emissions standards are not as strict.

- In its 2013 draft assessment, the State Department found that Canada will develop its oil sands “with or without the project.” It continued, “approval or denial of the proposed project is unlikely to have a substantial impact on the rate of development in the oil sands, or on the amount of heavy crude oil refined in the Gulf Coast area.”

- The State Department’s 2013 assessment offers a similar conclusion to its 2011 assessment of Keystone XL which found that, “from a global perspective, the project is not likely to result in incremental greenhouse gas emissions.”

- On a lifecycle basis, greenhouse gas emissions from oil sands are comparable to other crudes refined in the United States.

- IHS CERA recently released a report which also finds that Keystone XL will have “no material impact” on greenhouse gas emissions. The report states that heavy crude oil will be refined in the U.S. Gulf Coast refineries regardless – but without Keystone XL, much of that crude will be imported from Venezuela instead of Canada. As the report states, Venezuela will be “the number one beneficiary of a negative decision” on Keystone XL.

- According to IHS CERA 70 to 80 percent of greenhouse gases are emitted during the combustion of fuel in an engine so the vast majority of emissions remain the same regardless of whether the crude comes from Canada, Nigeria or California.

- Canada accounts for only 2 percent of global greenhouse gas emissions and emissions from oil sands are a small fraction of that.
“The State Department, which is charged with evaluating the Keystone project because it crosses the U.S.-Canada border, has already made an early determination on the pollution impact. The agency said in a draft review released in March that Keystone would **not likely result in significant adverse environmental effects.** [...] The 2,000-page draft report shows, convincingly, that the president’s condition has been satisfied. The case is ready to be closed. Let’s start putting people to work laying pipe.”

— Chicago Tribune Editorial, “Will Obama OK the Keystone pipeline? The case for approving the pipeline”

“With proposed conditions to protect public health and safety, the Keystone pipeline would be the best way to get Canada’s oil sands to market. The U.S. State Department’s review has already established that **this pipeline won’t significantly increase carbon emissions.** This oil is going to market one way or the other. If the pipeline isn’t built, more oil will travel on trucks and rail or on ships.”

— Billings Gazette Editorial, “Keystone XL project satisfies Obama’s carbon criteria”

“The test of President Obama’s seriousness about addressing climate change is not his pending decision on the much-debated Keystone XL pipeline [...] **the oil is likely to be extracted eventually, regardless of the pipeline decision.**”

— Washington Post columnist Eugene Robinson

“In its 2,000 pages, the [State Department] report dismantled the case that nixing the Canadian pipeline must be a priority for anyone concerned about climate change, explaining anew that **accepting or rejecting the project won’t make much difference to global emissions, U.S. oil consumption or world oil markets.**”

— Washington Post Editorial: “Environmentalists are fighting the wrong battles”

“In fact, [Keystone XL] should be a **no-brainer for the president,** for all the reasons I stated earlier, and one more: the strategy of activists like McKibben, Brune and Hansen, who have made the Keystone pipeline their line in the sand, is utterly boneheaded.”

— New York Times op-ed contributor Joe Nocera

“One of the world’s top climate scientists has calculated that emissions from Alberta’s oil sands are unlikely to make a big difference to global warming... ‘I was surprised by the results of our analysis,’ said Andrew Weaver, a University of Victoria climate modeler, who has been a lead author on two reports from the United Nations Intergovernmental Panel on Climate Change. ‘I thought it was larger than it was.’... ‘The conventional and unconventional oil is not the problem with global warming,’ Dr. Weaver said.”

— Andrew Weaver, University of Victoria climate modeler in the Globe and Mail

“And despite fears by climate change activists that increased oil sand production has profoundly negative consequences to global warming, **Alberta’s massive reserve base contributes relatively little to the problem at a global scale.**”

— Michael Levi, senior fellow for energy and environment at Council on Foreign Relations in the Scientific American

 “[R]egarding the Keystone pipeline, the administration should face down critics of the project, ensure that environmental standards are met and then approve it. As Nature has suggested before (see Nature 477, 249; 2011), the pipeline is not going to determine whether the Canadian tar sands are developed or not. Only a broader — and much more important — shift in energy policy will do that. Nor is oil produced from the Canadian tar sands as dirty from a climate perspective as many believe...”

— Nature editorial, “Change for good The United States must boost energy spending to make its mark on the climate debate.”
KEYSTONE XL WILL INCREASE NATIONAL SECURITY AND ENERGY SECURITY

Keystone XL is absolutely in “our national interest.” Canada, our neighbor and ally, has the third largest oil reserves in the world – and the Keystone XL pipeline would safely and efficiently transport these resources to America while creating jobs and continuing to strengthen the trade relationship between our two countries. Canada is already the United States’ top supplier of imported oil, providing over 28 percent of our crude oil imports. With Keystone XL, the United States could import even more oil from Canada, replacing imports from unstable areas of the world and from other regions that have declined in recent years. The bottom line is that Keystone XL unites the United States and Canada in a mutual goal: achieving North American energy security.

- North American oil production, and particularly oil sands, is sending “shock waves” through global markets slashing U.S. imports from OPEC, according to a report released by the International Energy Agency (IEA). As IEA executive director Maria van der Hoeven put it, “North America has set off a supply shock that is sending ripples throughout the world...A real game changer in every way.” IEA found that North American oil sands supply will grow by 3.9 million barrels per day from 2012 to 2018. IEA also found that North America will provide 40 percent of new energy supplies by 2018 through the development of oil sands, while contributions from the Organization of Petroleum Exporting Countries (OPEC) will fall to 30 percent. Moreover, North America will be “all but self-sufficient” in its energy needs by 2035.
• Canadian crude oil production will more than double by 2030, primarily due to oil sands development, according to the Canadian Association of Petroleum Producers. Oil production will reach 6.7 million barrels a day by 2030, up from 3.2 million barrels a day in 2012.

• **Keystone XL will enhance our economic security:** for every $1 of goods we purchase from Canada, nearly 90 cents is returned by Canadians buying US goods and services – that’s more than double the return from investing in the Middle East.

• **Keystone XL will enhance energy security:** Keystone XL would help bring more domestic and Canadian oil to U.S. markets potentially replacing almost 90 percent of what the U.S. currently imports from Venezuela.

• In the next dozen years, increased access to domestic oil and gas supplies combined with crude from Canadian oil sands could make North America 100% energy secure with regard to transportation fuels.

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**Keystone XL & the Oil Sands: Widespread Economic Benefits**

For every **$1 of goods we purchase** from Canada, nearly **90 cents are returned** to the U.S.  

(Statistics Canada & U.S. Census)  

[www.oilsandsfactcheck.org](http://www.oilsandsfactcheck.org)

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“In every day it becomes more evident for our nation to achieve true energy security; we must engage our stable and reliable neighbors — Canada in particular... The country can’t afford to pass up the opportunity for reliable supply from a close ally and neighbor, which would leave us less vulnerable”

– Former Obama national security advisor and retired General Jim Jones

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**Keystone XL & the Oil Sands: Supply in Perspective**

In 2012, the U.S. imported **8.5 million barrels of petroleum per day. 28%** of those imports came from Canada – a significant supply that can increase with Keystone XL, while creating jobs and improving American energy security along the way.

(U.S. Energy Information Administration)  

[www.oilsandsfactcheck.org](http://www.oilsandsfactcheck.org)
Numerous studies have found that the Keystone XL pipeline would be an economic machine, creating tens of thousands of American jobs.

- **Keystone XL will support 42,100 American jobs during construction:** In its assessment of Keystone XL, the State Department found that, “Including direct, indirect, and induced effects, the proposed Project would potentially support approximately 42,100 average annual jobs across the United States over a 1 to 2-year construction period.” The State Department also noted that these jobs will put $2 billion in workers’ pockets.

- Nearly 4,000 jobs have already been created through the construction of the “southern leg” of Keystone XL, known as the Gulf Coast Project, according to the AP.

- **Oil Sands jobs:** CERI also predicts Keystone XL will create 117,000 new U.S. jobs over the next 15 years which can be attributed to oil sands development linked to the project.

- For every two jobs created to support Canada’s oil sands development operations, approximately one is created here at home.

- TransCanada predicts that $20 billion will be injected into the American economy by Keystone XL.

“The interstate highway system was a temporary job; Mount Rushmore was a temporary job. If they (opponents) knew anything about the construction industry they’d understand that we work ourselves out of jobs and we go from job to job to job.”

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*– Sean McGarvey, President of the Building and Construction Trades Department at AFL-CIO*
“It’s about jobs; that’s what it’s about – put Americans back to work again... It’s good for our economy, it’s good for our country; it’s good for our energy independence and it’s good for working men and women in the building trades.”

– Terry O’Sullivan, President of Laborers International Union of North America (LIUNA)

“The American construction industry has suffered greatly [...] far too many of our members have lost homes and are struggling to put food on the table. The Keystone XL project will create tens of thousands of good paying jobs here in the United States and Canada. For many members of our unions, Keystone XL is not just a pipeline; it is, in the most literal sense, a lifeline.”

– Sean McGarvey President of the Building and Construction Trades Department of the AFL-CIO

Keystone XL & the Oil Sands
Investment = Jobs

Oil sands development linked to the Keystone XL pipeline could support 117,000 new U.S. jobs by 2035.

NOW

2035

117,000 NEW JOBS

www.oilsandstraincheck.org
Construction of the Gulf Coast Project, Keystone XL’s “southern leg,” which was fast tracked by the president, began in August 2012 and is anticipated to be in service by the end of 2013.

Keystone XL has been studied for nearly five years – it has been found to be environmentally sound and the State Department has determined it will not significantly increase greenhouse gas emissions. All that is needed to start building the remainder of Keystone XL is President Obama’s approval.

Workers are ready to get started: Union business manager Danny Hendrix explained the status of construction jobs: “In the meantime, Hendrix said, pipeline workers with his union will keep an eye on Washington. ‘If the permit gets approved, we’ll start construction on the northern end of it immediately.’“

“[A]s long as I’m president, we’re going to keep on encouraging oil development and infrastructure and we’re going to do it in a way that protects the health and safety of the American people. We don’t have to choose between one or the other, we can do both.”

- President Barack Obama, Cushing, Oklahoma March 2012
Keystone XL: A Long Road to Approval

Clocking in at over four years of review, the Keystone XL pipeline has undergone the longest pipeline application deliberation in history.

2008
- Sept 19: Dept. of State (DOS) receives KXL application
- Nov: First Environmental Report issued to TransCanada

2009
- Jan 1: DOS begins first of 20 scoping meetings for the Environmental Impact Statement

2010
- April 16: DOS releases Supplemental EIS; finds that KXL would have "limited adverse environmental impacts"
- April 16: DOS begins to solicit comments on the pipeline, twice extending the comment period
- Oct 25: Labor unions representing 2.5 million workers urge DOS to approve pipeline

2011
- Jan 1: TransCanada agrees to 57 safety measures
- April 15: DOS releases supplemental draft EIS
- Aug 26: DOS releases its final EIS in support of moving ahead with the pipeline
- Aug 26: DOS begins its National Interest Determination
- Sept: Final EIS report finds no major environmental risks
- Nov 10: Pres. Obama delays project until after the 2012 election
- Dec 23: Payroll tax bill clears Congress, requiring the president to approve or deny the KXL within 60 days

2012
- Jan 18: Pres. Obama denies KXL permit, citing inadequate environmental examination
- Feb 27: TransCanada proceeds with Gulf Coast Project
- March: Pres. Obama publicly states that the Gulf Coast Project has presidential support
- May 4: TransCanada submits Presidential Permit application to DOS
- May 9: Nebraska Dept. of Environmental Quality (NDEQ) holds first of several public meetings to review proposed re-route.
- June 15: DOS announces that it expects to make a decision on the project by the first quarter of 2013
- Aug 9: Gulf Coast Project approved
- Sept 5: TransCanada submits new KXL route
- Nov 1: NDEQ releases draft evaluation
- Dec 4: Final public hearing on Nebraska route

2013
- Jan 4: NDEQ releases final evaluation report; starts governor’s 30-day review
- Jan. 22: Neb. gov. approves pipeline route through the state
- March 1: State Dept releases DEIS, finds project will not have significant environmental impact
Pipelines are widely acknowledged to be among the safest and most efficient means of moving energy products overland for long distances. The Keystone XL pipeline will meet safety measures that go above and beyond any existing pipeline.

- **Keystone XL will “have a degree of safety over any other.”** All U.S. pipelines must operate under Maximum Operating Pressure limitations and a host of other safety requirements administered by (PHMSA). Keystone XL will go above and beyond those requirements by adopting 57 extra safety measures, leading the State Department to declare that the project would “have a degree of safety over any other.”

- **Oil sands crudes are not more corrosive than other crude oils.** A new report by the National Academy of Sciences (NAS) states unequivocally that diluted bitumen (one of the kinds of oil that will be transported by the Keystone XL pipeline) is no more corrosive than any other kind of crude oil and therefore not more likely to spill from a pipeline. As Mark Barteau, an author of the report and professor of chemical engineering at the University of Michigan put it: “Diluted bitumen has density and viscosity ranges that are comparable with those of other crude oils. It moves through pipelines in a manner similar to other crude oils with respect to flow rate, pressure, and operating temperature. There’s nothing extraordinary about pipeline shipments of diluted bitumen to make them more likely than other crude oils to cause releases.”

- In a 2011 report, Canadian research group *Alberta Innovates* found that acid and sulfur compounds found in oil sands crudes “are too stable to be corrosive and some may even decrease corrosion.” Recent testing and studies by ASTM International and Penspen support this conclusion.

- The State Department noted in its 2013 assessment, “[B]ased on averages of approximately 5 years, the acids [in diluted bitumen] are too stable to be corrosive under transmission pipeline temperatures.” It continues, “Dilbit viscosity is comparable to those of conventional heavy crude oils and there is no evidence of increased corrosion or other potential pipeline threat due to viscosity.”

- The State Department also pointed out in its 2013 assessment that it is highly unlikely that the pipeline would pose a threat to the Great Plains Aquifer: “Overall, it is very unlikely that the proposed pipeline area would affect water quality in the [Great Plains Aquifer] … “[T]here is an extremely low probability that a petroleum release from the proposed Project would affect water quality in [the Western Interior Plains Aquifer].”

- As Mark Barteau, an author of the report and professor of chemical engineering at the University of Michigan put it: “Diluted bitumen has density and viscosity ranges that are comparable with those of other crude oils. It moves through pipelines in a manner similar to other crude oils with respect to flow rate, pressure, and operating temperature. There’s nothing extraordinary about pipeline shipments of diluted bitumen to make them more likely than other crude oils to cause releases.”
Throughout the debate, Keystone XL opponents have tried to convince the American public that Canadian oil sands won’t be developed or transported if Keystone XL isn’t built. This is simply false. As the State Department and several notable Canadian officials have confirmed, Canadian oil sands will be developed and transported, either by other pipelines or by rail, regardless of whether the Keystone XL pipeline is built.

Unlikely to Impact Rate of Extraction

- As the State Department found “Approval or denial of any one crude oil transport project, including the proposed Project, remains unlikely to significantly impact the rate of extraction in the oil sands, of the continued demand for heavy crude oil at refineries in the U.S. Limitations on pipeline transport would force more crude oil to be transported via other modes of transportation, such as rail, which would probably (but not certainly) be more expensive.”

Canada has Market Access Options

- What has received less attention is the fact that according to the State Department, if Keystone XL is rejected, many other pipelines – those that are already in use and those that are planned – would also play a significant role in transporting Canadian crude. Other pipeline operators, including Enbridge and Kinder Morgan Canada, are actively pursuing pipeline projects to move more western Canadian crude to the market. Keystone XL is just one of six pipeline projects under development to transport Canadian oil sands: there are two pipeline routes to the west, two to the south, and two to the east.

“Let me put it this way: I do think that [oil sands crude] in Canada will get out and be used.”

– Steven Chu, former U.S. Secretary of Energy

“[A]pproval or denial of any one crude oil transport project, including this proposed project, really remains unlikely to significantly impact the rate of development of the oil sands, or the continued demand for heavy crude oil in the U.S.”

– Kerri-Ann Jones, Assistant U.S. Secretary of State

“We’ve got a delay in British Columbia, and controversy in D.C. [But] it’s not a question of whether this oil comes into the United States. It’s a matter of how.”

– Gary Doer, Canada’s Ambassador to the U.S.

“We don’t necessarily view [Keystone] XL as a linchpin in oil production. The industry will look for other ways to get to market.”

– Grady Semmens, TransCanada spokesman

“Several of the project’s opponents believe it (a permit denial) would be a decisive body blow which would keep the oil sands in the ground. That’s simply wrong.”

– Joe Oliver, Natural Resources Minister
Rail Will Play a Bigger Role:

- At least nine oil sands producers will be increasing their crude rail shipments in 2013 – some by as much as 5 times more than in 2012 – as companies continue to hedge their bets as to whether President Obama will approve Keystone XL, according to the State Department.

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<th>Publically Reported Producers Currently Shipping or Announced Shipping WCSP Crude by Rail 2013, bpd</th>
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<td><strong>2012 (bpd)</strong></td>
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Source: DOS DSEIS 2013, Section 1.4, p. 43

- Over the past two years, Canadian oil sands producers have built over 15 rail loading facilities with a capacity of 240,000 bpd and have invested in the construction of over 28,000 new insulated rail tank cars – specifically designed for the transport of bitumen – which, as the State Department found, “provide evidence that industry considers shipping railbit or bitumen to be an economic option, and that it can be employed in large quantities.”

- Canada’s largest train operator, the Canadian National Railway, is planning to expand its rail capacity to meet the growing demand for transporting crude oil. As Reuters reported: “Shipments of crude by rail in the United States have surged to an estimated 340,000 barrels per day (bpd) in 2012 from around 11,000 bpd in 2007, according to data from the Association of American Railroads. If rail shipments in Canada are added, the volume could top 400,000 bpd, more than 4 percent of North American crude production and equal to a new, large pipeline.”

- Many potential rail investments on a much larger scale are in a holding pattern in anticipation of President Obama’s decision. For example, Hunter Harrison, head of the Canadian Pacific Railway recently explained to the Calgary Herald that transporting Canadian crude by rail could be a great opportunity but that the company is “proceeding cautiously” in the business and doesn’t plan to build long-term infrastructure for what could be a short-term boom” for the rail industry if Keystone XL is approved.

- Over the past three years Asian investments in Alberta’s oil patch have exceeded $15 billion. Following the takeover of oil sands producer Nexen, China’s government alone will control almost 10 percent of oil extraction in the oil sands. In the event that Keystone XL is not approved by the Obama Administration, Canada will have its biggest economic incentive yet to approve infrastructure that could transport oil sands crude westward to willing Asian markets.

“It will surprise the opponents who think that if I shut down the Keystone pipeline then I shut down this whole (oil sands) thing. It’s the single biggest source of oil the private sector can invest in and you can bet the private sector is going to figure out a way to get it to market.”

– Russ Girling, President & CEO of TransCanada

“There are many efforts to pursue other routes that don’t go south. You can assume some of them will be successful. We’re going to get the oil out.”

– Geoff Hill, Deloitte
Support for the Keystone XL pipeline is overwhelming across the political spectrum. Poll after poll has found that a vast majority of Americans – Republicans, Democrats and Independents – want the Keystone XL pipeline to be built to create thousands of jobs and increase our energy security.

**Bottom Line: Overwhelming Support for Keystone XL**

A poll released on July 16, 2013 by United Technologies/National Journal found that 67 percent of Americans – more than two-thirds of respondents – support building the Keystone XL pipeline. This includes 56 percent of Democrats.

A June 2013 poll conducted by Harris Interactive found that 83 percent of Republican voters, 69 percent of Independents and 63 percent of Democrats want Keystone XL to be built. The majority of Americans also agree that Keystone XL would help strengthen the country’s economic security (85 percent) energy security (81 percent) and national security (77 percent).

A national survey by the Pew Research Center, conducted in March 2013, found that “Support for the pipeline spans most demographic and partisan groups. Substantial majorities of Republicans (82%) and independents (70%) favor building the Keystone XL pipeline, as do 54% of Democrats.”
Dozens of newspaper editorial boards from communities across the country called on President Obama to approve the pipeline. Supporters include the Washington Post editorial board, Nature magazine, USA Today, and Washington Post columnist Eugene Robinson.

Union and trade groups including the AFL-CIO, the Chamber of Commerce, National Association of Manufacturers, International Brotherhood of Teamsters, International Laborers and the International Union of Operating Engineers support the construction of Keystone XL.

Overwhelming Bipartisan Support in Congress: It turns out Keystone XL is one of the few issues Congress can agree on. Numerous bills approving Keystone XL have passed in the House with strong bipartisan support, and the Senate recently passed a bipartisan amendment in support of the Keystone XL project by a vote of 62-47. Following the vote, authors of the amendment issued a press release with statements from Democratic and Republican cosponsors all focused on jobs, jobs, jobs.

“Here’s the truth that environmentalists are warming to: Despite the rallies and all-out campaign, Keystone XL pipeline opponents haven’t won over the public. A number of recent polls show growing support for the pipeline that would carry oil from Canada’s tar sands to the U.S. Gulf Coast, despite the national efforts of the environmental community. However, Keystone opponents’ contention that Obama’s decision won’t be influenced by poll results and public opinion could backfire, since it could call into question whether greens’ efforts to sway the policy were worthwhile. And that could be a hard pill to swallow on the heels of recent events such as the President’s Day rally against the Keystone pipeline that brought thousands to the National Mall, and the Sierra Club campaign to highlight 100 days of action to fight climate change and the Keystone XL pipeline.”

– Politico, April 2013
WHAT KEYSTONE XL IS NOT

• A rejection of Keystone XL will not stop Canada from transporting its oil sands: Canada will still transport its oil sands, either by rail or by other pipelines, as the State Department said in its assessment.

• Keystone XL will create more than “temporary jobs:” The importance of temporary jobs should not be minimalized. Oil sands development linked to Keystone XL could support more than 100,000 jobs by 2035.

• Keystone XL is not a climate disaster: The State Department found that Keystone XL will not impact the climate because Canada will still develop its oil sands.

• Keystone XL is not a threat to the environment: Keystone XL will incorporate 57 more safety measures than any other existing pipeline.

• Keystone XL will not pose a greater threat of leaks or spills: As the National Academy of Sciences found, diluted bitumen is not more likely to spill from a pipeline than any other kind of oil, and as the State Department said, Keystone XL will “have a degree of safety over any other.”