

[DISCUSSION DRAFT]

MAY 16, 2011

112TH CONGRESS
1ST SESSION

H. R. _____

To direct the President to expedite the consideration and approval of the construction and operation of the Keystone XL oil pipeline, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To direct the President to expedite the consideration and approval of the construction and operation of the Keystone XL oil pipeline, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “North American-Made
5 Energy Security Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds and declares the following:

1 (1) The United States currently imports more
2 than half of the oil it consumes, often from countries
3 hostile to United States interests or with political
4 and economic instability that compromises supply se-
5 curity.

6 (2) While a significant portion of imports are
7 derived from allies such as Canada and Mexico, the
8 United States remains vulnerable to substantial sup-
9 ply disruptions created by geopolitical tumult in
10 major producing nations.

11 (3) Strong increases in oil consumption in the
12 developing world outpace growth in conventional oil
13 supplies, bringing tight market conditions and high-
14 er oil prices in periods of global economic expansion
15 or when supplies are threatened.

16 (4) The development and delivery of oil and gas
17 from Canada to the United States is in the national
18 interest of the United States in order to secure oil
19 supplies to fill needs that are projected to otherwise
20 be filled by increases in other foreign supplies, nota-
21 bly from the Middle East.

22 (5) Continued development of North American
23 energy resources, including Canadian oil, increases
24 domestic refiners' access to stable and reliable
25 sources of crude and improves certainty of fuel sup-

1 ply for the Department of Defense, the largest con-
2 sumer of petroleum in the United States.

3 (6) Canada and the United States have the
4 world's largest two-way trading relationship. There-
5 fore, for every United States dollar spent on prod-
6 ucts from Canada, including oil, 90 cents is returned
7 to the United States economy. When the same
8 metrics are applied to trading relationships with
9 some other major sources of United States crude oil
10 imports, returns are much lower.

11 (7) The principal choice for Canadian oil ex-
12 porters is between moving increasing crude oil vol-
13 umes to the United States or Asia, led by China. In-
14 creased Canadian oil exports to China will result in
15 increased United States crude oil imports from other
16 foreign sources, especially the Middle East.

17 (8) Increased Canadian crude oil imports into
18 the United States correspondingly reduce the scale
19 of "wealth transfers" to other more distant foreign
20 sources resulting from the greater cost of importing
21 crude oil from those sources.

22 (9) Not only are United States companies
23 major investors in Canadian oil sands, but many
24 United States businesses throughout the country
25 benefit from supplying goods and services required

1 for ongoing Canadian oil sands operations and ex-
2 pansion.

3 (10) There has been more than 2 years of con-
4 sideration and a coordinated review by more than a
5 dozen Federal agencies of the technical aspects and
6 of the environmental, social, and economic impacts
7 of the proposed pipeline project known as the Key-
8 stone XL from Hardisty, Alberta, to Steele City, Ne-
9 braska, and then on to the United States Gulf Coast
10 through Cushing, Oklahoma.

11 (11) Keystone XL represents a high capacity
12 pipeline supply option that could meet early as well
13 as long-term market demand for crude oil to United
14 States refineries, and could also potentially bring
15 over 100,000 barrels per day of United States
16 Bakken crudes to market.

17 (12) Completion of the Keystone XL pipeline
18 would increase total Keystone pipeline capacity by
19 700,000 barrels per day to 1,290,000 barrels per
20 day.

21 (13) The Keystone XL pipeline would provide
22 short-term and long-term employment opportunities
23 and related labor income benefits, as well as govern-
24 ment revenues associated with sales and payroll
25 taxes.

1 (14) The earliest possible construction of the
2 Keystone XL pipeline will make the extensive proven
3 and potential reserves of Canadian oil available for
4 United States use and increase United States jobs
5 and will therefore serve the national interest.

6 (15) Analysis using the Environmental Protec-
7 tion Agency models shows that the Keystone XL
8 pipeline will result in no significant change in total
9 United States or global greenhouse gas emissions.

10 (16) The Keystone XL pipeline would be state-
11 of-the-art and have a degree of safety higher than
12 any other typically constructed domestic oil pipeline
13 system.

14 (17) Because of the extensive governmental
15 studies already made with respect to the Keystone
16 XL project and the national interest in early delivery
17 of Canadian oil to United States markets, a decision
18 with respect to a Presidential Permit for the Key-
19 stone XL pipeline should be promptly issued without
20 further administrative delay or impediment.

21 **SEC. 3. EXPEDITED APPROVAL PROCESS.**

22 (a) IN GENERAL.—The President, acting through the
23 Secretary of Energy, shall coordinate with each Federal
24 agency responsible for coordinating or considering an as-
25 pect of the President’s National Interest Determination

1 and Presidential Permit decision regarding construction
2 and operation of the Keystone XL pipeline, to ensure that
3 all necessary actions with respect to such decision are
4 taken on an expedited schedule.

5 (b) AGENCY COOPERATION WITH SECRETARY OF
6 ENERGY.—Each Federal agency described in subsection
7 (a) shall comply with any deadline established by the Sec-
8 retary of Energy pursuant to subsection (a).

9 (c) FINAL ORDER.—Not later than 30 days after the
10 issuance of the final environmental impact statement, the
11 President shall issue a final order granting or denying the
12 Presidential Permit for the Keystone XL pipeline, but in
13 no event shall such decision be made later than November
14 1, 2011.