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112TH CONGRESS
1ST SESSION**H. R. 1938**

IN THE SENATE OF THE UNITED STATES

JULY 27, 2011

Received; read the first time

JULY 28, 2011

Read the second time and placed on the calendar

AN ACT

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:

8 (1) The United States currently imports more
9 than half of the oil it consumes, often from countries

1 hostile to United States interests or with political
2 and economic instability that compromises supply se-
3 curity.

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

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

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

20 (5) Continued development of North American
21 energy resources, including Canadian oil, increases
22 domestic refiners' access to stable and reliable
23 sources of crude and improves certainty of fuel sup-
24 ply for the Department of Defense, the largest con-
25 sumer of petroleum in the United States.

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

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

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

20 (9) Not only are United States companies
21 major investors in Canadian oil sands, but many
22 United States businesses throughout the country
23 benefit from supplying goods and services required
24 for ongoing Canadian oil sands operations and ex-
25 pansion.

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

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

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

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

24 (14) The earliest possible construction of the
25 Keystone XL pipeline will make the extensive proven

1 and potential reserves of Canadian oil available for
2 United States use and increase United States jobs
3 and will therefore serve the national interest.

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

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

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

19 **SEC. 3. EXPEDITED APPROVAL PROCESS.**

20 (a) IN GENERAL.—The President, acting through the
21 Secretary of Energy, shall coordinate with each Federal
22 agency responsible for coordinating or considering an as-
23 pect of the President’s National Interest Determination
24 and Presidential Permit decision regarding construction
25 and operation of the Keystone XL pipeline, to ensure that

1 all necessary actions with respect to such decision are
2 taken on an expedited schedule.

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

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

13 (d) ENVIRONMENTAL REVIEW.—No action by the
14 Secretary of Energy pursuant to this section shall affect
15 any duty or responsibility to comply with any requirement
16 to conduct environmental review.

17 (e) SENSE OF CONGRESS.—It is the sense of Con-
18 gress that the United States must decrease its dependence
19 on oil from countries which are hostile to the interests of
20 the United States. Canada has long been a strong trading
21 partner, and increased access to their energy resources will
22 create jobs in the United States.

Passed the House of Representatives July 26, 2011.

Attest:

KAREN L. HAAS,

Clerk.