

ONE HUNDRED TWELFTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
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**Opening Statement of Rep. Henry A. Waxman**  
**Ranking Member, Committee on Energy and Commerce**  
**Full Committee Markup on Semi-Annual Committee Activity Report and**  
**H.R. 1938, the North American-Made Energy Security Act**  
**June 23, 2011**

Today we are marking up one bill and a Committee activity report. I will save my remarks about the activity report for later and use this statement to discuss H.R. 1938, legislation that directs the President to expedite approval of the proposed Keystone XL pipeline.

This pipeline would carry a sludge made from Canadian tar sands through the middle of America. It would raise gas prices, endanger water supplies, and increase carbon emissions. And it should not be approved.

Keystone XL is a highly controversial project. The State Department received nearly 50,000 comments on the draft environmental impact statement. Once it is built, we will live with the pipeline, and its impacts, for 50 years or more. This is a decision that we need to get right.

Unfortunately, this bill's approach is not "get it right." Instead, it says whatever the risks and costs, just "get it done."

H.R. 1938 takes the extraordinary step of interfering in an ongoing decision-making process by the Secretary of State. The Secretary is in the midst of determining whether granting the permit requested by TransCanada would be in the national interest. The process for making these permit decisions was established by Executive Orders issued by President Johnson and President George W. Bush.

This bill overrides the executive orders and other federal law, and it short-circuits the decision-making process. It requires the President to make a decision by November 1, even if the environmental impact statement has not been finalized, as required under the National Environmental Policy Act. It cuts the time for other agencies to provide their views by two-thirds. It reduces or eliminates the opportunity for public comment on the national interest determination.

And it essentially determines the outcome. The bill finds that the earliest possible construction of Keystone XL will serve the national interest, making it extremely difficult, if not impossible, for the State Department to decide otherwise.

I don't think Keystone XL is in the national interest.

My greatest concern is that Keystone makes us more reliant on the dirtiest source of fuel currently available. On a life-cycle basis, tar sands emit far more carbon pollution than conventional oil – almost 40% more by some estimates. That's because it takes huge amounts of energy to take something the consistency of tar – which they mine – and turn it into synthetic oil. We should be reducing our oil dependence and using cleaner fuels. But Keystone is a big step in the opposite direction.

This project raises many other concerns. At a Subcommittee hearing last week on pipeline safety, we learned about the potential risks associated with tar sands pipelines. The Pipeline and Hazardous Materials Safety Administration testified that current pipeline regulations may not be sufficient. TransCanada, Keystone XL's owner and operator, has had 12 spills on the first Keystone pipeline – and it has been operating for less than a year. Keystone One even had to be shutdown earlier this month when it was found that continued operation without corrective action would be hazardous.

The risks from spills are exacerbated with Keystone XL because it is routed through the Ogallala aquifer, which spans eight states and provides drinking water for 2 million people. The shallow water table and highly porous soils mean that a spill can spread rapidly.

And with all these risks, the benefits are unclear. The study commissioned by DOE found that we will have excess pipeline capacity from Canada for the next decade or more, even without Keystone XL. And Keystone XL will likely raise, not lower, gas prices. In its permit application, TransCanada told the Canadian government that by addressing the oversupply of crude and raising prices, Keystone XL will increase revenue for Canadian producers by \$2 to \$4 billion a year.

I understand why big oil wants Keystone XL. And I know why they want to short-circuit the process. The more we learn about this project, the worse it looks.

What I don't know is why we should be weighing in on the side of the oil companies when the risks are so high for the American people.