#### 112TH CONGRESS 1ST SESSION

# H. R. 3537

To require the Secretary of State to act on a permit for the Keystone XL pipeline.

### IN THE HOUSE OF REPRESENTATIVES

**DECEMBER 1, 2011** 

Mr. Rehberg introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Foreign Affairs, Energy and Commerce, and Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

## A BILL

To require the Secretary of State to act on a permit for the Keystone XL pipeline.

- 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 En-
- 5 ergy Security Act".
- 6 SEC. 2. FINDINGS.
- 7 Congress finds that—

- 1 (1) United States overdependence on oil im2 ports from hostile or unstable regions damages
  3 United States national security, endangers the econ4 omy of the United States, puts the lives of military
  5 and civilian personnel at risk, and ensures that ac6 cess to oil imports comes at tremendous taxpayer ex7 pense;
  - (2) the United States imports more than half of the oil it consumes, much of it from countries that do not have the level of environmental standards of Canada and the United States and that are hostile to United States interests or that have political and economic instability that compromises supply security;
  - (3) while a significant portion of the United States' oil imports are derived from allies such as Canada and Mexico, the United States remains vulnerable to substantial supply disruptions created by geopolitical tumult in major oil-producing nations;
  - (4) strong increases in oil consumption in the developing world outpace growth in oil supplies, bringing tight market conditions and higher oil prices in periods of global economic expansion or when supplies are threatened;

- 1 (5) the development and delivery of oil from 2 Canada to the United States is in the national inter-3 est of the United States by helping to secure reliable 4 oil supplies to meet demand that is otherwise pro-5 jected to be met by increases in imports from less 6 secure and reliable suppliers;
  - (6) secure and reliable trade with Canada complements United States domestic energy priorities;
  - (7) continued development of North American energy resources, including Canadian oil, increases the access of domestic refiners to stable and reliable sources of crude oil and improves the certainty of fuel supply for the Department of Defense, the largest consumer of petroleum in the United States;
  - (8)(A) Canada and the United States have the largest 2-way trading relationship in the world;
  - (B) for every United States dollar spent on products from Canada, including oil, 90 cents is returned to the United States economy; and
  - (C) when the same metrics are applied to trading relationships with some other major sources of United States crude oil imports, returns are much lower;
- 24 (9)(A) the principal choice for Canadian oil ex-25 porters is between moving increasing crude oil vol-

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- umes to the United States or Asia, particularlyChina; and
- 3 (B) increased Canadian oil exports to China 4 would result in increased crude oil imports to the 5 United States from less secure and reliable foreign 6 sources, many of which do not have the level of envi-7 ronmental standards of Canada and the United 8 States;
  - (10) increased Canadian crude oil imports into the United States correspondingly reduces the scale of wealth transfers to other more distant foreign sources resulting from the greater cost of transporting crude oil from those sources;
  - (11) not only are United States companies major investors in Canadian oil sands, but many United States businesses throughout the United States benefit from supplying goods and services required for ongoing Canadian oil sands operations and expansion;
  - (12) there has been more than 3 years of consideration and a coordinated review by more than a dozen Federal agencies of the technical aspects and of the environmental, social, and economic impacts of the proposed pipeline project known as the Keystone XL from Hardisty, Alberta, to Steele City, Ne-

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- braska, and then on to the United States Gulf Coast
  through Cushing, Oklahoma;
- 13) the Keystone XL pipeline represents a high capacity pipeline supply option that could meet near, as well as long-term, market demand for crude oil to United States refineries, and could also potentially bring over 100,000 barrels per day of United States Bakken crude oil to market;
  - (14) completion of the Keystone XL pipeline would increase total Keystone pipeline system capacity by 700,000 barrels per day to 1,290,000 barrels per day;
  - (15) the Keystone XL pipeline would directly create 20,000 jobs and many more long-term jobs and related labor income benefits through the supply chain;
  - (16) the earliest possible construction of the Keystone XL pipeline will increase the quantity of proven and potential reserves of Canadian oil available for United States use and increase United States jobs and will, as a result, serve the national interest;
  - (17) the Keystone XL pipeline would be stateof-the-art and be constructed to meet the highest safety standards; and

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1 (18) as a result of the extensive governmental 2 studies already made with respect to the Keystone 3 XL project and the national interest in early delivery 4 of Canadian oil to United States markets, a decision 5 with respect to a Presidential permit for the Key-6 stone XL pipeline should be promptly issued without 7 further administrative delay or impediment.

### 8 SEC. 3. PERMIT FOR KEYSTONE XL PIPELINE.

9 (a) In General.—Except as provided in subsection 10 (b), not later than 60 days after the date of enactment of this Act, the President, acting through the Secretary 12 of State, shall grant a permit under Executive Order 13337 (3 U.S.C. 301 note; relating to issuance of permits with respect to certain energy-related facilities and land 14 15 transportation crossings on the international boundaries of the United States) for the Keystone XL pipeline project 16 17 application filed on September 19, 2008 (including amend-18 ments).

### (b) Exception.—

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- (1) In general.—The President shall not be required to grant the permit under subsection (a) if the President determines that the Keystone XL pipeline would not serve the national interest.
- 24 (2) Report.—If the President determines that 25 the Keystone XL pipeline is not in the national in-

- 1 terest under paragraph (1), the President shall, not 2 later than 15 days after the date of the determina-3 tion, submit to the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of 5 the House of Representatives, the majority leader of 6 the Senate, the minority leader of the Senate, the 7 Speaker of the House of Representatives, and the 8 minority leader of the House of Representatives a 9 report that provides a justification for determina-10 tion, including consideration of economic, employ-11 ment, energy security, foreign policy, trade, and en-12 vironmental factors.
- 13 (3) Effect of no finding or action.—If a 14 determination is not made under paragraph (1) and 15 no action is taken by the President under subsection 16 (a) not later than 60 days after the date of enact-17 ment of this Act, the permit for the Keystone XL 18 pipeline described in subsection (a) that meets the 19 requirements of subsections (c) and (d) shall be in 20 effect by operation of law.
- 21 (c) REQUIREMENTS.—The permit granted under sub-22 section (a) shall require the following:
- 23 (1) The permittee shall comply with all applica-24 ble Federal and State laws (including regulations) 25 and all applicable industrial codes regarding the con-

- 1 struction, connection, operation, and maintenance of 2 the United States facilities. 3 (2) The permittee shall obtain all requisite per-4 mits from Canadian authorities and relevant Fed-5 eral, State, and local governmental agencies. 6 (3) The permittee shall take all appropriate 7 measures to prevent or mitigate any adverse envi-8 ronmental impact or disruption of historic properties 9 in connection with the construction, operation, and maintenance of the United States facilities. 10 11 (4) For the purpose of the permit issued under 12 subsection (a) (regardless of any modifications under 13 subsection (d))— 14 (A) the final environmental impact state-15 ment issued by the Secretary of State on Au-16 gust 26, 2011, satisfies all requirements of the 17 National Environmental Policy Act of 1969 (42) 18 U.S.C. 4321 et seq.) and section 106 of the Na-19 tional Historic Preservation Act (16 U.S.C. 20 470f); 21 (B) any modification required by the Sec-
  - (B) any modification required by the Secretary of State to the Plan described in paragraph (5)(A) shall not require supplementation of the final environmental impact statement described in that paragraph; and

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1	(C) no further Federal environmental re-
2	view shall be required.
3	(5) The construction, operation, and mainte-
4	nance of the facilities shall be in all material re-
5	spects similar to that described in the application
6	described in subsection (a) and—
7	(A) in accordance with the construction,
8	mitigation, and reclamation measures agreed to
9	by the permittee in the Construction Mitigation
10	and Reclamation Plan found in appendix B of
11	the final environmental impact statement issued
12	by the Secretary of State on August 26, 2011,
13	subject to the modification described in sub-
14	section (d);
15	(B) the special conditions agreed to be-
16	tween the permittee and the Administrator of
17	the Pipeline Hazardous Materials Safety Ad-
18	ministration of the Department of Transpor-
19	tation found in appendix U of the final environ-
20	mental impact statement described in subpara-
21	graph (A);
22	(C) if the modified route submitted by the
23	Governor of Nebraska under subsection
24	(d)(3)(B) crosses the Sand Hills region, the

measures agreed to by the permittee for the

1	Sand Hills region found in appendix H of the
2	final environmental impact statement described
3	in subparagraph (A); and
4	(D) the stipulations identified in appendix
5	S of the final environmental impact statement
6	described in subparagraph (A).
7	(6) Other requirements that are standard in-
8	dustry practice or commonly included in Federal
9	permits that are similar to a permit issued under
10	subsection (a).
11	(d) Modification.—The permit issued under sub-
12	section (a) shall require—
13	(1) the reconsideration of routing of the Key-
14	stone XL pipeline within the State of Nebraska;
15	(2) a review period during which routing within
16	the State of Nebraska may be reconsidered and the
17	route of the Keystone XL pipeline through the State
18	altered with any accompanying modification to the
19	Plan described in subsection $(c)(5)(A)$ ; and
20	(3) the President—
21	(A) to coordinate review with the State of
22	Nebraska and provide any necessary data and
23	reasonable technical assistance material to the
24	review process required under this subsection;
25	and

1	(B) to approve the route within the State
2	of Nebraska that has been submitted to the
3	Secretary of State by the Governor of Ne-
4	braska.
5	(e) Effect of No Approval.—If the President
6	does not approve the route within the State of Nebraska
7	submitted by the Governor of Nebraska under subsection
8	(d)(3)(B) not later than 10 days after the date of submis-
9	sion, the route submitted by the Governor of Nebraska
10	under subsection (d)(3)(B) shall be considered approved,
11	pursuant to the terms of the permit described in sub-
12	section (a) that meets the requirements of subsection (c)
13	and this subsection, by operation of law.

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