

## Keystone XL Pipeline: Examination of Scientific and Environmental Issues

### *Witnesses:*

**Mr. Lynn Helms**

Director, Department of Mineral Resources, North Dakota Industrial Commission

**Mr. Brigham A. McCown**

Principal and Managing Director, United Transportation Advisors LLC

**Mr. Anthony Swift**

Attorney, International Program, Natural Resources Defense Council

**Mr. Paul “Chip” Knappenberger**

Assistant Director, Center for the Study of Science, Cato Institute

### *Committee Members Present:*

Lamar Smith (R-TX), Chairman

Chris Stewart (R-UT)

Suzanne Bonamici (D-OR)

Eric Swalwell (D-CA)

Cynthia M. Lummis (R-WY)

Dana Rohrabacher (R-CA)

Mark A. Takano (D-CA)

Randy Weber (R-TX)

Julia Brownley (D-CA)

Kevin Cramer (R-ND)

Marc Veasy (D-TX)

On May 7, 2013, the House Science, Space and Technology Subcommittees on Energy and Environment held a joint hearing on the Keystone XL Pipeline. The hearing, held in anticipation of an Administration decision on the future of the proposed pipeline, focused on how Keystone XL would or would not bolster the economy, affect the environment, and increase energy security in the United States.

According to a report by the U.S. State Department, the proposed Keystone XL pipeline would stretch from Alberta, Canada and the Bakken Shale Formation in North Dakota to refineries along the Gulf Coast. It would allow delivery of up to 830,000 barrels of crude oil per day.

Concerns over the strength of the economy and health of the environment dominated much of the conversation at the hearing. In his opening remarks, Chris Stewart (R-UT), Chair of the Subcommittee on Environment, praised the economic benefits associated with the pipeline. Stewart insisted construction would add, “42,100 average annual jobs across the U.S.” which could translate into “approximately \$2.05 billion in earnings.” Alternatively, Ranking Member of the Subcommittee on Environment, Suzanne Bonamici (D-OR) and Julia Brownley (D-CA) countered that the pipeline would create only temporary jobs during construction and, in the end, contribute only “35 permanent jobs.”

Witness testimony addressed many of the environmental concerns posed by lawmakers. Lynn Helms, Director of the Department of Mineral Resources for the North Dakota Industrial Commission, explained in his testimony that the construction of the pipeline would, contrary to opponents’ beliefs, benefit the environment. Helms explained that the construction of the pipeline in North Dakota would cause “300-500 truck-loads per day” of Bakken crude oil to be taken off the roads, as well as “1-2 [fewer] trains per day leaving North Dakota.” This decrease in traditional transportation methods for heavy crude from the Bakken Formation would result in “450,000-950,000 Kg/day [fewer] greenhouse gas emissions in North Dakota, as well as significant decreases in dust and 60-80 fewer spills per year.”

Brigham A. McCown, Principal and Managing Director for the United Transportation Advisors LLC, addressed safety concerns over the pipeline in his testimony. McCown noted that based on total accidents per billion ton-miles shipped, an accident is “530% more

likely to occur when shipped by rail, 1330% more likely when shipped by vessel, and 49,590% more likely when shipped by truck” than when transported by pipeline.

Members peppered the witnesses with questions regarding the extraction of the crude oil without the creation of the pipeline. Chairman Stewart questioned the validity of statements citing that some environmentalists may oppose the pipeline because they believe the oil may otherwise remain in the ground. Helms defied that argument, explaining that 71% of Bakken oil is already transported by rail, and that less safe innovations by industry will most likely continue to extract all the resources they can. McCown continued that other pipelines, barges, and rail are already carrying the oil to market.

Proponents of the pipeline further nullified safety and environmental concerns over the creation of the pipeline. They cited a draft of the Supplementary Environmental Impact Statement (SEIS) put forth by the U.S. State Department, which concluded that spills associated with the pipeline are “expected to be rare and relatively small,” especially when coupled with industry standards and practices, including the 57 project-specific special conditions developed by the Pipeline and Hazard Materials Safety Administration (PHMSA). The report also determined that “climate conditions during the 1- to 2-year construction period would not differ substantially from current conditions.”

However, many members remained hesitant about the environmental impacts of the pipeline, including Reps. Bonimici, Brownley, Eric Swalwell (D-CA), Mark Takano (D-CA), and Marc Veasy (D-TX). Bonamici urged members to consider these impacts, and to reconsider the sense in investing “new infrastructure in an old energy source.” Brownley echoed the Ranking Member’s dissents, arguing that more effort should be put into creating a robust alternative energy economy that could create more long-term jobs.

Ultimately, the hearing showed signs of softening and moderation from both sides of the aisle: Lamar Smith (R-TX) recognized the concerns of pipeline opponents in his opening remarks, and Takano noted that it would be better for the crude to be refined in the U.S. where environmental regulations are stricter than in Canada or other competing countries. Swalwell, Ranking Member of the Subcommittee on Energy, agreed that it is necessary to weigh the environmental impacts against the economic growth, but said “if we can make [the pipeline] safe, we should make it happen.”

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