

112TH CONGRESS
1ST SESSION

S. _____

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

IN THE SENATE OF THE UNITED STATES

Mr. LUGAR (for himself, Mr. HOEVEN, Mr. VITTER, Ms. MURKOWSKI, Mr. MCCONNELL, Mr. JOHANNES, Mr. ROBERTS, Mr. BARRASSO, Mr. COATS, Mr. RUBIO, Mr. ISAKSON, Mr. CORNYN, Mr. WICKER, Mr. INHOFE, Mr. MORAN, Mr. THUNE, Mr. JOHNSON of Wisconsin, Mr. CRAPO, Mr. GRAHAM, Mr. BLUNT, Mr. SESSIONS, Mr. ENZI, Mr. ALEXANDER, Mrs. HUTCHISON, Mr. RISCH, Mr. CHAMBLISS, Mr. KIRK, Mr. PORTMAN, Mr. BURR, Mr. SHELBY, Mr. LEE, Mr. BOOZMAN, Mr. COBURN, Mr. COCHRAN, and Mr. GRASSLEY) introduced the following bill; which was read twice and referred to the Committee on _____

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 im-
2 ports from hostile or unstable regions damages
3 United States national security, endangers the econ-
4 omy of the United States, puts the lives of military
5 and civilian personnel at risk, and ensures that ac-
6 cess to oil imports comes at tremendous taxpayer ex-
7 pense;

8 (2) the United States imports more than half of
9 the oil it consumes, much of it from countries that
10 do not have the level of environmental standards of
11 Canada and the United States and that are hostile
12 to United States interests or that have political and
13 economic instability that compromises supply secu-
14 rity;

15 (3) while a significant portion of the United
16 States' oil imports are derived from allies such as
17 Canada and Mexico, the United States remains vul-
18 nerable to substantial supply disruptions created by
19 geopolitical tumult in major oil-producing nations;

20 (4) strong increases in oil consumption in the
21 developing world outpace growth in oil supplies,
22 bringing tight market conditions and higher oil
23 prices in periods of global economic expansion or
24 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;

7 (6) secure and reliable trade with Canada com-
8 plements United States domestic energy priorities;

9 (7) continued development of North American
10 energy resources, including Canadian oil, increases
11 the access of domestic refiners to stable and reliable
12 sources of crude oil and improves the certainty of
13 fuel supply for the Department of Defense, the larg-
14 est consumer of petroleum in the United States;

15 (8)(A) Canada and the United States have the
16 largest 2-way trading relationship in the world;

17 (B) for every United States dollar spent on
18 products from Canada, including oil, 90 cents is re-
19 turned to the United States economy; and

20 (C) when the same metrics are applied to trad-
21 ing relationships with some other major sources of
22 United States crude oil imports, returns are much
23 lower;

24 (9)(A) the principal choice for Canadian oil ex-
25 porters is between moving increasing crude oil vol-

1 umes to the United States or Asia, particularly
2 China; 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;

9 (10) increased Canadian crude oil imports into
10 the United States correspondingly reduces the scale
11 of wealth transfers to other more distant foreign
12 sources resulting from the greater cost of trans-
13 porting crude oil from those sources;

14 (11) not only are United States companies
15 major investors in Canadian oil sands, but many
16 United States businesses throughout the United
17 States benefit from supplying goods and services re-
18 quired for ongoing Canadian oil sands operations
19 and expansion;

20 (12) there has been more than 3 years of con-
21 sideration and a coordinated review by more than a
22 dozen Federal agencies of the technical aspects and
23 of the environmental, social, and economic impacts
24 of the proposed pipeline project known as the Key-
25 stone XL from Hardisty, Alberta, to Steele City, Ne-

1 braska, and then on to the United States Gulf Coast
2 through Cushing, Oklahoma;

3 (13) the Keystone XL pipeline represents a
4 high capacity pipeline supply option that could meet
5 near, as well as long-term, market demand for crude
6 oil to United States refineries, and could also poten-
7 tially bring over 100,000 barrels per day of United
8 States Bakken crude oil to market;

9 (14) completion of the Keystone XL pipeline
10 would increase total Keystone pipeline system capac-
11 ity by 700,000 barrels per day to 1,290,000 barrels
12 per day;

13 (15) the Keystone XL pipeline would directly
14 create 20,000 jobs and many more long-term jobs
15 and related labor income benefits through the supply
16 chain;

17 (16) the earliest possible construction of the
18 Keystone XL pipeline will increase the quantity of
19 proven and potential reserves of Canadian oil avail-
20 able for United States use and increase United
21 States jobs and will, as a result, serve the national
22 interest;

23 (17) the Keystone XL pipeline would be state-
24 of-the-art and be constructed to meet the highest
25 safety standards; and

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
11 of this Act, the President, acting through the Secretary
12 of State, shall grant a permit under Executive Order
13 13337 (3 U.S.C. 301 note; relating to issuance of permits
14 with respect to certain energy-related facilities and land
15 transportation crossings on the international boundaries
16 of the United States) for the Keystone XL pipeline project
17 application filed on September 19, 2008 (including amend-
18 ments).

19 (b) EXCEPTION.—

20 (1) IN GENERAL.—The President shall not be
21 required to grant the permit under subsection (a) if
22 the President determines that the Keystone XL
23 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
4 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
10 maintenance of the United States facilities.

11 (4) For the purpose of the permit issued under
12 subsection (a) (regardless of whether the permit in-
13 cludes modifications under subsection (d))—

14 (A) the final environmental impact state-
15 ment issued by the Secretary of State on Au-
16 gust 26, 2011, satisfies any 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-
22 retary of State to the Plan described in para-
23 graph (5)(A) shall not require supplementation
24 of the final environmental impact statement de-
25 scribed in that paragraph; and

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 (B) the special conditions agreed to be-
14 tween the permittee and the Administrator of
15 the Pipeline Hazardous Materials Safety Ad-
16 ministration of the Department of Transpor-
17 tation found in appendix U of the final environ-
18 mental impact statement described in subpara-
19 graph (A);

20 (C) the measures agreed to by the per-
21 mittee for the Sand Hills region found in ap-
22 pendix H of the final environmental impact
23 statement described in subparagraph (A); and

1 (D) the stipulations identified in appendix
2 S of the final environmental impact statement
3 described in subparagraph (A).

4 (6) Any other requirement that is standard in-
5 dustry practice or commonly included in Federal
6 permits that are similar to a permit issued under
7 subsection (a).

8 (d) MODIFICATION.—The permit issued under sub-
9 section (a) shall require—

10 (1) the reconsideration of routing of the Key-
11 stone XL pipeline within the State of Nebraska;

12 (2) a review period during which routing within
13 the State of Nebraska may be reconsidered and the
14 route of the Keystone XL pipeline through the State
15 altered with any accompanying modification to the
16 Plan described in subsection (c)(5)(A); and

17 (3) the President—

18 (A) to coordinate review with the State of
19 Nebraska and provide any necessary data and
20 reasonable technical assistance material to the
21 review process required under this subsection;
22 and

23 (B) to approve the route within the State
24 of Nebraska that has been submitted to the

1 Secretary of State by the Governor of Ne-
2 braska.

3 (e) EFFECT OF NO APPROVAL.—If the President
4 does not approve the route within the State of Nebraska
5 submitted by the Governor of Nebraska under subsection
6 (d)(3)(B) not later than 10 days after the date of submis-
7 sion, the route submitted by the Governor of Nebraska
8 under subsection (d)(3)(B) shall be considered approved,
9 pursuant to the terms of the permit described in sub-
10 section (a) that meets the requirements of subsection (c)
11 and this subsection, by operation of law.