

**Opening Statement of the Honorable Fred Upton  
Chairman, Committee on Energy and Commerce  
Markup of H.R. 3548, the "North American Energy Access Act"  
February 6, 2012  
(As Prepared for Delivery)**

We're here this week to vote for jobs and energy security. H.R. 3548, the "North American Energy Access Act," gives the Federal Energy Regulatory Commission 30 days to approve the Keystone XL pipeline expansion, using three years' worth of State Department environmental review and strict pipeline safety standards as the basis for that decision. This pipeline will allow more Canadian oil to reach American refineries, thereby creating jobs, enhancing the nation's energy security, and helping reduce the future price at the pump.

While the overwhelming public and bipartisan consensus stands in favor of building this pipeline, opponents of the project have continued to make far-fetched arguments against it.

For example, we have been told that bringing almost one million barrels of oil into the American market may somehow raise rather than reduce the price at the gas pump – as if Congress has the authority to repeal the law of supply and demand.

We have also been told that the new pipeline is not designed to increase supplies here, but rather to export supplies from the Gulf to other countries, including China. But that doesn't pass the common sense test. The real risk of losing out on this energy comes from *not* building the pipeline. If the U.S. refuses to allow this project to move forward, then not a single drop will come through Keystone XL to refiners in the Midwest and Gulf Coast. The Canadian government would have little choice, as they have made clear, but to pursue other markets for its growing oil production, including construction of a pipeline to the Pacific coast for export to China.

Some have questioned the widely used estimates that more than 100,000 jobs would be created by the pipeline project, including 20,000 direct jobs in construction and manufacturing. Opponents derisively claim the number could be as few as 5,000 jobs. Now, I tend to believe the labor unions and TransCanada, who have actually signed Project Labor Agreements specifying how this pipeline will be built, and by how many workers. But I have to question the project's opponents, who are so quick to dismiss their low-ball estimate of 5,000 jobs – ignoring the fact that 5,000 jobs would make Keystone XL a much better job creator than many taxpayer-funded projects funded under the stimulus package. Before Solyndra went under, it employed 1,100 people and cost taxpayers over half a billion dollars. Today, Solyndra isn't creating any jobs except for a few bankruptcy attorneys.

The Obama administration and others have claimed the Keystone XL decision is being rushed, and that more time is needed to study the project. But the pipeline has been under review for over three years, an unusually long period for such projects. The Final Environmental Impact Statement was completed last August, and the administration repeatedly committed to make its decision by the end of 2011. The only thing that has changed since then is an intra-Nebraska dispute that has already been resolved to the satisfaction of the state government there. And on that point, I would like to thank my good friend and colleague Lee Terry, not only for his sponsorship of this bill, but for his tireless efforts to dispel the many Nebraska-related myths put forward by opponents of Keystone XL.

Finally, there is reason to question the claims that stopping the pipeline is the right thing to do environmentally. Without Keystone XL, Canada's rising oil production will reach its end users via increased use of tankers, barges, trains, and trucks – all of which are riskier modes of transport than pipelines. The administration's own Final Environmental Impact Statement concludes that there is nothing to be gained by rejecting the pipeline.

In sum, the arguments against H.R. 3548 are as weak as the arguments for it are strong. It's time to end the delays and start building.

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