

SCR6, As Adopted by Senate, February 14, 2013

Senators Proos, Pavlov, Kowall, Hansen, Robertson, Marleau, Caswell, Casperson, Walker, Green, Nofs, Jansen and Booher offered the following concurrent resolution:

Senate Concurrent Resolution No. 6.

A concurrent resolution to memorialize the President and the Congress of the United States to support the continued and increased development and importation of oil derived from North American reserves and to urge the United States Secretary of State to approve the newly-routed Keystone XL pipeline application from TransCanada.

Whereas, The United States relies--and will continue to rely for many years--on gasoline, diesel, and jet fuel, as well as renewable and alternative sources of energy. In order to fuel our economy, the United States will need more oil and natural gas while also requiring additional alternative energy sources; and

Whereas, The United States accounts for 20 percent of world energy consumption and is the world's largest petroleum consumer. The U.S. consumes more than 18 million barrels of oil each day, and forecasts suggest this will not change for decades. Current imports amount to over 8 million barrels each day, approximately 50 percent of the United States' requirements. Even with new technology, oil discoveries, alternative fuels, and conservation efforts, the U.S. will remain dependent on imported energy for decades to come. A secure supply of crude oil is not only needed for Americans to continue to heat their homes, cook their food, and drive their vehicles, but to allow the U.S. economy to thrive and grow free from the potential threats and disruptions of crude oil supply from less secure parts of the world; and

Whereas, The growing production of conflict-free oil from Canada's oil sands and the Bakken Formation in Saskatchewan, Montana, North Dakota, and South Dakota can replace crude imported from countries that do not share American values. However, additional pipeline capacity to refineries in the U.S. Midwest and Gulf Coast is required; and

Whereas, Increasing energy imports from Canada makes sense for the United States. Canada is a trusted neighbor with a stable democratic government, strong environmental standards--equal to that of the U.S.--and some of the most stringent human rights and worker protection legislation in the world; and

Whereas, Improvements in production technology have reduced the carbon footprint of Canadian oil sands development by 26 percent on a per-barrel basis since 1990. Oil sands production accounts for 6.9 percent of Canada's greenhouse gas (GHG) emissions and 0.1 percent, or one-thousandth, of global GHG emissions. Total emissions from Canada's oil sands sector was 48 megatons in 2010, equivalent to 0.5 percent of U.S. GHG emissions. Oil sands crude has similar carbon dioxide emissions to other heavy oils and is 9 percent more carbon-intensive than the average crude refined in the U.S. on a wells-to-wheels basis; and

Whereas, The 57 refineries in the Gulf Coast region provide a total refining capacity of approximately 8.7 million barrels per day (bpd), or half of U.S. refining capacity. In 2011, these refineries imported approximately 5 million bpd of crude oil from more than 30 countries, with the top four suppliers being Mexico (22 percent), Saudi Arabia (17 percent), Venezuela (16 percent), and Nigeria (9 percent). Imports from Mexico and Venezuela are declining as production from these countries decreases and supply contracts expire. Once completed, TransCanada's Keystone XL and Gulf Coast Expansion projects could displace roughly 40 percent of the oil the U.S. currently imports from the Persian Gulf and Venezuela; and

Whereas, The Keystone XL pipeline project has been subject to the most thorough public consultation process of any proposed U.S. pipeline. It has also been the focus of multiple environmental impact statements and several U.S. Department of State studies. These analyses have

concluded that it poses the least impact to the environment and is much safer than other modes of transporting crude oil; and

Whereas, Pipelines are the safest method for the transportation of petroleum products when compared to other methods of transportation. The Keystone XL pipeline will replace the equivalent of 200 ocean tankers per year. This will reduce greenhouse gas emissions by as much as 19 million tons, or the equivalent of taking almost 4 million cars off the road; and

Whereas, The original Keystone pipeline, which spans across the northern part of Missouri, supplies over 435,000 barrels of North American crude oil to American refineries in the Midwest. The Keystone XL pipeline will, when completed, carry 700,000 barrels of North American crude oil to American refineries in the Gulf Coast region which will make its way back to Missouri in the form of gasoline, diesel, and jet fuel; and

Whereas, The Keystone XL project will create approximately 9,000 construction jobs. The Gulf Coast project is a \$2.3 billion project that will create approximately 4,000 construction jobs. Combined, they support yet another 7,000 manufacturing jobs. Seventy-five percent of the pipe used to build the Keystone XL in the U.S. will come from North American mills, including half made by U.S. workers. Goods for the pipeline, valued at approximately \$800 million, have already been sourced from U.S. manufacturers; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we:

1. Support continued and increased development and delivery of oil derived from North American oil reserves to American refineries;
2. Urge the United States Congress to support continued and increased development and delivery of oil from Canada to the United States;
3. Urge the President of the United States to support the continued and increased importation of oil derived from the Bakken Formation in Saskatchewan, Montana, North Dakota, and South Dakota, as well as Canadian oil sands; and
4. Urge the U.S. Secretary of State to approve the newly-routed pipeline application from TransCanada to reduce dependence on unstable governments, create new jobs, improve our national security, and strengthen ties with an important ally; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the U.S. Secretary of State, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.