

ONE HUNDRED TWELFTH CONGRESS
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House of Representatives
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Opening Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
Hearing on “Jobs Now: A Legislative Hearing on H.R. 3548, the North American
Energy Access Act”
Subcommittee on Energy and Power
January 25, 2012

Today, we once again consider legislation to approve the Keystone XL tar sands pipeline.

This legislation exempts one pet project from every federal and state permitting requirement. Yes, one project would be exempted from every review. Now is that a way to approve an important and controversial pipeline? I hardly think that’s the case.

The fact is that the legislation we are considering today is an earmark that benefits just one project. You remember the Republicans saying they were against earmarks? Well not when it helps their friends. And the arguments for that project just don’t stand up to scrutiny. This tar sands pipeline won’t boost our energy independence or lower gas prices or create the inflated jobs being promised.

Why have the Republicans introduced bill after bill to short circuit the permitting process on Keystone XL? They say it will make the country more energy independent. That’s a myth. Oil prices are set by the global markets. This pipeline will have no impact on our vulnerability to price spikes or Iranian brinksmanship.

In fact, Keystone won’t even reduce our imports. It will simply allow Canadian oil companies to use the United States as a conduit for shipping their tar sands overseas to China.

And I know they say if they don’t get this pipeline, they will go to the West Coast. Well that’s a problem, because there are First Nations in Canada that don’t want this pipeline going in that direction, and it’s not so clear they can get the approval to do that.

The Republicans say it will cut gasoline prices. But the opposite will happen. Canadian oil that is now being refined in the Midwest and suppressing prices in that market will be diverted to the Gulf Coast for export, costing consumers in Midwest billions of dollars.

The Republicans say they support the pipeline because it will create tens of thousands of jobs, but that's not right either. According to TransCanada, the company seeking to build the Keystone XL pipeline, the project will have "a peak workforce of approximately 3,500 to 4,200 construction personnel." Some labor groups have recently described the GOP's antics on Keystone as the "'politics as usual' strategy of a do-nothing Republican Congress."

If the Republicans were seriously and actually concerned about jobs, they would work with the President passing his jobs bill. They have no solution to the jobs crisis. The jobs crisis, they say, must be responded to by tearing away regulations to protect public health and safety. We'll have more jobs if we let billionaires keep more money and it will trickle down to more jobs. And then they say this one project will provide the jobs we need. It's amazing to me. The fact is, the legislation we are considering today is one that is hard to understand.

This Committee has an obligation to understand who benefits from this legislation. Last year, news organizations reported that one company, Koch Industries, would be one of the "big winners" if this pipeline were constructed.

We asked Koch whether this was true and were told that they have no interest whatsoever in the pipeline. But then we learned that they've told the Canadian government that they have a "direct and substantial interest." Something does not add up.

To understand this situation better, Mr. Rush and I requested that we invite Koch Industries to come here and testify. The Chairman has not even responded to our letter. We are therefore invoking the minority's rights under rule XI of the House rules to have a minority day of hearings. It is important that we hear from Koch and other stakeholders.

I think this pipeline is a bad idea.

{Continued statement as prepared but not delivered.}

It ignores the concerns of Midwestern farmers and ranchers who will have their land seized through eminent domain and may lose their vital water supplies to a pipeline spill into the Ogallala aquifer. It will make our fuel supply dirtier and increase emissions of carbon pollution, worsening the climate change that is already starting to afflict our nation.

I recognize that not every member of the Committee shares that view. But we should all be able to agree that the project should not be approved until an adequate analysis of the health, safety, and environmental impacts of the final route is completed. That's just commonsense.

This is special-interest legislation that benefits oil companies like Koch Industries. The President was right to reject this project until he has all of the necessary information in front of him to make an informed decision.

We should reject this bill and allow the agencies enough time to do their jobs.