



Charles T. Drevna
President

**American
Fuel & Petrochemical
Manufacturers**

1667 K Street, NW
Suite 700
Washington, DC
20006

202.457.0480 office
202.552.8457 direct
202.457.0486 fax
Cdrevna@afpm.org

January 8, 2015

The Honorable John Boehner
Speaker of the House
H-232, US Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
H-204, US Capitol
Washington, DC 20515

RE: Letter in Support of *H.R. 3, the Keystone XL Pipeline Act*.

Dear Speaker Boehner and Minority Leader Pelosi:

AFPM, the American Fuel & Petrochemical Manufacturers, writes today to express its support for passage of *H.R. 3, the Keystone XL Pipeline Act*. AFPM strongly supports and urges the immediate approval of the Keystone XL pipeline as a means to increasing our nation's energy supply and enhancing national security. Given the need to move this long delayed project forward, AFPM encourages expeditious passage of H.R. 3, which would clear any remaining roadblocks and approve construction of the Keystone XL pipeline that has been extensively studied and reviewed since 2008.

The American Fuel & Petrochemical Manufacturers is a national trade association representing more than 400 companies, including a majority of all U.S. refiners and petrochemical manufacturers. AFPM members operate 120 U.S. refineries comprising more than 95 percent of U.S. refining capacity. Additionally, AFPM represents the majority of petrochemical manufacturers who make the chemical building blocks that go into products ranging from medicines and medical devices, automobile parts, cosmetics, appliances and computers, furniture, solar panels and wind turbines. AFPM members make modern life possible while keeping America moving and growing as we meet the needs of our nation and local communities, strengthen economic and national security, and support 2 million American jobs.

The proposed 875-mile long pipeline expansion would transport an estimated 830,000 barrels of crude oil from Alberta, Canada and the Bakken Shale Formation. Rather than import crude from unstable foreign sources, the Keystone XL pipeline would enable the United States to rely on its friendly Northern neighbor and ally, Canada.

Canada's oil sands are being developed with or without this pipeline. Canadian government officials are on record saying that oil sands derived crude oil will be exported to overseas markets, such as China, if the Keystone XL pipeline is not built. In such a scenario, oil sands development would carry-on unimpeded; however, the benefits in U.S. crude oil transportation and refining efficiencies would be lost.

Importantly, the Keystone XL Pipeline would be an asset to the country's economic security. According to the State Department's 2014 Final Supplemental Environmental Impact Statement, constructing the pipeline would create "42,100 jobs which would yield approximately \$2 billion in earnings throughout the United States and add \$3.4 billion to the U.S. Gross Domestic Product."

Moreover, failure to approve Keystone XL could actually increase greenhouse gas emissions, as noted in a 2010 Barr Engineering Study. Barr concluded that policies limiting oil sands crude use could cause Canadian producers to ship their product to Asian markets, while the U.S. would have to import more oil in tankers from the Middle East and elsewhere, thus creating a global crude oil transportation "shuffle." This global crude swap would lead to greater carbon emissions than simply extracting the Canadian petroleum from the oil sands for U.S. consumption.

After over six years of extensive study and debate, it is clear building the Keystone XL pipeline would greatly benefit the United States. Pipelines are already the safest, most cost effective and reliable means of transporting crude oil and petroleum products. This pipeline will be the most advanced, state-of-the-art pipeline in use today exceeding all U.S. pipeline safety standards.

AFPM strongly urges approval of the Keystone XL pipeline and fully supports H.R. 3. It is critical that the U.S. take steps to strengthen our nation's security by meeting more of our energy needs through a strategic ally and partner like Canada, and reduce our dependence on energy resources from unstable, and potentially unfriendly, regions of the world. By approving the Keystone XL pipeline, we are putting America's security, economy, and consumers first.

Sincerely,



Charles T. Drevna
President