

January 19, 2021

President-elect Joseph R. Biden Jr. Biden-Harris Transition 1401 Constitution Avenue, NW Washington, DC 20230

Dear Mr. President-elect:

As you prepare to step into the role of President, you will have the opportunity and responsibility to set policies that will have a lasting impact on millions of Americans who live in rural areas or depend on a reliable energy economy. Over the years you have spoken about the importance of keeping Americans working, supporting private sector investment in new energy infrastructure that will help reduce emissions, and strengthening North American economic and energy security. All of this can be achieved by the completion and operation of the Keystone XL pipeline. We join together, as members from rural, energy producing states that believe it is critical that your administration support the completion and operation of the Keystone XL Pipeline.

As you know, the proposed Keystone XL has undergone extensive environmental and safety studies that have been verified, tested, and approved by the courts and independent groups. That proposal is now a real infrastructure project that is already under construction and employing more than 1,500 workers. The project is projected to provide approximately 11,000 jobs by 2021. These are real, high-paying jobs that help keep thousands of families employed with food on the table. Further, most of these jobs are unionized workers, many of whom belong to a broad coalition America's leading labor unions. During next year alone, these men and women will earn approximately \$800 million in wages. Any effort by your administration to cancel or delay the Keystone XL project would immediately eliminate these jobs and the stability these workers and their families need during COVID-induced economic uncertainty.

Keystone XL construction will also induce significant spending and revenue at the local level, with hundreds of millions of dollars going to small businesses and major tax revenue increases for local schools and public safety. Some of the most rural areas in the country will now be able to invest further in new schools, new roads, and other public works projects that will bring about a higher standard of living. The project will also bring new opportunities for direct Indigenous employment and subcontracting in pipeline construction. Additionally, the project sponsor is pursuing equity ownership opportunities with Indigenous communities in Canada and the U.S. to provide for a meaningful long-term ownership stake and annual financial benefit from the project.

Keystone XL has evolved considerably since it was originally envisioned. The project sponsor has pledged to operate the pipeline at a net-zero emissions level by its in-service date of 2023, and will supply the roughly 1,600 MW of power needed for operations from renewable electricity sources by 2030. This investment will rank the Keystone XL pipeline among the top



ten purchasers of renewable power in the US. Few companies have made such a bold renewable energy commitment, putting Keystone XL up with Amazon and Microsoft. This shows that the U.S. can be a leader in a balanced all-of-the-above energy strategy that reduces emissions while protecting and expanding high-paying energy jobs.

The incorporation of new renewable power into the Keystone XL project is aligned with a broader effort by Canada to promote the sustainable use of energy resources. Canada has formally committed to achieving net zero emissions by 2050. Yet elected leaders from conservative and liberal governments in Canada have been ardent supporters of Keystone XL because this project will actually help reduce emissions and strengthen U.S./Canada energy independence. Keystone XL will enhance the integration of North American energy systems by strengthening the linkage between Canadian crude oil supplies and U.S. refineries. In 2019, the US imported over 982 million barrels of heavy crude oil from Canada, which accounts for approximately 64 percent of all heavy oil imports into the country. We do not currently have the capacity to import all this heavy crude by pipeline, which means crude must instead be shipped by less safe means, such as rail or truck. Since 2015, U.S. imports of Canadian crude oil by rail have increased by over 190 percent. This again demonstrates how the Keystone XL Pipeline can help reduce emissions caused by the transportation of crude into the U.S. and promote safer delivery. In short, it is more beneficial for the environment and public safety for the Keystone XL Pipeline to be built then to be canceled.

Mr. President-elect, during the campaign you challenged America to "Build Back Better" by investing in new infrastructure and energy technologies, creating high-paying blue-collar jobs, and preparing for the energy mix of the future. With these and other commitments, Keystone XL meets that important test. We have to come together to find a way forward, to keep people working, while also creating a new standard for American energy infrastructure.

Sincerely,

STEVE DAINES

United States Senator

JOHN HOEVEN

United States Senator

LYNTHIA M. LUMM Inited States Senator KEVIN CRAMER

JOHN BARRASSO, M.D. United States Senator

United States Senator