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Testimony of Greg Dotson Vice President for Energy Policy Center for American Progress

Before the Senate Energy and Natural Resources Committee

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Chairman Murkowski, Senator Cantwell and members of the Committee, my name is Greg Dotson and I'm pleased to testify today on behalf of the Center for American Progress, a nonprofit think tank dedicated to improving the lives of Americans through progressive ideas and actions.

Today's hearing examines legislation to approve the Keystone XL pipeline, a pipeline designed to facilitate development of the tar sands in Alberta, Canada. Building this pipeline will throw a lifeline to marginally viable tar sands production and expand the use of the most carbon-intensive transportation fuel on the market.

This is something we cannot afford to do. The world's leading climate scientists agree: The climate is warming, and humans have been the dominant cause of the observed warming since the mid-20th century. If we fail to address this issue, we'll face serious if not catastrophic consequences.

There is no longer credible scientific doubt about climate change, its human causes and its serious potential consequences. The National Climate Assessment, released last year, is one of the most-recent and most-thorough scientific evaluations of the climate change threat. It finds that while climate change was once considered an issue for a distant future, it has moved firmly into the present.

As a reference for you and your staff, I have attached to my testimony a 2014 overview of climate change evidence and causes from the National Academy of Sciences and the Royal Academy, the premiere scientific organizations of the United States and United Kingdom.

Some have argued that climate change is not a factor in this debate. They point to the State Department analysis finding that construction and operation of the pipeline will not increase carbon pollution. This argument is wrong for two reasons.

First, the State Department falsely assumed that transportation of tar sands by rail would provide a viable alternative to additional pipeline capacity. Because of this false

assumption, the State Department concluded that the tar sands would get to market regardless of the outcome of the KXL permitting process. In fact, since the time that State issued its final supplemental assessment, we've seen rail fail to deliver as a viable alternative to pipelines. As a result, new tar sands development has correspondingly been cancelled or delayed.

Second, even the State Department analysis confirms that massive expansion of the tar sands is simply not viable without Keystone XL at today's low global oil prices. The State Department assessment expressly concludes that if oil prices were to drop to the levels we see today, tar sands development would be severely hindered without the Keystone XL pipeline. In today's world, there is simply no reason to believe that tar sands development will increase equally with or without new pipeline capacity.

This leads to one simple conclusion: the Keystone XL pipeline will expedite production of the dirtiest fossil fuel on the planet, which means more carbon pollution. The Keystone XL pipeline, if built, will ship 830,000 barrels per day of tar sands crude. Because tar sands crude is more greenhouse gas intensive than an average barrel of U.S. crude, the State Department admits that producing, refining, and combusting this tar sands crude will increase carbon pollution by the equivalent of adding 5.7 million cars to the road. Carbon pollution comes at a cost, as climate change promises to damage the economy, human health, private property, and critical infrastructure. The total cost to society of the added carbon pollution from the tar sands crude transported by the Keystone XL pipeline could be a staggering \$128 billion.

Those costs will far outweigh any benefits the pipeline may offer. According to the State Department, approval of the Keystone XL pipeline would lead to the creation of 1,950 construction jobs for two years. Once the pipeline is completed, operations would require 35 permanent employees and 15 contractors. To put these numbers in context, consider that the country has had 57 consecutive months of private sector job growth, creating nearly 11 million private jobs. In the month of November alone, 321,000 jobs were added in United States. Policymakers need to continue to find ways to invest in American infrastructure and create new, sustaining jobs that strengthen the middle class. I am confident that we can find less polluting and less harmful ways to create good jobs for Americans. We do not have to compromise our future and ignore environmental risks just to build projects like the Keystone XL pipeline.

The Center for American Progress urges the Committee to step back and examine this legislation in the context of the overarching climate, energy and economic policy goals that must be achieved. The nation needs to be rapidly heading in the direction of developing a less polluting energy system, not a more polluting system. We need to continue to make progress in easing our dependence on oil, not double down on oil dependence.

The Administration should be commended for its leadership at home and abroad on this important issue. Historic steps have been taken to cut vehicle pollution and deploy clean energy. The proposed Clean Power Plan promises significant cuts in pollution from the nation's power plants. The recent landmark announcement with China demonstrated that leaders from the developed and developing world can stand together and articulate a vision for a low carbon future. An effective global response to climate change is beginning to emerge.

Indeed, in the years to come, we can make significant progress addressing dangerous carbon pollution using the treaties that the Senate has already ratified and the laws that Congress has already passed. Since Congress has not adopted a comprehensive climate policy, Congress and the Administration need to exercise discipline and ensure careful review of the climate impact of any proposed energy infrastructure project. Until Congress adopts such a policy, we are likely to have more disputes over individual energy projects.

Unfortunately, rather than ensuring that all relevant factors are considered, this legislation isolates the approval of the Keystone XL project from consideration of its climate impacts. The bill would directly approve the pipeline, remove the need for any National Interest Determination, and therefore allow the project to move forward even if the President and the State Department determine upon a careful review of the facts that the project is a threat to the nation's public health and welfare. Furthermore, the legislation offers no provisions to mitigate the dangerous carbon pollution associated with the project.

Our response to climate change is the defining issue of our time. We will live with the consequences of our actions and inactions and so will our children and future generations. Passing new laws to ensure that climate change is not considered, mitigated and prepared for would be the height of irresponsibility.

Numerous leaders here in Congress have talked about the need to reduce deficits when it comes to the nation's budget. They say we have a national debt and we should scrutinize every expenditure until that debt is erased. They say, if you're in a hole, stop digging. This is even more important when it comes to dangerous carbon pollution. Despite recent progress, we are simply not on track to avoid the worst impacts of climate change. We are deficit polluting. We are in a hole.

The Center for American Progress urges Congress to take a breath and ask: where do our pollution levels need to go and how do we get there? And until we've answered those questions, let's do our children and ourselves a favor and stop digging.

Thank you.