THE KEYSTONE XL PIPELINE

CONTROVERSIAL ISSUES IN THE NEWS
Should the government allow construction of the Keystone XL Pipeline?

In late October 2019, a portion of the Keystone Pipeline leaked approximately 9,120 barrels (383,000 gallons) of crude oil into a wetland near Edinburg, North Dakota. The spill did not appear to pose an immediate threat to public health, but it did reignite a nationwide debate about whether or not the government should allow an extension of that pipeline—the Keystone XL Pipeline—to be built. In this Close Up in Class Controversial Issue in the News, we will examine the Keystone XL project, explore the controversy that it brings, and challenge you to weigh the pros and cons of one of the paths forward.

What Is the Keystone XL Pipeline? The Keystone XL Pipeline is a proposed 1,184-mile pipeline that would transport crude oil from Hardisty, Alberta, to Steele City, Nebraska. Upon completion, it would connect to a series of existing pipelines, making it the fourth and final leg of the Keystone Pipeline System that delivers Canadian and U.S. crude oil to markets around North America. At 36 inches in diameter, Keystone XL would have the capacity to transport up to 830,000 barrels (34.9 million gallons) of crude oil per day from the oil fields of western Canada to the oil refineries of the U.S. Gulf Coast. The route of the pipeline would pass through the Canadian provinces of Alberta and Saskatchewan, and through the U.S. states of Montana, South Dakota, and Nebraska.

Keystone XL is the private project of TC Energy, a Calgary-based company that builds and operates crude oil pipelines, natural gas pipelines, and other energy infrastructure in Canada, the United States, and Mexico. Because the pipeline would cross an international border into the United States, TC Energy was required to obtain a presidential permit for the project, which President Donald Trump signed on March 29, 2019. TC Energy plans to begin construction on Keystone XL in 2020.

What Are the Implications of Building the Keystone XL Pipeline? Construction of the Keystone XL Pipeline would enhance the oil transportation infrastructure between the United States and its top foreign supplier of oil, Canada. Oil is the primary source of energy in the United States, supplying 36 percent of the energy consumed by Americans in 2018 (followed by natural gas at 31 percent, coal at 13 percent, renewables at 11 percent, and nuclear power at eight percent). The United States imported...
11 percent of the oil it used that year, with 43 percent of imports coming from Canada and 27 percent coming from Saudi Arabia, Mexico, Venezuela, and Iraq. Keystone XL would boost the ability of energy producers to send crude oil from Canada to U.S. refineries to be turned into gasoline, diesel fuel, jet fuel, heating oil, and other products.

According to State Department estimates, construction of Keystone XL would employ 10,400 construction workers for a four- to eight-month period (the equivalent of 3,900 annual jobs). Direct spending on the project would create another 12,000 annual jobs, while indirect and induced spending (such as contractors purchasing goods and services) would create an additional 26,000 jobs.

Yet ever since TC Energy (then known as TransCanada) filed the first paperwork to build Keystone XL back in 2008, the proposal has been the source of controversy. Critics have claimed that the pipeline would create too few long-term jobs, and environmentalists have argued that the project would increase Americans’ dependence on oil, distract from efforts to develop renewable sources of energy, and encourage the use of oil from the Canadian oil sands (the extraction and production of which releases more greenhouse gases than conventional oil). And like any method of transporting oil (truck, train, pipeline, or boat), pipelines can leak and spill. A train is 4.5 times more likely to have a spill or an accident than a pipeline, but pipeline spills are on average larger than rail spills.

Should the government allow construction of the Keystone XL Pipeline?

Ever since its inception in 2008, the proposed Keystone XL Pipeline has been the source of intense political debate. In 2014, the State Department issued a final environmental assessment of the project, concluding that it would not likely affect global greenhouse gas emissions. However, President Barack Obama still decided in 2015 to reject the presidential permit for Keystone XL, arguing that construction of the pipeline would not be in the national interest.

President Trump reversed that decision upon taking office in January 2017, when he signed an executive action to advance construction of the pipeline. President Trump signed a presidential permit two months later, but U.S. District Judge Brian Morris issued an injunction the following year to block construction until the administration completed a supplemental environmental review. President Trump signed a new permit in January 2019, and an appeals court lifted the injunction in June.

Still, with TC Energy planning to begin construction in 2020, several uncertainties remain. As of November 2019, a federal lawsuit in Montana is seeking to block construction, and some presidential candidates—including Senators Bernie Sanders, I-Vt., and Elizabeth Warren, D-Mass.—have vowed to revoke TC Energy’s permit if elected. Furthermore, the oil spill of late October 2019 has reignited the debate over whether or not the project would be safe.

As critics continue to insist that Keystone XL would harm the environment, create too few long-term jobs, and increase Americans’ dependence on nonrenewable, pollution-causing fossil fuels, supporters see the project quite differently. They argue that Keystone XL, through all private funds, would be a valuable job creator, a much-needed upgrade to the nation’s energy infrastructure, a vital new link with the nation’s largest and most trusted supplier of foreign oil, and a commonsense method of transporting oil that is safer and less volatile than rail. Proponents also note that the project is unlikely to significantly affect greenhouse gas emissions, since the oil will be extracted whether or not Keystone XL is built.
YES: This pipeline is a safe, job-creating project that would not affect greenhouse gas emissions.

Americans should be outraged that for over ten years, misguided government officials have tried to stop construction of the Keystone XL Pipeline—a safe, privately funded, job-creating, environmentally sound, commonsense project. The delays must stop now.

Building Keystone XL would provide enormous economic benefits for the United States. It would directly and indirectly employ tens of thousands of Americans, and it would contribute to U.S. economic security by transporting up to 34.9 million gallons of oil per day from Canada (a trusted ally with the world’s third-largest proven crude oil reserves) to U.S. refineries.15 “Canadian oil reduces our dependence on the volatile Middle East, shifting petroleum power from OPEC and the killing zones of the Middle East to North America,” wrote the late columnist Charles Krauthammer.16

In addition, construction of Keystone XL would not significantly impact greenhouse gas emissions—a conclusion that the State Department reached in three reviews (during both the Obama and Trump administrations). Canada will extract its oil no matter what. The economies and energy needs of North America depend on it. Building Keystone XL would simply ensure that the oil is transported to U.S. refineries and the U.S. market as safely and efficiently as possible, rather than being piped across the ocean to China, for example.

And although all methods of energy transport experience the occasional accident, pipelines are much less volatile and risky than the alternative—trains. In fact, trains are 4.5 times more likely than pipelines to spill. When pipelines have had accidents, more than 70 percent of them have resulted in spills of one cubic meter or less.17

“To oppose the pipeline is to favor more oil being transported by trains, which have significant carbon footprints, and accidents,” wrote columnist George Will. “To do this in the name of environmental fastidiousness is hilarious. The United States has more than two million miles of natural gas pipelines carrying hazardous liquids, yet we are exhorted to be frightened about 1,179 miles of Keystone?”18

“Rail can be exceedingly dangerous,” added Krauthammer. “[In 2013] a tanker derailed and exploded en route through Quebec. The fireball destroyed half of downtown Lac-Megantic, killing 47, many incinerated beyond recognition. … This is not a decrease in the snail darter population. This is 47 dead human beings.”19

“Pipelines enable the safe movement of extraordinary quantities of energy products to industry and consumers, literally fueling our economy and way of life,” noted the Pipeline and Hazardous Materials Safety Administration, an agency of the Department of Transportation. “One of the safest and least costly ways to transport energy products, our oil and gas pipelines provide the resources needed for national defense, [to] heat and cool our homes, [to] generate power for business, and [to] fuel an unparalleled transportation system.”20

NO: This pipeline is dangerous and encourages the continued use of fossil fuels.

If the government allows construction of the Keystone XL Pipeline to proceed, it would only be encouraging continued damage to the environment and furthering Americans’ dangerous dependence on oil and other nonrenewable, pollution-causing fossil fuels. The United States must get serious about fighting climate change now, and revoking the permit for Keystone XL is a vital first step.

When President Obama chose to reject the project back in 2015, he rightly argued that approving Keystone XL would have undercut the nation’s global leadership in the fight against climate change. “Ultimately, if we’re going to prevent large parts of this Earth from becoming not only inhospitable but uninhabitable in our lifetimes, we’re going to have to keep some fossil fuels in the ground rather than burn them and release more dangerous pollution into the sky,” said President Obama.21

There are several important reasons to oppose construction of Keystone XL. First, the job-creating benefits of the project have been grossly overstated. “What should be done about Keystone XL?” asked columnist and economist Paul Krugman. “If you believe that it would be environmentally damaging—which I do—then you should be against it, and you should ignore the claims about job creation. The numbers being thrown around are tiny compared with the country’s overall workforce.”22

Second, it is entirely possible for pipelines to experience leaks and spills that contaminate their surroundings—which the existing Keystone Pipeline System has already done. In 2017, the pipeline leaked more than 400,000 gallons of crude oil onto agricultural land in South Dakota. And in late October 2019, another portion leaked approximately 383,000 gallons of crude oil into a wetland near Edinburg, North Dakota. “With each one of these major spills that happens on the Keystone Pipeline System, it becomes clearer and clearer that this is not safe,” said Doug Hayes, an attorney for the Sierra Club.23

Third, the pipeline would encourage the extraction of crude oil from the Canadian oil sands—crude oil that is heavier and requires more energy to extract and process. According to the Congressional Research Service, crude oil derived from the oil sands produces between 14 percent and 20 percent more greenhouse gases in its life cycle than crude oil obtained through conventional drilling.24

Finally, enhancing the nation’s oil infrastructure in this way would increase Americans’ dependence on fossil fuels and distract from efforts to develop renewable sources of energy for the future. “The future of energy in this country is not more oil, it is not more pipelines, it is not more carbon emissions,” said Senator Sanders. “It is the transformation of our energy system away from oil, away from pipelines, and away from carbon.”25

QUESTIONS TO CONSIDER

1. Do you believe the Trump administration should allow construction of the Keystone XL Pipeline to go forward? Why or why not?

2. What do you believe to be the most compelling argument of the opposition? Explain your answer.

3. Which do you believe is more important: utilizing sources of readily available energy or protecting the environment? Explain your reasoning.


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