

# ASSEMBLY RESOLUTION No. 226

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 23, 2021

**Sponsored by:**

**Assemblyman PARKER SPACE**

**District 24 (Morris, Sussex and Warren)**

**Assemblyman HAROLD "HAL" J. WIRTHS**

**District 24 (Morris, Sussex and Warren)**

**SYNOPSIS**

Opposes President Biden's revocation of Presidential Permit for Keystone XL pipeline.

**CURRENT VERSION OF TEXT**

As introduced.



1   **AN ASSEMBLY RESOLUTION** opposing the decision by President  
2       Biden to revoke the March 2019 Presidential Permit allowing for  
3       the construction of the Keystone XL Pipeline.  
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5   **WHEREAS**, The Keystone XL pipeline is a proposed project by  
6       Canadian company TC Energy that would connect the United States  
7       oil supply to oil fields in the Western Canadian Sedimentary Basin  
8       in Alberta, providing oil at a rate of up to 830,000 barrels per day;  
9       and  
10   **WHEREAS**, TC Energy was previously granted a Presidential Permit to  
11       begin construction on the cross-border segment of the Keystone XL  
12       Pipeline by President Trump on March 29, 2019, but this permit  
13       was revoked by President Biden; and  
14   **WHEREAS**, The U.S. Energy Information Administration forecasts  
15       that, although the COVID-19 pandemic has curtailed demand for  
16       petroleum over the past year, demand for petroleum will steadily  
17       rise over the next two years; and  
18   **WHEREAS**, Once the demand for petroleum recovers, the residents  
19       of New Jersey will require a safe and reliable source of fuel to  
20       resume commuting to work, engaging in commerce, and  
21       enjoying the many recreational activities this State has to offer;  
22       and  
23   **WHEREAS**, The United States has achieved significant levels of energy  
24       independence in recent years, with domestic production of  
25       petroleum accounting for 94 percent of domestic consumption in  
26       2019 and net imports reaching their lowest level since 1954; and  
27   **WHEREAS**, The United States currently maintains the tenth largest  
28       proven oil reserves worldwide, but an uptick in domestic  
29       production and net exports of oil in the United States has been  
30       depleting the country's reserves at a higher rate; and  
31   **WHEREAS**, As oil reserves are dwindling in several major oil  
32       producing countries, Canada currently maintains the third largest  
33       proven oil reserves according to the U.S. Energy Information  
34       Administration; and  
35   **WHEREAS**, The United States increased its share of total petroleum  
36       imports originating from Canada to 49 percent in 2019; and  
37   **WHEREAS**, Ninety eight percent of the oil exported by Canada in 2019  
38       was sent to the United States; and  
39   **WHEREAS**, Securing and fostering a mutually beneficial trade  
40       relationship with one of this country's strongest allies and  
41       neighbors would provide the United States with higher levels of  
42       energy and geopolitical security, and cancelling the pipeline may  
43       damage American-Canadian relations; and  
44   **WHEREAS**, The United States will require Canadian oil to help meet  
45       higher demand after the conclusion of the COVID-19 pandemic,  
46       and therefore should ensure that this oil is transported to the United  
47       States in the safest, most economical, and most environmentally-  
48       sound manner; and

1   **WHEREAS**, In 2019, the U.S. Department of Transportation concluded  
2       that, based on the percentage of oil spilled, transportation by  
3       pipeline is the second safest way to transport oil – second only to  
4       transportation by boat; and

5   **WHEREAS**, A study conducted by the Fraser Institute, a nonpartisan  
6       Canadian think tank, concluded that rail transport is four times  
7       more likely to result in an oil spill than pipeline transport; and

8   **WHEREAS**, In light of the remote, landlocked location of the tar sands,  
9       the only methods available to transport oil out of the Western  
10      Canadian Sedimentary Basin are by rail, truck, or pipeline; and

11   **WHEREAS**, Hesitancy regarding the Keystone XL pipeline project and  
12      other proposed pipelines has caused Canada to expand rail  
13      operations in the Western Canadian Sedimentary Basin, which,  
14      historically, has been a more expensive and much more dangerous  
15      way to transport petroleum; and

16   **WHEREAS**, At a range of \$2-4 per barrel, transporting oil via  
17      pipeline is by far the least expensive way of transporting the  
18      resource; and

19   **WHEREAS**, On January 17, 2021, TC Energy committed to operating  
20      the Keystone XL pipeline as a carbon neutral project by pledging to  
21      invest \$1.7 billion in renewable energy sources to power the  
22      operation of the pipeline; and

23   **WHEREAS**, The construction and operation of the Keystone XL  
24      pipeline would have resulted in the creation of up to 11,000 high-  
25      paying jobs in the United States, and the Biden Administration has  
26      not presented a plan for how these jobs will be replaced with “green  
27      jobs” if the pipeline is not constructed; and

28   **WHEREAS**, Based on the geopolitical, energy security, environmental,  
29      and economic benefits to be realized through the importation of  
30      Canadian oil via pipeline, it is in the United States’, and by  
31      extension the State of New Jersey’s, best interest to support the  
32      completion of the Keystone XL pipeline; now, therefore,

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34       **BE IT RESOLVED** *by the General Assembly of the State of New*  
35   *Jersey:*

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37       1. This House opposes President Biden’s decision to revoke the  
38      Presidential Permit granted to TC Energy that would have allowed  
39      the company to construct the Keystone XL pipeline.

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41       2. This House requests that President Biden reconsider his  
42      decision to revoke TC Energy’s Presidential Permit, and to reverse  
43      course in the best interest of American energy security, economic  
44      interests, and environmental impacts.

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46       3. If President Biden fails to reinstate the Presidential Permit  
47      granted to TC Energy for the Keystone XL pipeline, this House

1 calls on the United States Congress to overturn the president's  
2 decision through legislation.

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4 4. Copies of this resolution, as filed with the Secretary of State,  
5 shall be transmitted by the Clerk of the General Assembly to the  
6 President and Vice President of the United States, the Majority and  
7 Minority Leaders of the United States Senate, the Speaker and  
8 Minority Leader of the United States House of Representatives, and  
9 every member of Congress elected from this State.

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#### STATEMENT

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14 This resolution expresses the Assembly's opposition to the  
15 revocation of the Presidential Permit granted to TC Energy for  
16 construction of the Keystone XL pipeline. The Keystone XL  
17 Pipeline is a proposed project that would have added up to 830,000  
18 barrels of oil per day to the United States oil supply. The resolution  
19 asks President Biden to reconsider his decision and to reverse  
20 course in the best interest of American energy security, economic  
21 interests, and environmental impacts. If President Biden fails to  
22 reinstate the Presidential Permit, this resolution then calls on the  
23 United States Congress to overturn President Biden's decision to  
24 revoke the permit.

25 Based on analyses performed by the U.S. Department of  
26 Transportation and the Fraser Institute, a nonpartisan think tank, the  
27 Keystone XL pipeline would likely reduce the transportation costs,  
28 incidence of oil spills, and frequency of safety incidents that are  
29 involved with the transportation of oil from the remote Western  
30 Canadian Sedimentary Basin. Canada currently holds the third  
31 largest proven oil reserves worldwide. Promoting a mutually  
32 beneficial trade relationship between the U.S. and Canada by  
33 constructing the Keystone XL Pipeline is in America's best interest  
34 with respect to energy security and economic, safety, and  
35 environmental concerns.