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June 20, 2011

The Honorable Fred Upton  
Chairman, Committee on Energy and Commerce  
U.S. House of Representatives  
2125 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Upton:

On behalf of the trade unions representing well over 2-million members, including the skilled craft workers who will build the Keystone XL pipeline, we want to express our appreciation for your efforts in support of this important project. Construction of the Keystone XL Pipeline will employ tens of thousands of our members and help secure the United States' economic and national security. We are pleased to support Congressman Terry's legislation, HR 1938, the "North American-Made Energy Security Act," which would require a timely decision by the Executive Branch whether to grant or deny a Presidential Permit for the construction of the pipeline. Each week that goes by in the permitting process of Keystone XL furthers the sense of uncertainty that private sector companies face when making massive investments that depend on regulatory approval. Providing procedural certainty to the project owner is simply good public policy.

The Keystone XL pipeline will help the Nation's energy security by reducing U.S. imports of foreign oil from Venezuela and the Middle East and replacing it with stable, secure supplies from both the U.S. and Canada. This project will also help strengthen the U.S. economy by creating good jobs and will reduce the American economy's vulnerability to supply shocks like the one in Libya today that has driven up prices at the pump for consumers.

This \$13-billion construction project is privately funded, privately financed and will not involve any government subsidy or expenditure. With sustained unemployment in the construction sector at double the national average, our members desperately need the work that the pipeline will create. Our unions have entered into a Project Labor Agreement with TransCanada which will ensure that a capable, well-trained and ready workforce is used to build the pipeline. Estimates are that the construction of the pipeline will:

- Spur more than \$20 billion in new spending for the U.S. economy;
- Directly create 20,000 high-wage construction and manufacturing jobs in 2011-2013 across the U.S. and 118,000 person-years of employment;
- Generate \$6.5 billion in new personal income for U.S. workers and their families;

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- Stimulate more than \$585 million in new state and local taxes in states along the pipeline route during construction; and
- Deliver \$5.2 billion in property taxes during the estimated operating life of the pipeline.

We believe that the demand for oil and gas resources will dictate the development of the Alberta oilsands, regardless of whether or not the Keystone XL is built. Allowing the construction of the pipeline will assure that the product is transported to American markets in the safest and most efficient way possible.

Further delay in the permitting process could have detrimental consequences and puts at risk the billions of dollars in private sector investment to be made into America's energy infrastructure. The members of our unions – and indeed the U.S. economy – need the Keystone XL Pipeline. That is why the four pipeline craft unions are proud to endorse H.R. 1938. The leadership of you and your colleagues on this project is greatly appreciated.

Sincerely,

International Brotherhood of Teamsters

Laborers' International Union of North America

International Union of Operating Engineers

United Association of Journeymen and Apprentices  
of the Plumbing and Pipefitting Industry of the  
United States and Canada

cc: The Honorable Lee Terry  
Members of the House Committee on Energy and Commerce