



# KEYSTONE XL IS A CLIMATE DISASTER

The Keystone XL pipeline, if constructed, would be a disaster for the climate. The Obama administration's decision on the proposed Keystone XL tar sands pipeline is a choice about our climate future. Oil Change International estimates that the pipeline would carry and emit more than 181 million metric tons of carbon dioxide equivalent each year. That's the climate equivalent of 37.7 million cars' annual emissions.<sup>1</sup>

**Keystone XL will significantly exacerbate carbon pollution.** The proposed pipeline is designed to transport 830,000 barrels per day of tar sands from Alberta, Canada, to the U.S. Gulf Coast.<sup>2</sup> Tar sands are one of the world's dirtiest, most carbon intensive sources of oil. President Obama's decision on the Keystone XL pipeline permit will determine the rate of tar sands expansion and, ultimately, the amount of climate pollution the tar sands produce.

*Allowing the Keystone pipeline to be built requires a finding that doing so would be in our nation's interest. And our national interest will be served only if this project does not significantly exacerbate the problem of carbon pollution.*

— President Obama, June 25, 2013

**The greenhouse gas emissions from developing tar sands would be disastrous for the climate.** Energy and climate experts have shown that if industry meets its current objectives for developing Alberta's tar sands, the resulting greenhouse gas emissions will destroy our ability to maintain a stable climate.<sup>3</sup> The development of tar sands and other extreme oil products must be reduced if we are to have a chance of preventing dangerous levels of climate change that would threaten our communities and livelihoods.<sup>4</sup>

**Keystone XL is the lynchpin in the oil industry's plan to expand tar sands production.** In 2012 the Canadian oil industry produced 1.8 million barrels a day of tar sands. The Canadian Association of Petroleum Producers (CAPP) has announced that by 2030, they hope to have expanded to produce 5.2 million barrels of tar sands oil per day,<sup>5</sup> a production rate that goes far beyond what the International Energy Agency says a safe climate can withstand.<sup>6</sup> Including additional proposed projects that have not yet been approved would mean the production of 9 million barrels per day.<sup>7</sup> Existing pipeline capacity can only transport 3.6 million barrels per day, and CAPP



predicts they will run out of pipeline capacity by 2014.<sup>8</sup> Mega-pipelines like the Keystone XL would help industry achieve their expansion goals, and to continue developing tar sands at dangerous levels.

**Without the Keystone XL, the oil industry's planned rate of expansion will not be possible.** Keystone XL is one of the largest tar sands transportation projects under consideration. By itself, Keystone XL would support an

increase in tar sands production of 36 percent.<sup>9</sup> While other pipeline projects have been proposed to export tar sands from Canada, each of these proposals faces significant legal, technical, economic, and political obstacles.<sup>10</sup> Even if all of the other current pipelines proposals were to move ahead, they would still not provide enough transportation capacity to support the tar sands industry's excessive expansion plans through 2030.<sup>11</sup> A rejection of Keystone XL would restrict tar sands expansion.

Out of desperation, the oil industry is looking to move tar sands by rail. However, the economics alone have led many analysts to conclude that rail will not allow the industry to reach their expansion goals.<sup>12</sup> Alberta's tar sands are located in a remote part of the world, where existing rail lines cannot transport industry's planned expansion levels.<sup>13</sup> Tar sands, which are heavier and more viscous than other oils, require specialized rail off-loading terminals, on-loading terminals, and heated rail cars to keep them liquid. As a result, moving tar sands diluted bitumen by rail is three to four times more expensive than transporting it by





pipeline.<sup>14</sup> Rail is not a viable transportation alternative to pipelines, and curtailing pipeline development will curtail tar sands growth.

**There is nothing inevitable about tar sands development.** Goldman Sachs, TD Economics, Standard and Poor's, CIBC, and other market observers have stated that industry cannot reach its tar sands expansion goals if Keystone XL is rejected.<sup>15</sup> RBC Dominion Securities estimated that Canada's tar sands growth would be deferred by up to 450,000 barrels per day (or one-third of the planned expansion) in the 2015-17 timeframe if Keystone XL is not approved.<sup>16</sup> As CNN Money reported, "If the Goldman and RBC analysts are correct, then the White House does have to think much more seriously about climate change risk" from the Keystone XL pipeline.<sup>17</sup>

**Prominent Climate Scientists say the Keystone XL pipeline would exacerbate climate change.** In one example, twenty-nine climate scientists sent an open letter to warn President Obama that, "our scientific judgment is that the actual and potential environmental damage are sufficiently severe to reject the Keystone XL pipeline proposal in order to protect the climate human health and the multiple ecosystems this project threatens."<sup>18</sup>

**The tar sands are Canada's fastest source of greenhouse gas emissions.**<sup>19</sup> Out of 61 countries ranked on their climate performance, Canada has ranked 58th, followed by Kazakhstan, Iran and Saudi Arabia.<sup>20</sup>

**America is on track.** We are cutting our oil use with high efficiency cars and trucks—with continued adoption of efficiency measures, hybrid vehicles, and fully electric cars, oil use will decrease dramatically. America does not need an expansion of tar sands development, especially when the climate and human costs are so high. Our national interest lies in the security of American families, the livelihood of our farmers and ranchers, and the safety of water supplies. Climate security, economic stability, and the health and safety of our children and our environment must come first.

**The Keystone XL is a climate disaster. It's time to move forward on climate. Mr. President, Reject Keystone XL.**



## Climate Scientists Say Leave it in the Ground

The international climate community has agreed that we must keep global warming below 2°C to avoid catastrophe. In this context, the International Energy Agency and other analysts have suggested that we must keep between two-thirds<sup>21</sup> and four-fifths<sup>22</sup> of proven fossil fuel reserves in the ground in order to avoid 2°C of warming. Tar sands oil, if combusted, would release 0.4°C — almost a quarter of the entire global budget — leading Scientific American to conclude, "It's hard to imagine how to mine the tar sands without blowing the carbon budget."<sup>23</sup>

## ENDNOTES

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