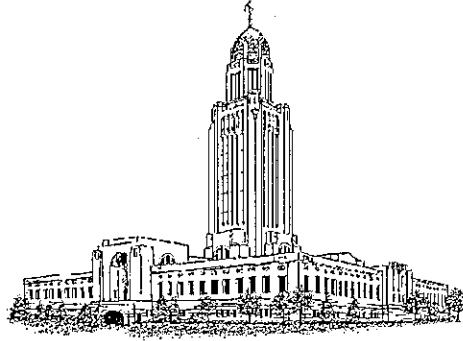


Nebraska State Legislature

SENATOR JIM SMITH

District 14
State Capitol
PO Box 94604
Lincoln, Nebraska 68509-4604
(402) 471-2730
jsmith@leg.ne.gov



COMMITTEES

Vice Chairperson - Transportation and
Telecommunications
Natural Resources

March 4, 2014

U.S. Department of State
Bureau of Energy Resources, Room 4843
Attn: Keystone XL Public Comments
2201 C Street, NW
Washington, DC 20520
Re: Support for Keystone XL Pipeline – National Interest Determination

Dear Secretary Kerry:

As Members of Nebraska's Unicameral Legislature, we are well-versed in the issues surrounding the Keystone XL Pipeline project. We support the project and urge approval of the pending permit application for an international border crossing for the pipeline.

The Keystone XL pipeline is in the national interest and in Nebraska's interest. Our support stems from our state's firsthand experience working on pipeline siting issues during a 2011 special legislative session; an understanding that the project will create jobs and boost the economy; will be the safest pipeline ever constructed; avoids Nebraska's environmentally sensitive Sandhills; will result in an increase in local Nebraska property tax revenue; and, contributes greatly to the goal of achieving energy security for the United States.

Nebraska Special Session – In 2011, Nebraska's Legislature met in a special session to consider a framework for reviewing and approving the siting of pipelines within our state. Two new laws were passed that gave Nebraskans a say in how and where pipelines will be sited – including for the Keystone XL pipeline. Ultimately Keystone XL received a thorough review by the Nebraska Department of Environmental Quality followed by approval of the project permit by Nebraska Governor Dave Heineman.

Jobs and Economic Boost – The State Department's own EIS report states that the project will create 42,000 direct and indirect jobs which equates to \$2 billion dollars in wages. These jobs will include thousands for construction workers who actually lay pipe and build the supporting infrastructure, and tens of thousands of workers who fabricate the materials and equipment

infrastructure, and tens of thousands of workers who fabricate the materials and equipment used in construction. Upon completion of construction, good-paying jobs necessary to operate, monitor, and maintain the pipeline will be filled right here in Nebraska where every new, quality job is an important boost to local economies. Plus, construction activity will result in supply and food purchases from local rural retailers and restaurants along the route.

Safety – TransCanada has agreed to incorporate 59 conditions that as determined by the U.S. Department of State, in consultation with PHMSA, will result in a Project that would have a degree of safety greater than any other typically constructed domestic oil pipeline system under current code.

Nebraska Sandhills – The Keystone XL pipeline will avoid the area officially designated as the environmentally sensitive Nebraska Sandhills. This was an important, welcomed and necessary route change made voluntarily by TransCanada in response to public concerns voiced in Nebraska.

Property Tax Revenue – Keystone XL is projected to generate \$150 million in new property tax revenue for local governments in Nebraska. These dollars will fund schools, counties, natural resources districts, fire districts, community college districts, and other local subdivisions. When the first Keystone pipeline began paying property taxes to local jurisdictions in 2010, one Nebraska school district used \$4 million in unanticipated property tax revenue to pay-off a school construction bond.

Energy Security – Keystone XL will contribute to North American energy independence. America's national security will be enhanced when Keystone XL supports a reduced reliance on foreign sources of oil controlled by government despots that don't view America as a friend.

For these reasons and others, we strongly support approval of the pending permit application for an international border crossing for the proposed Keystone XL pipeline. We believe construction and operation of the pipeline will benefit Nebraska and America.

Respectfully,



Jim Smith
District #14



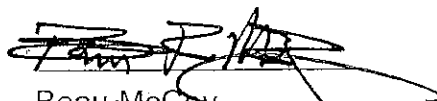
Steve Lathrop
District #12



Mike Gloor
District #35



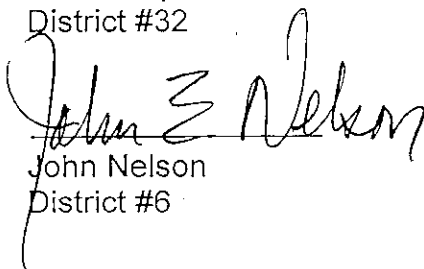
Russ Karpisek
District #32



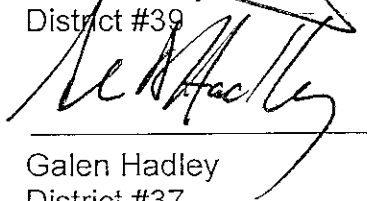
Beau McCoy
District #39



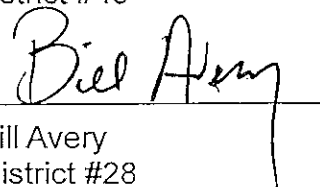
John Murante
District #49



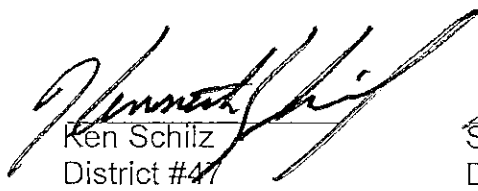
John Nelson
District #6

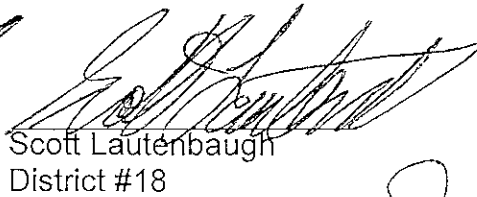


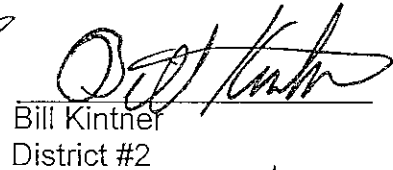
Galen Hadley
District #37

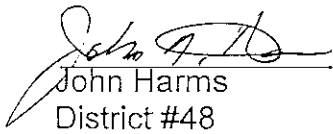


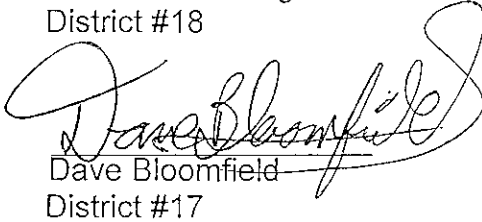
Bill Avery
District #28

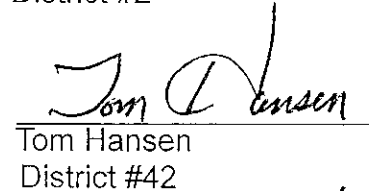

Ken Schilz
District #47


Scott Lautenbaugh
District #18

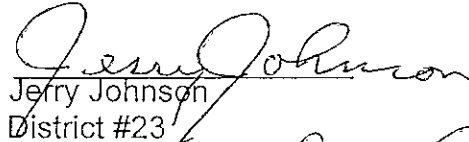

Bill Kintner
District #2

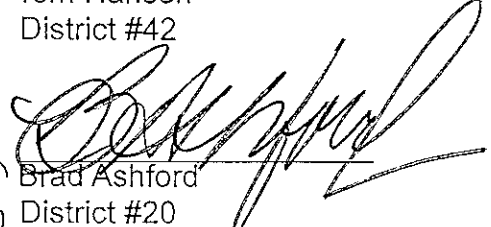

John Harms
District #48


Dave Bloomfield
District #17

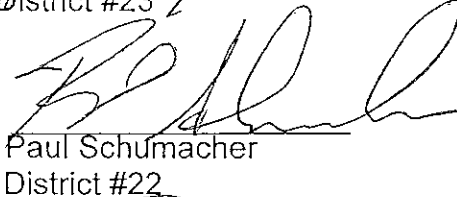

Tom Hansen
District #42

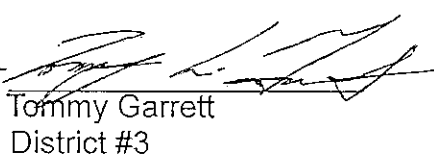

Heath Mello
District #5

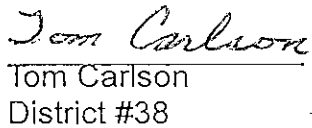

Jerry Johnson
District #23

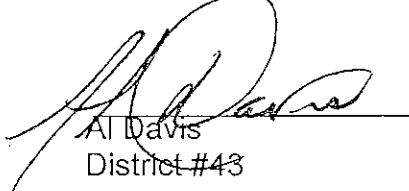

Brad Ashford
District #20

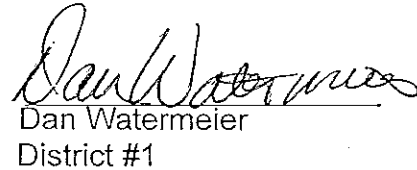

Mark Christensen
District #44

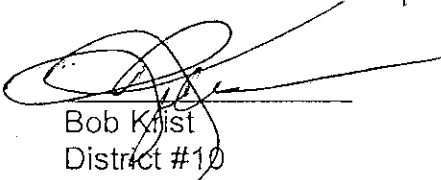

Paul Schumacher
District #22

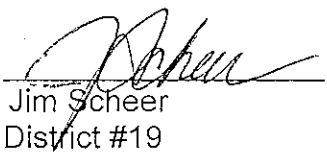

Tommy Garrett
District #3

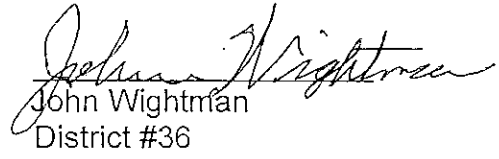

Tom Carlson
District #38

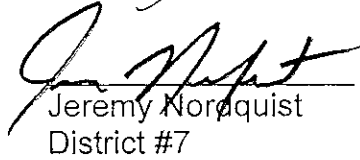

Al Davis
District #43

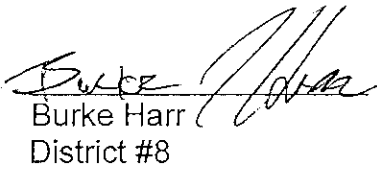

Dan Watermeier
District #1


Bob Knist
District #10


Jim Scheer
District #19


John Wightman
District #36


Jeremy Nordquist
District #7


Burke Harr
District #8