



Austin Knudsen
ATTORNEY GENERAL

February 9, 2021

President Joseph R. Biden
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Biden:

As the chief legal officers of our states, we write with alarm regarding your unilateral and rushed decision to revoke the 2019 Presidential Permit for the Keystone XL pipeline. Your decision will result in devastating damage to many of our states and local communities. Even those states outside the path of the Keystone XL pipeline—indeed all Americans—will suffer serious, detrimental consequences.

In your January 20, 2021 Executive Order, you concluded that the Keystone XL pipeline “disserves the U.S. national interest.”¹ You supported that determination with vague statements about the “climate crisis,” how “[t]he world must be put on a sustainable climate pathway,” and that “[t]he United States must be in a position to exercise vigorous climate leadership”² Nowhere, however, do you explain how killing the Keystone XL pipeline project directly advances the goals of “protect[ing] Americans and the domestic economy from harmful climate impacts.”³ Nor does your decision actually cure any of the climate ills you reference. Observers are thus left with only one reasonable supposition: it is a symbolic act of virtue signaling to special interests and the international community.

The real-world costs are devastating. Nationally, your decision will eliminate *thousands* of well-paying jobs, many of them union jobs. Your order hearkened back to the 2015 determination from the Obama Administration “that the significance of the proposed

¹ Exec. Order No. 13990, *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis*, 86 Fed. Reg. 7037 (Jan. 20, 2021), at § 6.

² *Id.*

³ *Id.*

pipeline for our energy security and economy is limited.”⁴ Thousands of displaced workers and their families surely disagree with that heartless assessment. And it’s cold comfort to suggest to now-jobless Americans that by turning the page on projects like Keystone XL, workers can look forward to high-paying green energy jobs that don’t yet exist. It’s bad enough for the government to pick winners and losers in the marketplace, but much worse when the winners are aspirational. Aspirations don’t put food on the table, or pay the phone bill, or put kids through college. Jobs do, and you eliminated thousands of them with the stroke of a pen.

The pipeline states and their local communities will also suffer dramatically. In Montana for instance, killing Keystone XL will likely cost the state approximately \$58 million in annual tax revenue. Montana will lose the benefits of future easements and leases, and several local counties will lose their single-biggest property taxpayer. The loss of Keystone XL’s economic activity and tax revenues are especially devastating as five of the six impacted counties are designated high-poverty areas. So your decision to shut down the project means less money for schools, less money for public services, and the elimination of business and job opportunities in those areas where they are most needed. Montana businesses, local governments, and utilities have also made substantial investments in preparation of servicing the pipeline. Those expenditures are now sunk with no hope of return, the prospects for increased economic activity have evaporated, and Montanans’ energy bills are likely to increase.

Yet it appears you never considered these impacts on Montana and other states and entities. The pipeline states have both made substantial investments in the project and have relied extensively on the expected revenues and economic opportunities Keystone XL brought and was bringing to countless Americans across the country. It is not too much to ask that the President give due consideration to the destructive consequences his decisions impose on our—and his—constituents. We are therefore deeply concerned that your unilateral approach, which failed to consider costs and reliance interests, sets a dangerous precedent for other permits and projects that affect all our states.

But we were not consulted, and our states’ substantial interests were not considered.

The Keystone XL pipeline provides the safest means of transporting oil and natural gas over long distances. Not only is this project using and making massive investments in green and renewable energy sources, it’s on target to be carbon neutral by 2023. And importantly, the pipeline would increase American consumers’ access to alternative low-cost energy sources. This decision should not have been made so hastily. The United States is finally energy independent. Beyond increased production, our energy industry has made major, market-driven advances in cleanly and safely developing and

⁴ *Id.*

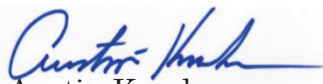
transporting fossil fuels. The Keystone XL project is no exception. Your decision therefore disincentivizes the very behavior we all wish to see from the fossil fuel industry, upon which the Nation will rely for years to come. And in terms of global impacts, while you believe this action represents “vigorous climate leadership,” shuttering Keystone XL will only make our allies further dependent on Russian and Middle Eastern oil.⁵

Your decision will also disturb other industries Americans rely upon every day. Having cudged the energy sector, your decision will increase heating and fuel costs for families and businesses across the country and disrupt other industries including agriculture, transportation, manufacturing, and even the affordability of consumer goods. Americans you were elected to serve will ultimately foot the bill in higher prices, lost jobs, and less security.

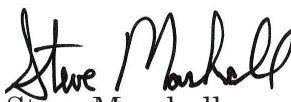
We cannot “Build Back Better” by reflexively tearing down. America needs every tool in her possession to emerge from the COVID-19 crisis stronger and more secure. You have expressed a commitment to unite the Nation. If that is to be more than empty rhetoric, you must fully consider and account for the alarming effects your actions have on states, local communities, families, and workers.

Please be aware that the states are reviewing available legal options to protect our residents and sovereign interests. In the meantime, we urge you to reconsider your decision to impose crippling economic injuries on states, communities, families, and workers across the country.

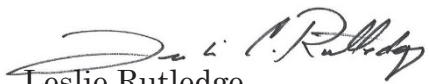
Sincerely,



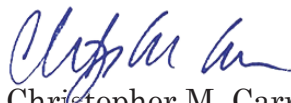
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⁵ *Id.*



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