

State of Indiana



Indiana General Assembly

SENATE RESOLUTION FIFTY-FOUR

A SENATE RESOLUTION Supporting the continued shift towards reliable and secure sources of Canadian oil.

WHEREAS, The United States is still many years away from ending its dependence on non-renewable resources, despite the recent focus on renewable energy. In order to fuel our economy, the United States will need more oil and natural gas, while also requiring additional alternative energy sources like ethanol and other renewable energy sources;

WHEREAS, The United States currently depends on foreign imports for more than half of our petroleum usage. As the largest consumer of petroleum in the world, our dependence on foreign oil has created difficult geopolitical relationships with damaging consequences for our national security;

WHEREAS, Canadian oil reserves are vast and are second only to Saudi Arabia, using current measurements and technology. Oil sands now account for more than half of western Canada's total oil output;

WHEREAS, A recent study by the U.S. Department of Energy found that growing Canadian oil sands importation by the United States has the potential to substantially reduce the U.S. dependency on sources outside of North America;

WHEREAS, Canada is a friendly neighbor with whom the United States has an excellent trading and political relationship. Canada sends more than 99 percent of its oil exports to the United States, the bulk of which goes to Midwestern refineries. Canadian oil sands provide greater fuel supply reliability and reduce the risk of supply disruptions to consumers;

WHEREAS, Oil companies are investing huge sums to expand and upgrade refineries in the Midwest and elsewhere to make gasoline and other refined products from the Canadian oil derived from oil sands;

WHEREAS, The expansion and upgrade projects will create over 7,000 new construction jobs over the next five years and \$635 million in value added to Indiana's gross state product (GSP);

WHEREAS, The same money used to buy Canadian oil will likely later be spent directly on U.S. goods and services, as contrasted to the money sent to hostile oil-producing governments later used to further anti-democratic agendas; and

WHEREAS, Supporting the continued shift towards reliable and secure sources of Canadian oil is of vital interest to the United States and the state of Indiana:

Therefore,
Be it resolved by the Senate of the
General Assembly of the State of Indiana:

SECTION 1. The Indiana Senate supports continued and increased importation of Canadian oil sands.

SECTION 2. The Indiana Senate urges Congress to support continued and increased importation of Canadian oil sands.

SECTION 3. The Indiana Senate urges Congress to ask the United States Secretary of State to approve the TransCanada Keystone Coast Expansion pipeline project that has been awaiting a Presidential Permit since 2008 to reduce dependence on unstable governments, improve our national security, and strengthen ties with an important ally.

SECTION 4. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the Indiana Congressional delegation.

Adopted by voice vote this eleventh day of April, 2011.


CARLIN YODER
State Senator

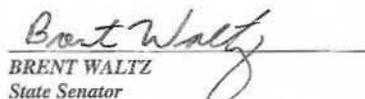

KAREN TALLIAN
State Senator

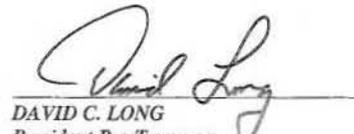

JAMES BUCK
State Senator


ED CHARBONNEAU
State Senator


MIKE DELPH
State Senator


BEVERLY J. GARRIS


BRENT WALTZ
State Senator


DAVID C. LONG
President Pro Tempore
State Senator




VI SIMPSON
Minority Leader
State Senator


JENNIFER L. MERTZ
Secretary of the Senate

United States Senate

WASHINGTON, DC 20510-1401

May 4, 2011

The Honorable Carlin Yoder
State Senator
Indiana State Senate
200 W. Washington Street
Indianapolis, Indiana 46204

Dear Senator Yoder:

Thank you for sharing with me a copy of the Indiana General Assembly Senate Resolution Fifty-four, which reaffirms the importance of reliable sources of Canadian oil for American consumers and urges prompt approval of permits for construction of the Keystone XL pipeline. I strongly support your Resolution and am transmitting the Resolution to Secretary of State Hillary Clinton immediately.

I join you in advocacy for expanding sources of secure and reliable sources of energy. Global oil markets are once again tightening and becoming even more vulnerable to political manipulation, terrorist attacks, instability, natural disasters, and wars such as currently occurring in Libya. In this situation, we must pursue all reliable and secure oil alternatives.

At the federal level, I am working to expand domestic oil production, encourage alternatives to oil such as advanced biofuels and coal liquids that can be made from Indiana's resources, accelerate vehicle fuel efficiency through innovation (an area with high economic potential for Hoosier entrepreneurs and established companies), and bolster reliability of international supplies.

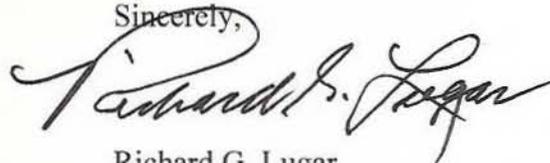
As the Resolution notes, Canada is an important and reliable oil supplier to the United States. It is a close ally on national security issues and an important trading partner for Indiana. Opening of the Keystone XL pipeline would provide more flexibility for Americans and help displace the need for crude from countries hostile toward the United States such as Venezuela.

As the Ranking Member of the Senate Foreign Relations Committee, I have followed developments for many months and encouraged expeditious review of the permit. Seeing the regular review process slow earlier this year, on March 2, 2011, I publicly pressed for permitting of Keystone XL directly with the Secretary of State in a hearing of the Senate Foreign Relations Committee. Following that hearing, I submitted several written questions for the record to press for an expeditious decision.

While we should understand environmental impacts, we also must take seriously the dire security, economic, and foreign policy realities of our current energy portfolio. Likewise, just as we expect other nations to respect the sovereign decisions we make over energy and climate policies, so too we must respect the decisions of the Canadian people to produce oil. Blocking the Keystone XL pipeline on the grounds of greenhouse gas emissions could support a dangerous precedent for national interest decisions and could backfire if other nations decide to block trade in U.S. goods based on their disapproval of our policies.

Thank you, once again, for sharing Senate Resolution Fifty-four and for your leadership.

Sincerely,

A handwritten signature in black ink, reading "Richard G. Lugar". The signature is fluid and cursive, with the first name "Richard" being the most prominent.

Richard G. Lugar
United States Senator

Cc. The Honorable David C. Long, President Pro Tempore
The Honorable Vi Simpson, Minority Leader
The Honorable James Buck, State Senator
The Honorable Ed Charbonneau, State Senator
The Honorable Mike Delph, State Senator
The Honorable Beverly J. Gard, State Senator
The Honorable Karen Tallian, State Senator
The Honorable Brent Waltz, State Senator

RGL/nbn

RICHARD G. LUGAR
INDIANA

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COMMITTEES:
FOREIGN RELATIONS, RANKING MEMBER
AGRICULTURE, NUTRITION, AND FORESTRY

United States Senate

WASHINGTON, DC 20510-1401

May 4, 2011

The Honorable Hillary Clinton
Secretary of State
United States Department of State
2201 C Street NW
Washington, D.C. 20520

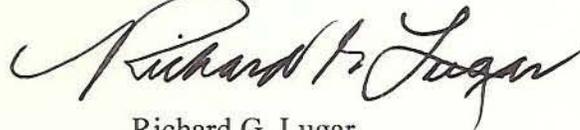
Dear Secretary Clinton:

I am writing to transmit a copy of Indiana General Assembly Senate Resolution Fifty-four. The Resolution reaffirms the importance of reliable sources of Canadian oil for American consumers and urges prompt approval of permits for construction of the Keystone XL pipeline.

In the two and half years that the State Department has been reviewing the permit application, gasoline prices have surged with acceleration in global oil demand and unrest in oil producing nations. Meanwhile, Canada is willing to increase their reliable supplies for American consumers.

I urge you to expeditiously approve the Keystone XL permit.

Sincerely,



Richard G. Lugar
United States Senator

Attach: Indiana General Assembly Senate Resolution Fifty-four

RGL/nbn