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March 27, 2013

U.S. Department of State
Attn: Genevieve Walker, NEPA Coordinator
2201 C Street NW, Room 2726
Washington, DC 20520
keystonecomments@state.gov

**RE: Comments on Draft Supplemental Environmental Impact Statement (SEIS)
for Keystone XL Project**

Dear Ms. Walker:

On behalf of the Palmetto Agribusiness Council I would like to commend the State Department for executing a thorough and transparent Draft SEIS for the Keystone XL project. In this latest iteration, the State Department again concludes that the Keystone XL project will have minimal environmental impact due to extensive mitigation efforts to be undertaken by TransCanada. I urge the State Department to finalize the SEIS expeditiously in order to complete a second National Interest Determination. Swift action will allow this vital infrastructure project to move forward after four years of extensive study.

Keystone XL will be critical to improving American energy security and boosting our economy. In the Southeast, the vast majority of our gasoline and diesel is delivered via one pipeline from the Gulf Coast refinery complex. With Keystone XL online, those same refineries would receive an extra 830,000 barrels a day of highly discounted oil, as it will be coming from Canada and the United States instead of the Middle East. When crude oil makes up 80 percent of the price of a gallon of gasoline, such an increase in supply can have a big impact, leading to lower prices for energy consumers across the Southeast.

As discussed in this draft SEIS, the project offers the most efficient, safest and least intrusive method for transporting Canadian and Bakken crude to markets in the Gulf Coast region. Alternative transport methods – namely rail and barge – will require significantly more displacement of land and result in greater energy use and carbon emissions. Furthermore, the likelihood of an incident leading to a release or spill of crude oil is much lower for pipelines than other transport methods. For all these reasons, pipelines carry nearly two-thirds of the oil and petroleum products transported domestically.

However, the draft SEIS concludes that rail and barge alternatives are still economically viable given the strong demand for heavy crude amongst Gulf refineries. Even with these less attractive alternatives, rejecting Keystone XL will not eliminate the demand for heavy oil transport. Nor will rejecting the project deter the production of Canadian oil sands.

With an additional 57 mitigation measures, Keystone XL is still the smartest choice. By supporting domestic production and oil imports from our ally Canada, instead of politically unstable countries, we will strengthen both our national security and energy security. Access to affordable, stable supplies of petroleum remains one of the most vital components for a growing economy.

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In closing, the Palmetto Agribusiness Council believes that construction of the Keystone XL pipeline is in the best interest of all Americans. We respectfully request that the State Department expeditiously finalize the Draft SEIS and ultimately grant TransCanada the Presidential Permit necessary to begin building the pipeline.

Sincerely,

A handwritten signature in black ink, appearing to read "Cathy B. Novinger". The signature is fluid and cursive, with the first name "Cathy" and last name "Novinger" clearly legible.

Cathy B. Novinger
Executive Director

/sb