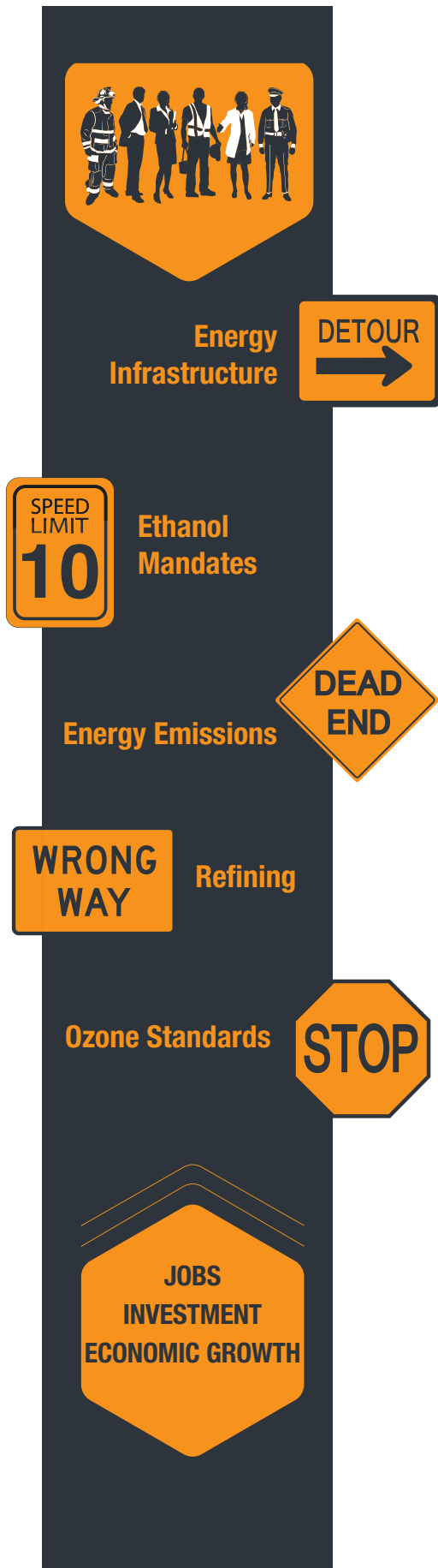


GOVERNMENT POLICIES ARE STOPPING OR DELAYING DEVELOPMENT

of domestic oil and natural gas resources necessary to power our nation's economy, create jobs and enhance America's energy security. For our workers and our economy it is time to stop this assault on progress and commit to efficient policies that allow the safe development of our resource wealth.



- » As **North American energy production grows**, building the infrastructure to move these supplies to consumers is vital because Americans depend on stable, affordable energy to fuel their daily lives. We should have an oversight process for all energy infrastructure projects that is fair, consistent, balanced and based on science. **The Keystone XL** review debacle is a prime example of politically imposed roadblocks stifling a promising project that would **create thousands of jobs and strengthen our energy security**.
- » The year is 2015 yet **EPA still hasn't finalized ethanol requirements** for 2014 or 2015 under the Renewable Fuel Standard (RFS). The administration's inability to meet the congressionally mandated deadline of Nov. 30 clearly shows how unworkable the RFS is. Given the increasingly long delays in finalizing volume mandates each year, it is clear Congress must repeal the RFS outright. In the meantime, **EPA should provide short-term relief** by rolling back ethanol mandates to protect consumers from possible vehicle damage and to allow non-ethanol gasoline for consumers who demand it.
- » According to the Energy Information Administration, **natural gas was responsible for 62% of electric power sector carbon dioxide savings** from 2005 to 2012. And over that same time period methane emissions from natural gas systems fell 15% while natural gas production rose 33%. EPA calculations also show that methane emissions from hydraulically fractured natural gas wells have fallen 73% since 2011. Yet, even with these improvements, and although methane emissions from natural gas and petroleum systems represent just 28.5 percent of total methane emissions, the White House has singled out oil and natural gas for additional regulation. As oil and natural gas production has risen dramatically, methane emissions have fallen thanks to industry leadership and investment in new technologies. Emissions will continue to fall as operators innovate and find new ways to capture and deliver more methane to consumers, while existing EPA and state regulations are working. Another layer of burdensome requirements could actually slow down industry progress to reduce methane emissions.
- » The Bureau of Land Management issued fewer new oil and natural gas leases in fiscal year 2014 than in any year since FY1988, **continuing the decline in oil and natural gas opportunities in federal areas**. Federal onshore natural gas output has dropped 21.6% since FY2009. Yet, BLM proposes a new hydraulic fracturing rule that could impose new costs and delays on production – without improving existing state and federal regulations, forming a new barrier to growth. Offshore the story is similar, with 87% of federal acreage off limits to energy development. If the U.S. is to have a true, all-of-the-above energy strategy, we need greater access to energy reserves under Washington's control. The Interior Department's proposed offshore oil and natural gas leasing program, and other recent actions to restrict energy development – including more limitations in the Arctic National Wildlife Refuge – show a disappointing lack of commitment to ensuring America's position as a world energy leader. Staying competitive and **reducing our dependence on imports depends on planning and decisions made today**. The administration's continued limiting of access to resources represents delayed economic opportunity and could cost the country jobs and revenue to the government while hampering our energy security.
- » When **EPA proposed tightening the national ozone standards** a few years ago, President Obama told the agency to stand down. But now EPA is re-proposing a stricter standard even though a current review of health studies has not identified compelling evidence to do so. Tightened standards could impose unachievable emission reduction requirements on virtually every part of the nation, including rural and undeveloped areas. These could be the costliest EPA regulations ever. Recently, NERA consultants reported that a 60 parts per billion ozone standard – among the options EPA is considering – could cut gross domestic product by **\$270 billion a year** and cost businesses **\$2.2 trillion** from 2017 to 2040 while boosting the cost of energy and risking millions of jobs. The challenges of meeting new standards would be massive and disruptive to current efforts by EPA and the states to implement the existing standards. In many places the proposed standards would require **ozone levels at or below peak background levels**—even pristine areas such as national parks would exceed the new standard.

With new standards that approach or are even lower than peak naturally occurring levels, virtually any human activity that produces emissions could ultimately be restricted or affected. In some cases, new development simply would not be feasible or permitted. **The U.S. government has a responsibility to keep federal regulations sensible**. It should give state and local governments a chance to meet the most recent standards before changing them again.