

Energy Council

Elizabeth Van Holt, API Midwest
June 11, 2022



Keep America Competitive



Energy Security is Energy Independence



Why gas prices are near \$5 a gallon and how high they'll go



**USA
TODAY**

Will gas prices ease with Biden's release from strategic reserve? Experts say it's not enough

The Washington Post

Empty wallets, empty tanks: Surging gas prices leave drivers stranded

The New York Times

Rising Gas Prices Have Drivers Asking, 'Is This for Real?'



American
Petroleum
Institute

2019: US Net Exporter of Energy

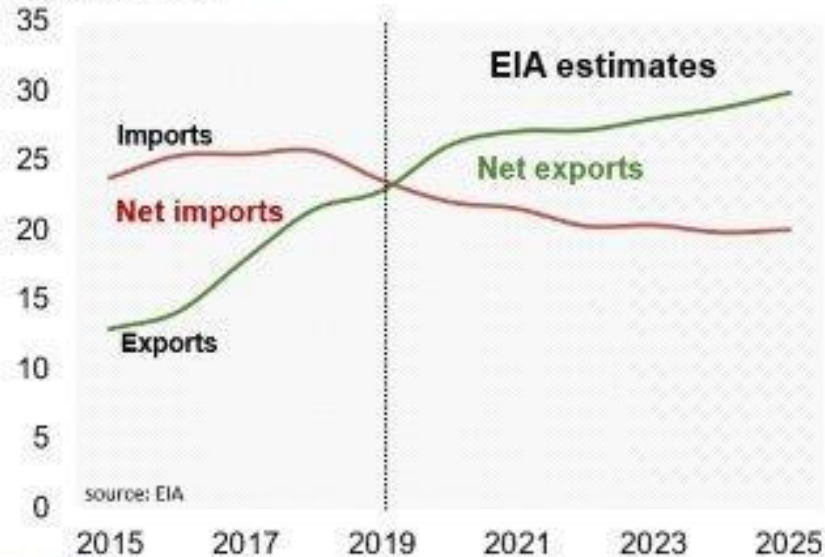


For the first time in nearly 60 years, the U.S. has become a net exporter of energy in total

- The U.S. already was a net exporter of coal, natural gas and natural gas liquids, and EIA projected the U.S. to become a net exporter of total energy (including oil) in 2019
- EIA's Short-Term Energy Outlook in November confirmed the finding per API's estimates in the September Monthly Statistical Report

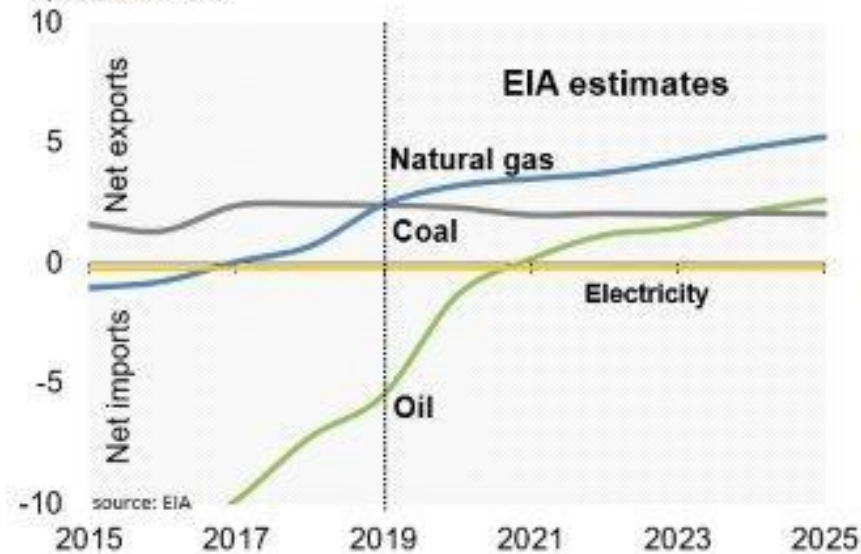
Gross energy trade

Quadrillion Btu



Energy net exports and imports

Quadrillion Btu



**WORLD DEMAND FOR
ENERGY IS PROJECTED
TO INCREASE 47%
BY 2050**



American
Petroleum
Institute

More Than 80% of Democrats Support



Maintain Global Leadership

Producing oil and gas in the U.S. to maintain global leadership



Reduce Energy Costs

Producing oil and gas to lower costs, which are soaring above inflationary levels last seen in the early 1980s



Energy Security

Producing oil and gas to keep us secure against actions by countries such as Russia

Fork In The Road





Biden administration cancels 3 major offshore oil lease sales



More oil, gas pipelines needed



Biden's NEPA Move Could Kill Future Energy Projects, Experts Say

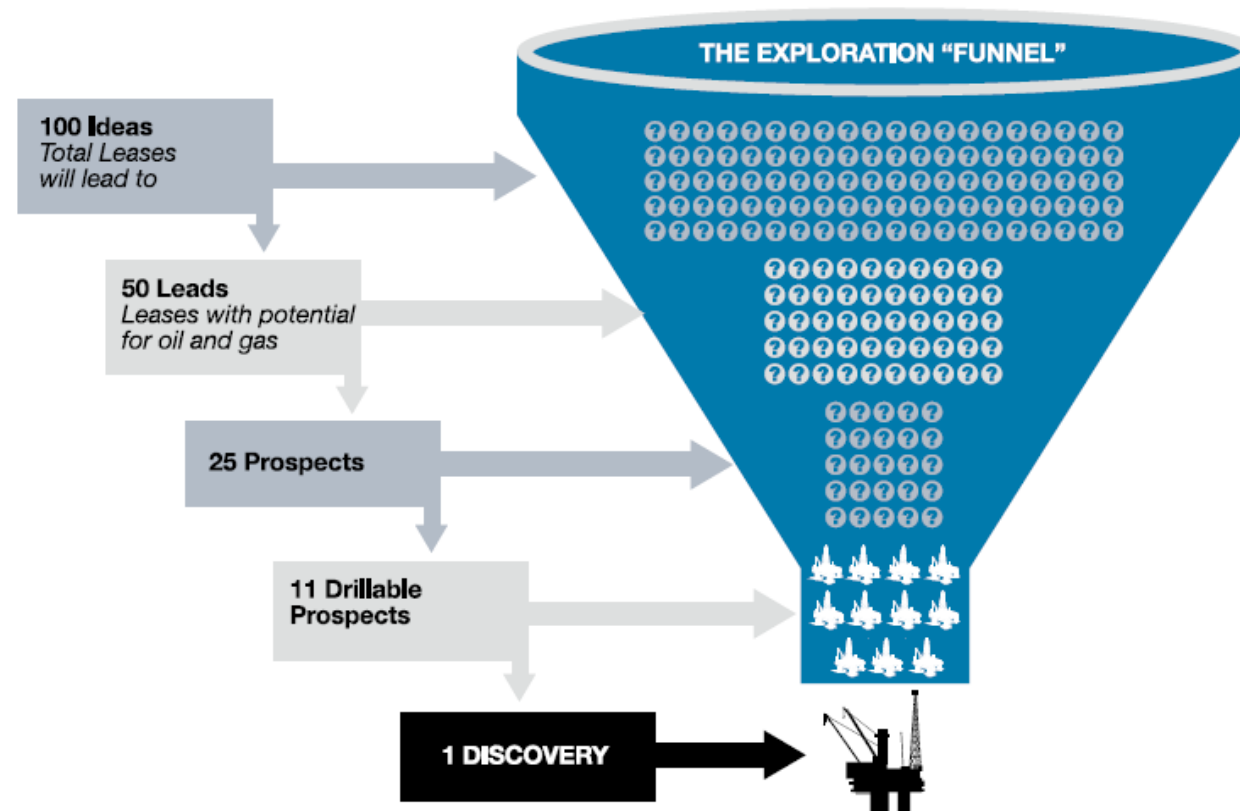


'Unprecedented Lapse' in U.S. Offshore Oil, Natural Gas Leasing Imminent, Warns Industry

9,000 Unused Leases

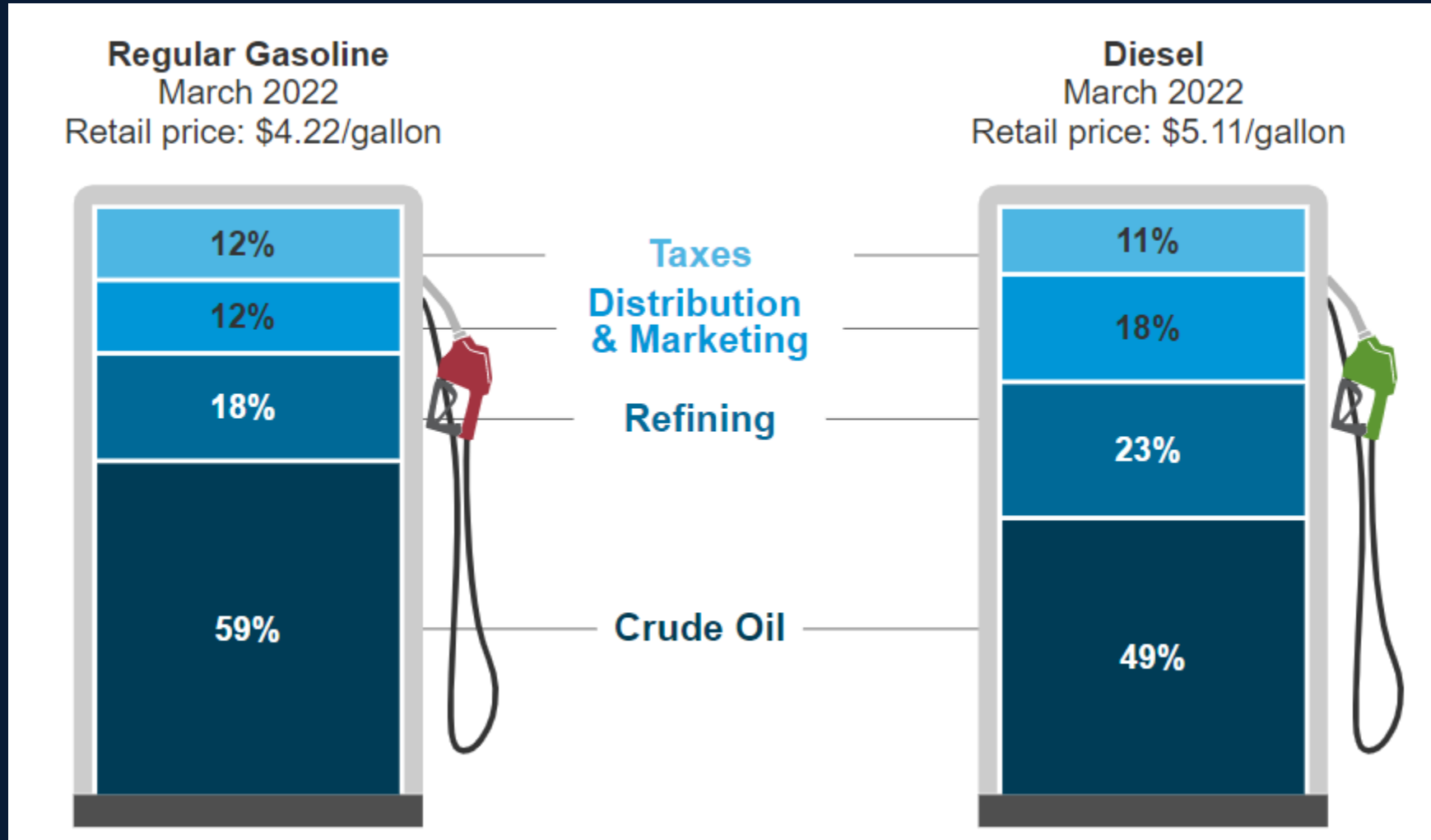
How many leases do I need to ensure a 90 percent chance of making a discovery?

The Myth of Idle Leases



Source: API, 2008

Gas Prices



Crude oil prices are impacted by:

- Geopolitics
- Global market fundamentals
- Supply and demand
- Inventories
- Seasonality
- Financial market considerations and expectations

api.org/gasprices

What Can Be Done?

- 1. Call on the administration to develop a new five-year offshore leasing program to replace the one that is scheduled to expire in June**
- 2. Administration should hold onshore lease sales on federal property as required on a quarterly basis under the Mineral Leasing Act.**

US Energy Empowers Energy Progress, Not Partisanship



What Can Be Done?

3. Department of Energy should approve all LNG export applications and seek congressional changes for swift approval of exports to non-free-trade-agreement nations.
4. Washington should reverse course on infrastructure decisions.

Need for Energy Infrastructure

AMERICA'S ENERGY INFRASTRUCTURE NETWORK IS MODERN AND DIVERSE

Our country's energy – crude oil and finished products – is transported over a wide and diverse supply network of pipelines, barges, rail systems, tankers and trucks.

Produce

The first step in the oil supply chain is production. During production, crude oil is produced on both land and sea

Transport

Unrefined products are transported by network of pipelines, barges, rail systems, tankers and truck to refineries.

Refine

Refineries use various chemical separation and reaction processes to transform crude oil into usable products

Transport

Refined products are transported by network of pipelines, barges, rail systems, tankers and trucks to sell to consumers.

Point of Sale

Refined Products are transported to their final point of sale, which includes fuel stations and airports.

GIF

Chance Chase, President, Chase Energy Services



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