AXPC member companies are authors of the great American Shale Revolution – a time in which energy costs went down due to domestically produced oil and natural gas that was unlocked through hydraulic fracturing and horizontal drilling technologies. In the case of supporting stable energy prices, unleashing American energy production is the answer. It’s also the answer to good-paying American jobs, lower global emissions, and both energy and national security for our country and our allies.

The Administration and/or Congress should take the following actions to Unleash American Energy Production:

1. Strengthen our nation’s energy infrastructure:

To ensure we can meet growing energy demands, while continuing to reduce emissions, Congress and the Administration should promote infrastructure development and protect and foster US refining capacity.

Limited refining capacity and pipeline capacity in much of the country create inefficiencies and drive-up costs. Streamlining the National Environmental Policy Act (NEPA) process and ending the obstruction of oil and natural gas projects will promote certainty and predictability in the permitting process to spur project investment in energy infrastructure. The NEPA environmental review process should be more efficient and consistent, clearly focused on NEPA’s central goal of improving agency decision making within reasonable timeframes. The permitting obstruction—sometimes from non-pertinent federal agencies—of energy infrastructure projects should end and layers of duplicative regulation and reviews, such as the multiple reviews for greenhouse gas emissions, across federal agencies for the same project (or to control the same sources) should be eliminated.

The inability to move energy within the US forces consumers to depend on foreign natural gas during high demand periods. FERC should not pursue pipeline permitting policies that hinder the ability to build the energy infrastructure needed to access US resources, make energy more expensive for American families, or impede the permitting of new LNG facilities.
2. Allowing access to produce on federal lands:

Amidst the global backdrop of high energy prices and skyrocketing inflation, the Biden Administration and Congress should find ways to support federal lands production. The US Department of the Interior should hold regular lease sales, as statutorily required by the Mineral Leasing Act. A historic royalty rate increase, coupled with federal acreage reduction and the omnipresent risk of litigation, will further challenge operators from developing federal mineral resources.

3. Encourage LNG Exports:

The energy landscape is global and US energy exports are important to our country’s role in the market, global security, and our climate leadership in the world. FERC and The US Department of Energy should expeditiously review and approve LNG facilities’ permitting applications, so that natural gas can be transported and exported. In addition to supporting the necessary infrastructure here at home, the Administration should promote utilization of US LNG around the world as a cleaner, more responsible choice to alternative energy sources, and support policies that will encourage building additional import capacity around the globe.

4. Encourage Capital Investments in American Energy Production:

To show the long-term strategic value of investing in our vital natural resources and US energy security, Congress and the Administration should clearly and unequivocally support domestic production of oil and natural gas.

Our industry is committed to transparency, collaboration, and engagement on climate solutions, but that does not necessarily mean that securities laws are the appropriate context for all climate-related disclosures. The Securities and Exchange Commission should reconsider its burdensome climate disclosure proposal, collaborate with our industry, and build on existing efforts underway to further consistency and comparability of climate-related reporting.

5. Relieve Supply Chain Bottlenecks:

The complex and costly process for drilling and completing a new well in the United States takes time and significant resources, even without the challenges we face from supply chain disruptions and labor shortages. There is a great deal of uncertainty right now about everything from storage levels to additional sanctions to how OPEC producers will respond to increased American production. Inflationary costs, labor shortages, and supply chain disruptions are further hindering increased production. In fact, inflationary pressures are leading to 15-20 percent in additional capital spend just to maintain current oil and natural gas production levels and could go even higher. The Biden Administration should rescind steel tariffs that remain on US allies as steel is a critical component of energy production and work with our industry on reducing supply chain bottlenecks.