



Via Email

July 30, 2024

The Honorable Joe Manchin, III
Chairman
Senate Committee on Energy & Natural
Resources
304 Dirksen Senate Building
Washington, D.C. 20510

The Honorable John Barrasso
Ranking Member
Senate Committee on Energy & Natural
Resources
304 Dirksen Senate Building
Washington, D.C. 20510

Re: AXPC Support for the Energy Permitting Reform Act of 2024

Dear Chairman Manchin and Ranking Member Barrasso:

For the American economy to compete on the global stage in the twenty-first century, it is critical to develop infrastructure projects that support the rising demand for energy and our ability to produce it responsibly and efficiently. The American Exploration & Production Council (“AXPC”) applauds Congress’s initiative to negotiate a commonsense, bipartisan piece of legislation that will improve the permitting process for energy projects and provide greater certainty for oil and gas development on public lands. This legislation is an essential first step in meaningful permitting reform.

AXPC is a national trade association representing 31 leading independent oil and natural gas exploration and production companies in the United States. AXPC companies support millions of Americans in high-paying jobs and invest a wealth of resources in our communities. Dedicated to safety, stewardship, and technological advancement, our members strive to deliver affordable, reliable energy to consumers while positively impacting the economy and the communities in which we live and operate. As part of this mission, AXPC members understand and promote the importance of delivering affordable, reliable and sustainable energy sources to Americans. In particular, our members work hard every day to fulfill our obligation to prudently and responsibly develop oil and gas resources. AXPC member companies produce more than half of U.S. onshore production each year, including many active operations developing federal minerals.

For traditional energy, renewable energy, and the energy systems of the future, a critical piece of the puzzle will be building the infrastructure needed to keep up with today’s energy demand while meeting growing demand in an ever-cleaner way. Policymakers on both sides of aisle have recognized the need to incentivize new resilient American infrastructure and clean energy technologies. But there is increasing recognition that this progress will not be achievable without meaningful permit reform. The process is too complicated, takes too long, and allows for endless lawsuits.

Relatedly, it cannot be understated that United States can’t produce much of anything if it doesn’t have reliable and affordable power. Energy fuels the American economy. The Department of Energy reported in 2020, that the affordability and accessibility of oil and gas here at home was then infusing hundreds of billions of dollars into new American manufacturing, supporting the development of new jobs, infrastructure, and economic opportunity in communities throughout the country.¹ DOE found that “manufacturing consumes approximately one-quarter of energy in the

¹ See <https://www.energy.gov/articles/economic-impact-oil-and-gas>.

United States. Affordable power is bringing manufacturing back to the U.S., and recent estimates show manufacturing in PA, OH, WV, and KY supporting 630,000 jobs.” The oil and gas industry is currently responsible for over 10 million American Jobs, and contributed nearly \$1.8 trillion to the U.S. economy in 2021.²

According to the U.S. Energy Information Administration’s International Energy Statistics, the United States produced more crude oil in 2023 than *any nation at any time in history*.³ Natural gas production in the nation also set a record in 2023;⁴ onshore production supports 3.2 million jobs and adds nearly \$500 billion to our nation’s economy. Compared to the rest of the world, domestic energy production has helped to keep energy prices low and stable for American businesses and families.

Our domestic production capabilities are sufficient to meet both our domestic energy needs and enable the United States to play an important role in our foreign policy that will give the country a strategic geopolitical advantage. Global demand for energy is skyrocketing. Since 2000, it has grown by a staggering 46%. According to the energy research company Wood Mackenzie, global oil demand is predicted to grow by 1.9 million barrels per day (bpd) this year, a forecast close to the Organization of the Petroleum Exporting Countries' (OPEC) estimate for 2024.”⁵ Similarly, “global gas demand is set to grow by 2.5% year on year in 2024 to about 4.19 Tcm, the International Energy Agency said Jan. 26.”⁶ Access to dependable, secure, accessible, safe energy is the number one indicator of human progress, which is why securing an efficient pathway to permit American energy projects is more important than ever.

As billions of people around the globe seek to rise from energy poverty, governments must choose how to meet their citizens’ energy needs. The obvious options to do so are to develop their own, often dirtier, domestic energy sources, import energy from adversarial nations like Russia, or import oil and LNG from the United States. So long as our policy determinations allow us to do so, America’s abundant domestic deposits can support our own energy needs and, at the same time, support our allies abroad. Successful public policy must recognize that America’s oil and gas resources underpin our high standard of living and are critical to our national security, economic prosperity, and the ability to tackle some of our nation’s biggest challenges including climate change.

Natural gas specifically is responsible for the majority of our country’s emission reductions since 2005. The historic reductions in U.S. greenhouse gas emissions over the last decade have been driven by the emergence of U.S. natural gas production as a low cost, low emissions source of reliable energy. The Energy Information Agency (EIA) estimates that the majority (58%) of all emission reductions since 2005 were due to increased natural gas electricity generation.⁷

² See [API | New Analysis: America’s Abundant Natural Gas and Oil Resources Deliver Americans Nearly \\$2 Trillion in Economic, Trade & Job Benefits](#).

³ See [United States produces more crude oil than any country, ever - U.S. Energy Information Administration \(EIA\)](#).

⁴ See [U.S. Oil And Gas Production Are Ahead Of Last Year’s Record Pace \(forbes.com\)](#).

⁵ See [APAC markets driving global oil demand | Wood Mackenzie](#).

⁶ See [Global gas demand to grow by 2.5% in 2024, but supply still tight: IEA | S&P Global Commodity Insights \(spglobal.com\)](#).

⁷ <https://www.eia.gov/environment/emissions/carbon/archive/2021/>.

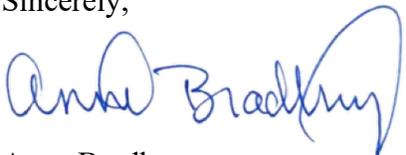
But over 85% of global emissions come from other fuel sources outside of the United States.⁸ If we want to help make a dent in global emissions, exporting U.S. LNG should be a top priority. Unfortunately, under this administration, the U.S. Department of Energy reviews for liquefied natural gas export permits have lengthened to an average 500 days or more,⁹ locking American companies and much-needed energy resources in a political limbo.¹⁰

Today, one of the largest obstacles to providing affordable, sustainable and reliable energy is red tape in the federal regulatory leasing and permitting processes. That is why numerous stakeholders across the country and economy have been calling on Congress to enact meaningful, durable legislation to modernize America's energy permitting processes.

We are pleased to see support for modernizing the permitting process from across the ideological spectrum, and a recognition that the current system is broken. AXPC supports Congress's efforts included in the Energy Permitting Reform Act of 2024 to streamline the oil and gas permitting process and place smart, solutions-oriented policy above politics. As part of this important process, AXPC also asks Congress to continue working on judicial-reform measures for legal challenges under the National Environmental Policy Act. Frivolous litigation pursued by third-party groups that seek to upend government environmental decisions causes years of delay to energy leasing, permitting, and development, creating unnecessary uncertainty and delays and hampering U.S. energy production.

AXPC remains committed to working on these efforts to find solutions and pass meaningful and durable legislation that helps secure affordable, sustainable and reliable energy for Americans.

Sincerely,



Anne Bradbury
President & CEO
American Exploration & Production Council

⁸ <https://www.iea.org/data-and-statistics/data-product/global-energy-review-co2-emissions-in-2021#co2-emission-in-2021>.

⁹ <https://www.reuters.com/business/energy/us-reviews-gas-export-permits-slow-under-biden-administration-2023-10-30/>.