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Good afternoon, everyone, and welcome. We're in a time like no other in American energy. It's an amazing thing to witness.

I like to picture an audience watching a video like that, say 15 or 20 years ago, and hearing predictions of the state of American energy in 2019. Believers in our industry might not have been surprised that America could again be the leading producer of natural gas and oil. And maybe a few thought that we could also reduce carbon emissions faster than any other nation. But who ever imagined that we could achieve both?

Likewise, we are a world away from an era when our entire economy seemed to depend on the changing moods and interests of an oil cartel. There are days when the United States actually exports more oil than some OPEC nations produce.

So in global energy markets, we're playing with a very different hand, to the advantage of this country and many others.

To take just one example, a city in Lithuania recently opened a terminal to receive liquid natural gas from the U.S. Marking the occasion, the mayor said, "U.S. LNG is more than just about gas. It's about freedom."

The feeling is shared by a lot of people in this world. They prefer America as the foremost energy power, because they know how that power gets used in other hands.

In our own country too, there is no overstating how much today's energy revolution is changing life for the better.

Stable, affordable energy is reviving American manufacturing, restoring jobs we used to hear were gone forever. Manufacturers have saved tens of billions of dollars in energy costs – a lot of capital freed up for investment.

I'm talking about places like Beaver County, Pennsylvania, where a new petrochemical plant is going to be a welcome sight after a generation of facilities closing one after another. "Now," as one resident said, "kids growing up here have a reason to stay home and get a decent job."

Or I think of an example in Louisiana. Back in 2004, an entire steel plant was dismantled piece by piece and shipped on barges to Trinidad – because natural gas was cheaper there. Well, now the cheaper natural gas is here. And that company is right back in Louisiana where it belongs, hiring American workers.

Big trends in our industry are touching everyone. And it's important to remember that trends on this scale don't happen by themselves and simply carry us along. They are set in motion by the effort and ingenuity of a workforce we support that includes ten-million-plus women and men. We call them Generation Energy, to capture their

relentless way of outthinking problems and overcoming technical obstacles of every kind.

As much as any industry, we are showing all that can happen when resourceful people meet tough, seemingly intractable challenges.

This year, we profiled 13 Generation Energy innovators, and the technologies they advance every day.

You'll meet one member of Generation Energy who is implementing technologies in the Permian basin to recycle water used in hydraulic fracturing. Another who is part of a team exploring how to make advanced biofuels from algae.

Generation Energy includes geoscientists locating the most elusive reservoirs, and engineers figuring out how to draw from them with ever-greater precision. They're joined by a chemical engineer focused on developing ever-cleaner transportation fuels.

And a research scientist whose company is perfecting technology to prevent methane emissions -- deploying sensor technology carried by planes and helicopters, and even on satellites.

Generation Energy is succeeding in protecting the environment and achieving cleaner air. But those achievements can get overlooked because public attention is so focused on what we quote/unquote "believe" about climate change. What position the industry takes on this or that climate policy.

So let me state three things plainly:
The risks of climate change are real.
Industrial activity around the globe impacts the climate.
And America's natural gas and oil industry is meeting the climate challenge head-on.

Consider just a few basic numbers that show how this industry is meeting serious problems in serious ways: Between 1970 and 2017, GDP in this country rose more than 260 percent. Energy use increased about 44 percent. Vehicle miles traveled nearly tripled. And yet for all of this, combined emissions of the primary air pollutants went down 73 percent.

When it comes to carbon, no nation has reduced emissions more than America has over the last decade. Smart policy explains only part of that progress. The single greatest factor is clean natural gas. Not only has it altered the economic landscape; it makes progress possible in renewable energy as well. When a power plant is sourced by wind or solar, you still need natural gas to back it up.

The world is going to rely on traditional fuels far into the future. Here in more developed nations, it can be easy to overlook that nearly a billion people elsewhere still have to get by without consistent, or any, electricity. In those societies, more access to energy is what's going to make everything else possible -- in public health, safety, jobs, mobility, and advancement of just about every kind.

These aspirations are just one inexorable force driving global demand. It is growing everywhere, and the International Energy Agency expects that more than half of that demand will be met by natural gas and oil for decades to come.

As the world's leading natural gas and oil producer, our nation is in a position of strength, after decades of feeling captive to faraway events and to the decisions of others.

And beyond the resources themselves, the best asset we have is the unrivaled talent of America's Generation Energy.

So how do we keep Generation Energy going strong? What's the right strategy to accelerate U.S. economic leadership and build on the environmental progress we've achieved?

Three conditions will make all the difference:

First, it's worth recalling that the most transformative event in energy today didn't arise from any rule or mandate. Natural gas has become the main source of electricity, making America the world leader in reducing carbon emissions. That happened because our industry was free to innovate and the market was free to work.

There are few industries more regulated than ours. And there's not a worker-safety or environmental rule that we don't follow or even improve upon. I spent much of my first few weeks at API visiting industry work sites across the country, and what struck me most was this industry's commitment to safety and environmental stewardship – its professionalism, and its passion for getting things right.

The key to energy regulations is to keep them grounded in common sense and hard science, while letting this industry deliver on the next wave of innovation. Do that, and we'll continue to meet the challenges of climate change. Do that, and there will be no end to the energy opportunities for this country.

Then there's effective trade policy, the second condition of our industry's continued success.

Canada and Mexico are our best energy customers, so we like the United States-Mexico-Canada free trade agreement and will work to see it approved without delay.

Tariffs and quotas on steel are a different matter. Their effect is to restrict access to critical materials we need to produce, refine, and transport energy. And China's retaliatory tariffs carry the risk of losing a vital energy market, which can mean losing American influence where we need it. It's a void other countries are happy to fill. Our position at API is pretty straightforward: fight back against anti-American trade practices – just do it in ways that don't undermine America's economic leadership driven in large part by energy.

The third condition is an expansion of energy infrastructure, all across the United States. Even if we get everything else right – technology, regulations, and all the rest – infrastructure has to keep pace with production. Building the infrastructure we need to

deliver affordable energy to families and businesses can support up to 1 million-plus jobs per year – a real opportunity for bipartisan achievement in the new Congress.

It's essential to consumers ... it's essential to workers in energy, manufacturing, and construction ... and we've got to get it done.

As for me, I'm not only confident in America's energy future, but as API's new CEO, I count myself fortunate to be able to share this industry's story. This is an industry that has done more to advance civilization than any other force the world has ever seen.

And this generation, Generation Energy, is making history -- reshaping the global energy balance, fueling a manufacturing revival, and leading the world in environmental progress. With the same skill and innovation that made history, Generation Energy is poised to shape the future. And I can't wait to see what they'll do next.

Thank you.

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