



November 13, 2013

The Honorable John Boehner
Speaker of the House of Representatives
H-232 Capitol Building
Washington, DC 20515

Dear Speaker Boehner:

We write to express our keen interest in the shale energy revolution that has made the United States a global energy superpower. The recent increase in production of unconventional oil and natural gas has provided a lift to the U.S. economy and Americans are seeing the benefits not only because of the jobs created but also because household incomes have seen an increase as a result of lower energy costs. In addition, increased U.S. production has revitalized a manufacturing sector that is now experiencing a renaissance and has helped lower U.S. greenhouse gas emissions to 1990s levels. This has all been made possible because of the combination of hydraulic fracturing and horizontal drilling. Congress's attention to these issues demonstrates the importance the energy issues play for our entire country and as such, we express our support for the consideration of hydraulic fracturing-related bills next week on the House floor.

The U.S. is now the world's largest combined oil and natural gas producer. As a result, we are realizing the geopolitical benefits of producing more American energy and enjoying the economic benefits as well. According to the research firm IHS Global Insight, in 2012 new U.S. developments in shale and other tight formations supported 2.1 million jobs, saved American consumers an average of \$1200 per household, and generated \$74 billion in government revenues. IHS also estimates in the years 2012-2025, unconventional development will increase total government revenue (federal, state, and local) by \$1.6 trillion and will reduce our trade deficit by \$180 billion per year by 2022.

The states have led the way in regulating hydraulic fracturing operations while protecting communities and the environment for decades. The states provide the most protective regulations. With their agency staffs' on-the-ground experience, state rules can be tailored to address the specific characteristics of state geology, hydrology, geography, etc. In addition, states have demonstrated the ability to quickly and effectively update and adapt their environmental and safety regulations to ensure safe, reliable, and environmentally sound operations while addressing changes in technology. **We support the passage of H.R. 2728, the Protecting States' Rights to Promote American Energy Security Act, because states have and will continue to be in the best position to regulate and this bill acknowledges the strong role state regulation of oil and natural gas operations, including hydraulic fracturing, has played in this new energy revolution.**

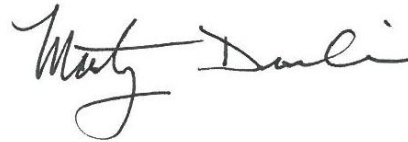
As a credit to the state-based operational requirements placed on oil and natural gas production, numerous studies have shown that hydraulic fracturing can be done safely. To help inform policymaking, in 2009 Congress urged the EPA to study the relationship between hydraulic fracturing and drinking water. The EPA Hydraulic Fracturing Study Improvement Act, H.R. 2850, is supported by industry because it enhances the quality of the ongoing EPA study by requiring greater transparency and scientific rigor as a means to help Congress better understand the data.

The benefits of unconventional development of oil and natural gas are real and they are dramatically changing America's position in the world as it relates to energy security. We are hopeful that all levels of government will continue to enable the growth that is occurring in American energy. The leadership of the states has helped get us where we are today and bipartisan passage of natural gas legislation, including H.R. 2728 and H.R. 2850, will help to ensure that the country continues to realize the game-changing opportunities presented by shale energy development.

Sincerely,



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American Petroleum Institute



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America's Natural Gas Alliance



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