

Remarks as Prepared for Delivery
By Lynn Granger, API Midwest and Mountain West Region Director
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Thanks [*insert name of introducer*] ... and thanks for the invitation... I'm excited to be in the Permian with so many advocates for all the good things that go on here in Lea County.

As [*introducer*] mentioned, I am Lynn Granger. I am the Region Director for the Midwest and Mountain West regions at the American Petroleum Institute ... meaning I have particular focus on the Western states. And if you're in energy and you're a Westerner, you know that there's a happy-warrior element to our mission.

Until late last year, I was Executive Director for API Colorado. And, you know, there is a lot of overlap with New Mexico and Colorado. These are both highly strategic oil-and-gas producing states, and they both have unique and challenging political landscapes.

For those not familiar with API, our nearly 600 members produce, process, and distribute the majority of the nation's energy, and participate in API Energy Excellence®, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting.

API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency and sustainability. So, certainly not new concepts to our industry.

However, opposition to what we do is well-organized in some areas. To be successful, you have to know there's a burden to persuade and do all you can to make sure people understand the importance of natural gas and oil to our security and to our everyday life.

I'm a proud military veteran and some of my first career steps were learning to march and do push-ups at Fort Jackson, South Carolina. The Army was where you learn to keep a cool head, to always be persistent, and that you can't accomplish much without a team.

And that is exactly why I'm excited to be here... to represent API at EnergyPlex 2023 in Lea County. The Permian Basin **team** is here in full-force today.

The companies that do the exploration, the service and supply companies, the rig operators, the automation and control companies, the water recyclers, the workforce development folks, the banks and financial service companies ... the team is here.

It's good to be with both new and familiar faces to talk about the things we love... Lea County, New Mexico, and the Permian Basin. We're producing American oil and natural gas that is affordable, reliable, and ever cleaner. In fact, I had the honor and privilege of spending quite a bit of time in Ukraine, particularly right after Russia invaded Crimea, and I have to tell you that nothing underscores the importance of energy security more than that conflict, right now. So, the energy made here is even making a difference overseas in a chaotic world.

It's also making a difference in lives right here across the Permian. Many of the sponsors here are also supportive of the Permian Strategic Partnership, which is investing millions in better schools, roads, health care, and housing.

With this pivotal work, led by the great Tracee Bentley, (by the way, I had the unenviable task of filling her very large shoes at API; luckily I'm also a pretty tall woman) the Partnership is lifting up communities in this basin – and strengthening this industry's license to operate in the process, across New Mexico and beyond.

There's so much we could spend time discussing, but I want to touch on three things: the moment we're in ... what's at stake ... and what you can do to keep New Mexico oil and gas a true industry juggernaut.

Moment We're In

For energy powerhouses like the Permian, it's been a rocky two years since President Biden took office.

Let's take a quick look across the landscape. Over the course of President Biden's first 19 months, the federal government issued the fewest leases for developing offshore and onshore projects since World War 2, back when our economy was a tiny fraction of what it is today. In fact, it's now been nearly a full year since America's five-year federal offshore leasing program expired – with a new one not scheduled to be issued for months.

Meanwhile, in April, the administration through EPA sent out proposed tailpipe emissions rules that amount to a first step toward a ban on gasoline-powered vehicles – essentially bringing failed California energy policy across the country. They then followed up the tailpipe rules with new proposed emissions standards on power plants that could impact the use of natural gas for electricity generation.

Rules like these ultimately can hurt the people of New Mexico and all Americans – with potentially less reliable and more costly energy. That's not a future we want for our kids and grandkids.

Instead, the focus of America's long-term energy strategy should be increasing, not restricting, U.S. oil and natural gas development. Our message, American energy is produced under some of the strongest environmental standards in the world.

We have the abundant supplies, and the Shale Revolution started an energy technology surge right here in the Permian and beyond. Thanks to your hard work, America has become the model for the rest of the world on producing at record levels and reducing emissions. The blueprint is being written by New Mexico energy producers, transporters, and refiners.

While the reach of the administration's proposed rules is troubling, there are reasons for hope. The administration did approve the Willow Project in Alaska and Congress has mandated some lease sales in the Gulf of Mexico.

And, of course, we were happy to see a final, bipartisan deal that extended the debt limit – and began to modernize our permitting process – pass Congress and become law last week.

We are hopeful further progress on permitting can be made. Because if you can't get energy where it needs to go, you can't unleash New Mexican energy to help the economy and boost energy security around the world.

What's at Stake

There's a lot at stake in these regulatory and legislative fights – not just Washington politics, but for our future. This industry is a key driver in the U.S. economy – generating almost as much GDP as the entire Canadian economy – \$1.8 trillion, or nearly 8 percent of U.S. GDP.

Closer to home, New Mexico's natural gas and oil companies support more than 92,000 jobs – enough workers to fill up University Stadium in Albuquerque twice over with room for 14,000 more. ...Go Lobos!

These New Mexico workers generate \$6 billion in wages and contribute almost \$17 billion to the state's gross domestic product. Here's a breakdown of the 92,000 jobs. Almost 36,000 are directly in natural gas and oil; 30,000 are in services; 6,800 are in wholesale and retail; 3,500 are in construction; 4,100 are in warehousing and transportation; 1,400 are in manufacturing; and an additional 11,000 in other areas.

So, when you hear policymakers – wherever they talk about enacting restrictions on our industry... these are the jobs, those are the people, and this is the scale of the impact that would be on the chopping block.

What You Can Do

So this is what we're fighting for. And you can help us – by staying connected to API and what's going on in Washington – and by taking action to keep this industry strong.

First, we are in alignment with the vast overwhelming majority of voters. Ninety percent of American voters support developing our own oil and natural gas rather than importing from other countries.

85 percent believe producing oil and natural gas here could help lower energy costs. 84 percent agree oil and natural gas development here helps make us and our allies safer.

And look, we didn't poll just Republicans here. Democrats and Independents are 80, 90 percent on all these questions.

Americans of all political stripes recognize the strength and importance of our industry. And if they're old enough, they know the potential alternative. All I need to say is "OPEC embargo," and some of you will remember those long lines at filling stations that circled city blocks for miles.

That led to a lost economic decade here in America. We must never go back, and we should take the right steps to avoid doing so.

If you haven't noticed, there's an election next year. 2024 is the ballgame. We'll do all we can to back pro-energy candidates up and down the ballot.

But oil and natural gas companies, their employees, and their customers must make their own voices heard. In recent years, we at API have stepped up our mobilization efforts in targeted congressional districts and states.

One of our efforts is called Energy Citizens. This is our grassroots mobilization tool. It's very simple... our Action Center will alert you about priority legislation, so you can call, send letters, or take other actions with your elected officials.

It's so easy to sign up at EnergyCitizens.org. In fact, last month, API Energy Citizens in Colorado engaged on a terrible bill that essentially could have ended permitting for new production in one of the most prolific basins in America. Instead, Energy Citizens there generated hundreds of calls and letters to legislators and made the case to lawmakers to keep our license to operate.

Energy Citizens also tell you how and when to make public comments on state regulatory actions. This is something our opponents usually dominate. But we're turning the tables and using the tools of public input to our advantage.

These are the things that make a profound difference when you're in a consequential regulatory or legislative fight. Trust me: Elected officials, government staff, and other bureaucrats track this stuff.

So if you are not signed up for Energy Citizens... please do it! Again, EnergyCitizens.org. If you don't want to make calls ... we have apps for that. Push-button lobbying is a real thing!

If you have an energy workforce – tell them all about Energy Citizens. Tell your business partners. Tell your clients. Tell your best customers. Tell your friends. Get them all involved – we need all hands on deck.

Conclusion

Listen, this is a well-informed crowd. You know the facts about why this is a great industry worth defending.

But API and this industry cannot do what we do without your involvement and the ability – at virtually any moment – to show and demonstrate that the American people are on our side.

Thanks for listening and thanks for the invitation ... thanks to EnergyPlex 2023 and all the companies and employees that make the Permian Basin the most prolific oil and gas play in America.