Mike Sommers

State of American Energy Address 2024

Thank you again, Governor, for your strong perspective on U.S. energy leadership.

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When I delivered this address a year ago, the world was reeling from the war in Ukraine and the resulting energy crisis.

Today, war and instability continue, but the global energy crisis does not. How is that possible?

It's in large part because of American energy and our skilled workers.

They live and solve problems across America, from Alaska and California to Michigan and Pennsylvania. In fact, oil and natural gas supports nearly 11 million American jobs – 350,000 in Governor Stitt's state of Oklahoma alone.

In the past few years, these men and women boosted oil and natural gas production, even as Washington policies held them back.

When we needed them most, these workers kept the Lights On. It's work that all of Washington should commend.

Today, we are in the grips of *another* war, in *another* critical energy-producing region.

The difficult conflict in Israel and Gaza and aggression in the Red Sea have not yet made a major impact on global energy markets. But the risks are high, and hoping for the best is not a strategy.

Our elected leaders have a decision to make.

Will they learn from the mistakes of the last energy crises? Or will they repeat them?

We produce more energy than any country in the world. This benefits our economy, our national security and is our insurance in a volatile time. This is our American energy advantage. It didn't happen overnight and it can't be sustained without the right policies from Washington.

It is the fruit of decades of bipartisan commitment—dating back to the 1970s, a time with remarkable similarities to today.

In 1973, war broke out in Israel, and the U.S. rushed to its aid—prompting OPEC to retaliate by blocking oil exports to the United States.

Prices went through the roof. Gas lines extended for blocks.

It led to a decades-long stretch in which every president irrespective of party called for greater American energy independence and invested in U.S. energy capabilities.

Until now.

Today, Washington is on the cusp of spoiling America's energy advantage—undermining it with short-sighted policies and hostility toward U.S. oil and natural gas.

Our leaders are placing the American energy advantage at risk for future generations.

For people like **Zoey Wright of northeast Pennsylvania**.

Zoey is a high school senior. Several years ago, she attended a summer camp where she practiced welding and learned about the oil and gas industry. She impressed her instructors so much that she secured an internship with prominent energy company Coterra.

Now, Zoey is taking dual-enrollment classes at her high school and a local college through an industry training program. She's getting so much college credit that she will only need one year of college classes before graduating, when she plans to work in the energy industry.

Zoey is here with us today with her mom Sarah. Stand up, Zoey. Let's give them both a hand for helping to build America's energy future!

[Zoey sits]

Zoey and others like her want to keep the Lights On by strengthening our energy advantage. Some in Washington prefer to hold them back—to dim that light going forward.

Whether these leaders realize it or not, American voters are watching.

And as Americans head to the polls later this year, energy is very much on the ballot—and so is everything energy touches.

Jobs. America's security. Manufacturing. Inflation. All are on the ballot. And they all depend in some way on access to energy.

Together, Republicans, Democrats and Independents can provide a better way ... one that restores a bipartisan approach to energy. A strategy that increases access to resources, bolsters our infrastructure, and strengthens our security.

A strategy that keeps the Lights On.

Let's start with access.

Our country needs access to energy like we need access to any other basic staple, like food and shelter. It enables our security and sustains our way of life.

Imagine if a president blocked development of farmland, disrupting our domestic food supply and making us more reliant on foreign countries to feed our families. It could have profound economic and security consequences for Americans.

We know the same thing happens when we block energy production.

The Biden administration has locked up federal lands and waters to resource development. They released the federally mandated offshore leasing program about 500 days late....and included only three lease sales through 2029. In fact, this year - for the first time - there will be no offshore lease sales.

Onshore, the situation isn't much better.

The administration initially suspended quarterly lease sales, even though they're required by law. They announced last year that they were indefinitely blocking nearly half a million acres from energy development in Alaska – in a federal reserve created by Congress *for* petroleum development.

Restricting energy supplies is not a way to lower demand. In fact, last year the world reached record highs for oil demand, record highs for gasoline demand and near record highs for natural gas demand.

Nearly every forecaster projects new records this year.

The question is where will the supply come from. In the absence of U.S. energy leadership, the world is likely to turn elsewhere - to dirtier fuels from unstable regions.

Here's the good news – **today**, America leads the world in oil and natural gas production. America produces oil and natural gas safely and to the highest environmental standards.

Now the bad news – today's record production is due to investment and development decisions made *years* and in some cases *decades ago*.

And the vast majority of new production – two-thirds – has happened on private land.

This isn't partisan. President Obama's energy record wasn't perfect, but his administration offered 96 onshore leases during his first three years in office, compared to just 18 in the Biden administration.

Just as yesterday's policies are felt today; today's will be felt tomorrow.

In some cases, Congress must step up and require lease sales. They did it with the Inflation Reduction Act.

To maintain America's energy advantage going forward, policymakers must increase energy leasing in federal lands and waters, approve permits in a timely manner, and remove barriers to developing American energy.

Our country should not suffer the consequences of short-sighted policies that ignore energy realities.

As we increase <u>access</u> to U.S. energy resources, we need the <u>infrastructure</u> to move, process and refine those resources.

Thanks to recent legislation passed by Congress, we started the conversation on permitting reform. But it will take a lot more to rebuild our nation's infrastructure for the demands of the future.

We need to permanently cut the red tape that is blocking construction, investment, jobs and progress in America.

Today, energy infrastructure projects either take too long to permit, or they go the way of the Atlantic Coast and Keystone pipelines, and don't get permitted at all.

This broken process has consequences. For example, the lack of natural gas pipeline approvals is one of the reasons why New England families pay some of the highest wintertime energy bills in America.

We need clarity on U.S. LNG permitting as well.

Our allies need U.S. LNG to meet their energy security and environmental goals – both now and in the future.

Two years ago, President Biden committed to sending American LNG overseas to our allies. Yet recent reports indicate the administration may abandon this promise. Halting U.S. LNG approvals would put our allies at risk.

This should not be controversial. In fact, one of the best things we can do for the environment is to send more U.S. LNG overseas to displace coal and help cut global carbon emissions.

And it's not just pipelines and LNG. Other energy projects like wind and solar can take four to six years to clear federal environmental reviews.¹

These permitting delays could also impact emerging technologies like carbon capture and hydrogen – where our industry is leading in innovation. Projects of all types are snarled in red tape.

Put simply - we can't unleash these technologies if we can't build them.

Someone can finish four years of high school, or get a college degree before an energy project is permitted, much less built.

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¹ https://cleanpower.org/wp-content/uploads/2023/04/ACP_PermittingReform_230407_3.pdf

The final pillar of U.S. energy leadership is national security. Our adversaries have shown time and again their willingness to weaponize energy. We ignore their actions at our peril.

Our energy leadership is our security advantage.

That leadership should include all energy sources. But unrealistic timelines and government mandates to achieve 100% renewables and 100% full electric vehicles don't bolster *our* advantage - they bolster other countries, most notably China. They also restrict Americans' options. Americans don't need mandates. They need choices.

The solution is *more* energy from *more* sources.

More oil. More wind. More natural gas. More solar. And more modern infrastructure to support them.

If it's energy made in America and it keeps the Lights On, policymakers and candidates should support it. *That's* the American energy advantage.

America's advantages are anchored by our vast natural resources, but what really makes them shine are our people. The workers at the well ... the innovators in the lab ... the truckers on the road ... and the next generation – the teachers and students helping bring our energy future into focus.

People like...

Paden Hagler of New Mexico.

Paden experienced firsthand the value of a good energy job, having worked for several years in the oil fields. Now he's helping the next generation by teaching vocational classes to high school students. With help from American energy partners, Paden teaches 50 students about industry operations through hands-on learning modules, where they can visualize the science and engineering that goes into it.

Stand up for us, Paden.

Attending with Paden today are Trey Williams, principal of Lovington High School in Lovington, New Mexico, where Paden teaches, and Pamela Quiñones, superintendent of Lovington Schools.

Thanks to all three of you for training and equipping our next generation of energy leaders. Let's give them a hand!

No pro-energy platform is complete without supporting and investing in our energy workers—both today and in the future.

And our workers – like other American voters – are paying attention this election year. We have an opening to illuminate what's at stake for our energy future.

Energy has historically been a bipartisan issue. After all, what candidate doesn't want reliable, affordable energy; cleaner fuels; modern conveniences; and, most importantly, stronger national security?

We are an industry that works day and night to strengthen the American energy advantage.

Together we can keep the Lights On, with energy from oil and natural gas, produced right here in the United States of America. Thank you.