

Mike Sommers President and CEO API 202-682-8500 sommersm@api.org

The Honorable Jennifer Granholm Secretary of Energy US Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

## Dear Secretary Granholm,

For decades, administrations of both political parties have recognized and promoted the strategic imperative of reducing our nation's dependence on foreign sources of energy. Recent developments illustrate the importance of the government working collaboratively with industry to ensure US energy and economic security, as well as that of our allies in Europe and around the world.

Due to America's energy resurgence over the past fifteen years, the United States is well-positioned to alleviate the growing energy crisis in Europe. The United States is now the world's leading producer of oil and natural gas and exporter of liquefied natural gas (LNG). In fact, for a period last month, US LNG exports to Europe actually exceeded Russian pipeline deliveries—a remarkable feat that would have been impossible just a few short years ago. And our nation has the capacity to do even more.

The oil and natural gas industry commends the administration for its focus on addressing the risks of climate change and we are working together to accelerate progress on this important issue. Our industry is committed to meeting the challenge of ushering in a lower-carbon future while simultaneously meeting the world's growing need for energy. We share the goal of reducing emissions across the economy, but we cannot let that objective detract from the clear and present need for continued responsible investment in oil and natural gas development.

Now more than ever, the administration should speak clearly and without equivocation that the United States will be a reliable producer and supplier of oil and natural gas to our allies around the world both now and in the future. Instead, in recent weeks, decisions across the administration, including at the Department of Energy (DOE), the Federal Energy Regulatory Commission (FERC), the Department of the Interior (DOI), Environmental Protection Agency (EPA), and other agencies, have introduced significant uncertainty that will negatively impact American energy investments.

In addition, over the past several months, the administration has offered a series of false solutions that fail to recognize the significant value of America's abundant oil and natural gas as a strategic asset to strengthen energy security, economic growth, and environmental progress. Instead, the administration has called on the Organization of the Petroleum Exporting Countries (OPEC) to increase supply, encouraged the Federal Trade Commission to investigate energy markets, and even discussed with lawmakers a federal gas tax holiday. These are short-term, and even counterproductive, policy measures that will have little meaningful or enduring impact.

We urge the administration to take the more prudent steps to establish durable policies that promote America's energy production and leadership and send a clear signal to the world that our nation will develop and utilize our abundant energy resources.

We offer the following policies that the administration should immediately implement to ensure long-term American energy leadership and security:



- The administration should clearly commit to the continued export of crude oil, natural gas, and refined petroleum products.
- The DOE, along with FERC, should swiftly approve all LNG applications and establish clear and consistent timelines to approve future applications.
- The DOI should issue a final notice of lease sale (NOS) under the current five-year offshore oil and gas leasing program by March 2, 2022. This will provide sufficient time to hold the lease sale prior to the expiration of the current program on June 30, 2022.
- The DOI should complete the new five-year program with regularly scheduled Gulf of Mexico lease sales to minimize the unprecedented gap in offshore lease sales.
- The DOI should schedule, and complete, quarterly onshore leasing sales as required under the Minerals Leasing Act, with sufficient acreage and equitable terms.
- The administration should work with FERC, US Army Corps of Engineers, and other relevant agencies to ensure NEPA, CWA Sec. 401, the FERC policy statement, and other permitting processes for oil and natural gas infrastructure are designed and implemented in a manner that ensures consistency, transparency, and timeliness in their application.
- The administration should work through the Commerce Department and our US allies to encourage investment in the full range of energy projects around the world and especially in Eastern Europe.

The policies that the Biden administration establishes will send important signals about the United States' willingness to support responsible oil and natural gas investments needed to meet the energy needs of American consumers and the world.

In closing, our industry is committed to working with the Biden administration to make progress on addressing the risks of climate change and to promote access to oil and natural gas resource development on federal lands, advance energy infrastructure projects and promote effective development of America's plentiful oil and natural gas resources.

Sincerely,

Mike Sommers
President and CEO

cc: US Secretary of State Antony Blinken
US Secretary of the Interior Deb Haaland

US Secretary of Commerce Gina Raimondo

White House Chief of Staff Ron Klain

US EPA Administrator Michael Regan

Chairman of the Federal Energy Regulatory Commission Richard Glick

General of the US Army Corps of Engineers Lt. Gen. Scott Spellmon