June 14, 2022

Via Email

The White House
1600 Pennsylvania Avenue, N.W.
Washington DC 20500

Dear Mr. President:

As the world witnesses, the atrocities of Russia’s unprovoked invasion of Ukraine, American leadership has been critical in forming a unified response with our international allies. The U.S. oil and natural gas industry supports your administration’s actions in addressing Russia’s actions and is committed to assisting your efforts in maintaining global stability, security, and peace.

Unfortunately, Russia’s actions and the instability it created has contributed to an already forming global energy crisis. Several factors have led to a significant and sustained supply and demand imbalance in global oil markets. Demand for energy, specifically crude oil, has surged as global economies have rebounded from the early part of the COVID-19 pandemic. In part, supplies have not kept pace due to global underinvestment in recent years driven by geopolitical and market forces, public policies, and investor sentiment.

This combination of factors and events leaves us in the situation we face today. Namely, the most consequential energy crisis since the 1970s. As Americans face soaring energy costs and the world braces for the potential for future supply shortages, this crisis again calls for American leadership. Fortunately, the United States benefits from an abundance of oil and natural gas resources and has developed cutting-edge technologies to be the world’s energy leader.

It is vital for the United States to take action to preserve our leadership position, promote economic growth, and support the American people and help defend our allies. To overcome the obstacles we are facing, it is time for an energy awakening – for the oil and natural gas industry and government to come together to unlock America’s energy resources, encourage investment opportunities, accelerate infrastructure, and strengthen global energy security.

The following 10 in 2022 Plan consists of ten immediate steps we recommend your administration and/or Congress take to help address our current energy challenges by increasing supply and underscoring the connection between energy security and national security:

1. **Lift Development Restrictions on Federal Lands and Waters**
   The Department of the Interior (DOI) should swiftly issue a 5-year program for the Outer Continental Shelf and hold mandated quarterly onshore lease sales with equitable terms. DOI should reinstate canceled sales and valid leases on federal lands and waters.
2. **Designate Critical Energy Infrastructure Projects**  
   Congress should authorize critical energy infrastructure projects to support the production, processing, and delivery of energy. These projects would be of such concern to the national interest that they would be entitled to undergo a streamlined review and permitting process not to exceed one year.

3. **Fix the NEPA Permitting Process**  
   Your administration should revise the National Environmental Policy Act (NEPA) process by establishing agency uniformity in reviews, limiting reviews to two years, and reducing bureaucratic burdens placed on project proponents in terms of size and scope of application submissions.

4. **Accelerate LNG Exports and Approve Pending LNG Applications**  
   Congress should amend the Natural Gas Act to streamline the Department of Energy (DOE) to a single approval process for all U.S. liquefied natural gas (LNG) projects. DOE should approve pending LNG applications to enable the U.S. to deliver reliable energy to our allies abroad.

5. **Unlock Investment and Access to Capital**  
   The Securities and Exchange Commission should reconsider its overly burdensome and ineffective climate disclosure proposal and your administration should ensure open capital markets where access is based upon individual company merit free from artificial constraints based on government-preferred investment allocations.

6. **Dismantle Supply Chain Bottlenecks**  
   You should rescind steel tariffs that remain on imports from U.S. allies as steel is a critical component of energy production, transportation, and refining. Your administration should accelerate efforts to relieve port congestion so that equipment necessary for energy development can be delivered and installed.

7. **Advance Lower Carbon Energy Tax Provisions**  
   Congress should expand and extend Section 45Q tax credits for carbon capture, utilization, and storage development and create a new tax credit for hydrogen produced from all sources.

8. **Protect Competition in the Use of Refining Technologies**  
   Your administration should ensure that future federal agency rulemakings continue to allow U.S. refineries to use the existing critical process technologies to produce the fuels needed for global energy markets.

9. **End Permitting Obstruction on Natural Gas Projects**  
   The Federal Energy Regulatory Commission should cease efforts to overstep its permitting authority under the Natural Gas Act and should adhere to traditional considerations of public needs as well as focus on direct impacts arising from the construction and operation of natural gas projects.

10. **Advance the Energy Workforce of the Future**  
    Congress and your administration should support the training and education of a diverse workforce through increased funding of work-based learning and advancement of STEM programs to nurture the skills necessary to construct and operate oil, natural gas, and other energy infrastructure.

While members of your administration have recently discussed the need for additional supplies to solve the energy crisis, your administration has restricted oil and natural gas development, canceled energy infrastructure projects, imposed regulatory uncertainty, and proposed new tax increases on American oil and
gas producers competing globally. Respectfully, the American people need a different direction to solve this crisis.

API’s 10 in 2022 Plan outlined above offers this new direction. The plan has the potential to lead to an era of collaboration between the government and the private sector to meet our growing energy needs and to provide a measure of relief for the American people. We request the opportunity to work with your administration to help maintain the United States’ essential leadership position in the world.

Sincerely,

Mike Sommers
President and CEO

cc:    US Secretary of the Interior Deb Haaland
      US Secretary of Commerce Gina Raimondo
      US Secretary of Labor Marty Walsh
      US Secretary of Transportation Pete Buttigieg
      US Secretary of Energy Jennifer Granholm
      White House Chief of Staff Ron Klain
      US EPA Administrator Michael Regan
      White House National Economic Council Director Brian Deese
      White House Council on Environmental Quality Chair Brenda Mallory
      Securities and Exchange Commission Chair Gary Gensler
      Federal Energy Commission Chair Richard Glick