



Policy Resolution 2.2022

Adopted on August 29, 2022

Strong Energy Policy for a Robust Economic Future

Sponsor

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Senator Gary Stubblefield, Arkansas
Representative Howard Sanderford, Alabama
Representative Rick Beck, Arkansas
Representative Jim Gooch, Jr., Kentucky
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WHEREAS, more than half (54.1 percent) of global demand for energy continues to be met with oil and natural gas in 2019 with projections that the demand for oil and natural gas volumes will increase as world energy consumption grows; and

WHEREAS, the United States has emerged as the global leader in the production of oil, natural gas, and petroleum liquids; and

WHEREAS, increased domestic production of oil and natural gas over the past decade has resulted in fundamental net benefits to the U.S. economy, environment, workforce, and balance of trade through the reliable supply of affordable and sustainable energy; and

WHEREAS, domestic Liquefied Natural Gas (LNG) exports have already begun supplanting natural gas supplies to countries that have had to rely on less politically stable, or hostile, countries; and

WHEREAS, oil and natural gas supplies have recently strained to meet the strong demand as global economies have rebounded from the early part of the COVID-19 pandemic; and

WHEREAS, the Biden Administration has implemented policies and engaged in actions to restrict oil and natural gas production on federal lands and waters which

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currently represent 12 percent of U.S. natural gas production and nearly a quarter of U.S. oil production; and

WHEREAS, these restrictions, leading to an actual or de facto ban, could require oil imports of 2 million barrels per day, an export reduction of natural gas by 800 billion cubic feet by 2030, a \$700 billion reduction in GDP by 2030, 1 million jobs lost by the end of 2022, \$9 billion in government revenues lost, and a cumulative \$19 billion more spent on household energy; and

WHEREAS, the President and his Administration have further exacerbated the post COVID-19 oil and natural gas industry recovery by pursuing agency policies that unnecessarily burden the permitting and reporting policies that slow or stop the development of essential infrastructure; and

WHEREAS, Russia has been engaged in brutal aggression toward Ukraine uniting the West against Putin's regime and the oil and natural gas he exports further reducing global supplies; and

WHEREAS, the confluence of the COVID-19 recovery, public policy decisions, and geopolitical actions have led to reduced energy supplies putting upward pressure on energy prices; and

WHEREAS, the cost of energy is permeated throughout the economy from raw materials, production, and distribution, and there is invariably a resultant upward pressure on inflation.

THEREFORE, BE IT RESOLVED, that the Southern State Energy Board strongly urges the President of the United States to support an all-of-the-above energy policy that recognizes the key role oil and natural gas comprises in the total energy mix and that ensures long-term American energy leadership, security, and progress leading to increased domestic oil and natural gas production and supplies; and

BE IT FURTHER RESOLVED, that the Southern States Energy Board strongly urges the President and his Administration to implement the following steps immediately:

- Lift Development Restrictions on Federal Lands and Waters by swiftly issuing a five-year program for the Outer Continental Shelf, holding mandated quarterly

onshore lease sales with equitable terms, and reinstating canceled sales and valid leases on federal lands and waters;

- Designate Critical Energy Infrastructure Projects by instructing Congress to authorize such projects of national interest entitled to undergo a streamlined review and permitting process not to exceed one year to support the production, processing and delivery of energy;
- Fix the National Environmental Policy Act (NEPA) Permitting 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;
- Accelerate LNG Exports and Approve Pending LNG Applications by instructing Congress to amend the Natural Gas Act to streamline the U.S. Department of Energy (U.S. DOE) to a single approval process for all U.S. liquefied natural gas (LNG) projects and instructing U.S. DOE to expedite pending LNG applications review to enable the U.S. to deliver reliable energy to our allies abroad;
- Unlock Investment and Access to Capital by instructing the Securities and Exchange Commission to reconsider its overly burdensome and ineffective climate disclosure proposal and ensure open capital markets where access is based upon the individual company, merit free from artificial constraints grounded in government-preferred investment allocations;
- Dismantle Supply Chain Bottlenecks rescinding steel tariffs that remain on imports from U.S. allies as steel is a critical component of energy production, transportation, and refining while also accelerating efforts to relieve port congestion so that equipment necessary for energy development can be delivered and installed;
- Advance Lower Carbon Energy Tax Provisions by instructing Congress to 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;

- Protect Competition in the Use of Refining Technologies by ensuring 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;
- End Permitting Obstruction on Natural Gas Projects by instructing the Federal Energy Regulatory Commission to cease efforts to overstep its permitting authority under the Natural Gas Act and to adhere to traditional considerations of public needs as well as focus on direct impacts arising from the construction and operation of natural gas projects; and
- Advance the Energy Workforce of the Future by supporting 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.

