

## BECOME ENERGY INDEPENDENT TO END AMERICA'S RELIANCE ON FOREIGN SOURCES OF OIL AND GAS

True energy independence means that the U.S. does not fall victim to the whims of energy cartels, adversaries, or unreliable foreign suppliers for its energy needs. When the U.S. is energy independent, the American people enjoy lower-cost energy and insulation from geopolitical instability. The U.S. must embrace its natural resources to drive economic growth, spur innovation, and ensure American interests always come first.

Before 2019, the U.S. had not experienced net energy exports since 1952. But thanks to the shale revolution, the removal of the crude oil export ban, and the Trump Administration's pro-domestic energy and pro-liquefied natural gas (LNG) export policies, the U.S. has become an energy superpower. Achieving this status has had profound impacts on the economic outlook of Americans.

Unfortunately, this new era of energy independence is under threat from the anti-energy agenda and regulatory overreach of our government today. The current administration's decision to halt federal leasing and deprive industry access to critical resources on federal lands undermines market certainty, leading to underdeveloped resources. This decision and others demonstrate its failure to recognize that the U.S. has the resources to safeguard energy independence.

America First policies emphasize securing energy independence across a broad range of energy sources. Such an approach recognizes the importance of diversification and having redundancies in America's energy ecosystem, especially in light of the unpredictability of future economic and geopolitical conditions. While fossil fuels will remain a core part of America's energy backbone, our Nation's ability to

secure 21st century energy independence through world-leading technological innovation depends on several factors. These include having the industrial capacity to mine, extract, refine, and transport natural resources such as fossil fuels, critical minerals, rare earth elements, and uranium.

In contrast to the Left's vision of putting all of America's energy eggs into one government-centric "green" energy basket—exposing our Nation to dangerous levels of foreign dependence—the America First approach relies on removing undue regulatory constraints. These constraints hamstring the private sector's ability to take the lead in making critical investments that ensure America's energy independence regardless of which technologies end up prevailing in the energy marketplace. To facilitate such a robust marketplace, policymakers should also enhance access to federal lands for responsible resource development.

Just a few years ago, America defied the doubters by becoming energy independent for the first time in more than half a century. With sound policy, America can once again achieve this milestone and take energy security into its own hands, ensuring that it will never again be dependent on untrustworthy foreign governments for its energy needs.

### THE FACTS

- ★ The U.S. is 100% dependent on imports for 17 critical minerals.
- ★ The U.S. is more than 50% dependent on imports for an additional 29 critical minerals.
- ★ The U.S. imports more than 90% of its uranium from foreign suppliers.
- ★ The U.S. increased nuclear power generation to the

highest level on record in 2019 and increased renewable energy production to record levels.

- ★ In 2019, the U.S. became a net energy exporter, while also leading the world in CO2 emissions reductions the same year.

## **THE AMERICA FIRST AGENDA**

At the federal level, support policies that:

- ★ Ensure long-term certainty on future federal land leasing and encourage greater offshore and onshore oil and gas production.
- ★ Open the Alaska National Wildlife Refuge (ANWR) and the National Petroleum Reserve-Alaska (NPR-A).
- ★ Establish a clear pathway to energy independence for critical minerals and rare earth elements, including onshoring and near-shoring mining, processing, and recycling.
- ★ Restore and strengthen the uranium mining and conversion industries by streamlining permitting and removing regulatory hurdles (see “Create a Predictable, Transparent, and Efficient Permitting Process and Regulatory Environment”).
- ★ Establish a strategic uranium reserve to provide greater levels of market certainty while also safeguarding against potential supply disruptions.
- ★ Promote public-private partnerships for early-stage research, development, and deployment of next-generation nuclear power technology.
- ★ Promote new pathways for education and workforce development in nuclear power and engineering.

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## LOWER THE PRICE OF GAS AND ENERGY BY INCREASING PRODUCTION OF AMERICA'S ENERGY SUPPLIES

Since January 2021, gas prices in the U.S. have risen by more than \$1.50, or 40%, and energy costs overall have skyrocketed by nearly 24%. The result has been an uptick in energy poverty and strained family budgets. Americans are also subject to energy disruptions that occur at unpredictable moments, including one caused by rolling brownouts in California and power outages and temporary price spikes in the aftermath of large storms. Americans deserve access to affordable, reliable, and resilient energy that can handle the unexpected without dramatic disruptions or price increases.

Sound policies that lower the price of energy by facilitating innovation are especially beneficial to America's most vulnerable. This is because low-income households often spend a higher fraction of their income on energy than wealthier households do. The shale revolution between 2007 and 2019 enabled natural gas prices to drop by 63% and electricity prices to fall by 45%, leading to \$2,500 in annual savings for the average family.

By contrast, policies that impede American energy production or distort markets through outsized subsidies of renewables can harm energy affordability and reliability. Such policies artificially undermine the viability of existing technologies such as coal and natural gas-fired power plants that, despite being central to America's energy ecosystem, have lost political favor in the eyes of the progressive Left. Stranding energy assets that could readily be used to generate power, especially during times of emergency, increases the threat that Americans will suffer from unreliable access to electricity and larger electricity bills.

The policies of climate activists only exacerbate the

difficulties of providing affordable and reliable energy. The burdensome regulatory policies pushed by "build-nothing" environmentalists mean additional costs for providers of the most affordable and reliable sources of power. These additional costs for providers expose Americans to a greater risk of rolling brownouts and blackouts.

State and local geographies and policies also affect energy access and affordability and can amplify challenges, including permitting issues, market distortions, and problems with energy access. For example, regions, states, and territories with little to no interconnections are exposed to above-average electricity prices and energy supply disruption, particularly during natural disasters or supply shortages. The Jones Act is one policy that has repeatedly inflamed energy insecurity in these regions. By constraining maritime interstate commerce to American built, owned, and operated vessels, many of these regions are forced to look to foreign, often costlier, suppliers due to a stark lack of availability of Jones Act-compliant vessels.

Our Nation needs policies that keep consumer costs low and ensure access to reliable energy supplies across the country so that no Americans face energy poverty or insecurity.

### THE FACTS

- ★ Low-income households spend on average 8.6% of their gross household income on energy compared to just 3% for non-low-income households.
- ★ Net electricity generation from nuclear power plants is projected to fall by 17% by 2025, or 8% by 2050.

- ★ This represents a critical loss of clean baseload power generation at the expense of grid reliability and energy affordability.
- ★ Between 2010 and 2025, approximately 119 gigawatts (GW) of coal-fired electricity generation capacity will have been retired. This will represent a one-third reduction since 2011 and will expose Americans to the risk of diminished grid reliability and larger electricity bills.
- ★ Renewable energy accounted for 70% of new planned electricity generation capacity in 2021 but currently accounts for only 12% of primary energy consumption.

## **THE AMERICA FIRST AGENDA**

At the federal level, support policies that:

- ★ Eliminate market distortions by ending inefficient subsidies, regulations, and financial regulations, from production to end-use.
- ★ Promote an expedited rehabilitation of decommissioned power plants to enable the use of existing infrastructure for new power generation capacity, ensuring continued economic opportunity and energy reliability.
- ★ Exempt the energy sector from logistical and supply chain constraints imposed by outdated legislation.
- ★ Doing so will ensure that communities with insufficient energy distribution networks can access American energy resources, regardless of a vessel's flag.

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## CREATE A PREDICTABLE, TRANSPARENT, AND EFFICIENT PERMITTING PROCESS AND REGULATORY ENVIRONMENT

As long as Washington is in the driver's seat picking winners and losers in the energy sector, the energy market will never have a true level playing field. The top-down approach to the rapid "green" revolution currently touted is not revolutionary at all. Instead, it relies on unpredictable and often opaque policies that will be ineffective and detrimental to the U.S. energy sector.

Our country needs an America First approach that promotes an energy market in which competition and innovation are the key drivers of economic growth, and rightsized federal involvement ensures a free and fair market. This approach is characterized by federal policies that allow competition among all forms of energy and collaboration with the private sector on early-stage research, development, and deployment. This competition and collaboration would help ensure energy security, affordability, and reliability, as well as grid resiliency for American consumers.

When these objectives are achieved, the American people will have access to the best form of energy for their regions at the lowest. They will also have greater employment opportunities, particularly in underserved regions such as Appalachia. However, this requires the creation of an environment that supports and propels American energy growth, innovation, and infrastructure development—one in which the role of the government is not to obstruct, but to enable.

It is especially critical that the permitting challenges that currently act as a net drag on American economic development be addressed. Permitting constraints driven by burdensome regulations obstructing infrastructure development threaten to stall the economy. During the previous administration, reforms

to modernize regulations ushered in an era of American energy independence that proved transformative for U.S. infrastructure and resource development. These reforms included modernizing the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), and Section 401 of the Clean Water Act, and clarifying the definition of "Waters of the United States" (WOTUS). Unfortunately, the Left is rolling back critical reforms and overregulating our domestic energy industry.

The current administration's policies seek to allow government intervention to determine the success of only certain companies, industries, and projects at the expense of others. This approach does not consider the implications for consumer costs, grid resiliency, or energy security. The cancellation of the Keystone XL Pipeline and the threatening of the Dakota Access Pipeline are just two examples of recent actions that have been taken.

The administration's flawed goal of cutting emissions in half by 2030 and reaching net zero by 2050 is set to fail because of its own approach to implementation. The dramatic increase in electricity demand being called for must be complemented by an ability to provide added levels of power generation. Furthermore, renewable energy is not readily available, or sufficiently reliable, to supply the combined needs of our Nation.

Ambition in the energy sector is a positive for the American people, but it must be grounded in a reality that recognizes the importance of a predictable and transparent permitting process and modernized regulatory environment.

## THE FACTS

- ★ Fossil fuels accounted for more than 70% of primary energy production in the U.S. in 2021.
- ★ Wind accounted for just 3% of primary energy production in the U.S. in 2021.
- ★ The average environmental impact statement required under NEPA for a single project was more than 600 pages in length before reforms under the previous administration.
- ★ A single project previously took agencies an average of 4.5 years to complete.
- ★ The U.S. has not invested in the construction of new refining capacity since the 1970s.
- ★ Refining capacity in the U.S. has been reduced by more than 1 million barrels per day.

## THE AMERICA FIRST AGENDA

At the federal level, support policies that:

- ★ Prescribe a quantitative valuation on dispatchable power generation that assesses its overall benefits to grid reliability and resilience, as well as to consumer cost, in the absence of the removal of market-distorting subsidies.
- ★ Reinstigate regulatory and permitting reforms and develop a long-term environmental modernization strategy (see “Provide Clean Air, Clean Water, and a Clean Environment for all Americans”).
- ★ Halt all new discretionary regulatory policy activity and actions that would disproportionately target one sector at the expense of another.



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## PROVIDE CLEAN AIR, CLEAN WATER, AND A CLEAN ENVIRONMENT FOR ALL AMERICANS

An America First environmental vision recognizes that the American people and our environment must thrive together. This vision rejects the false premise that environmental progress and prosperity are antithetical goals. Instead, rightsized, transparent regulation can protect important public interests and allow the free market to drive innovation and create real environmental progress. The central goal of U.S. environmental policy should be to empower human flourishing, all while protecting our land, water, and air and allowing Americans to make the best use of our Nation's vast natural resources.

The evidence for the success of this policy approach is clear. As the pro-growth policies of the previous administration drove incredible economic growth, the U.S. improved on environmental measures by providing cleaner air, water, and land, and led the world in reducing greenhouse gas emissions. At the same time, the country became a net energy exporter for the first time in nearly 70 years and rejected lopsided, unenforceable, America-last international agreements such as the Paris Agreement. Energy-related carbon dioxide emissions declined by an estimated 2.9% in 2019—the largest absolute decline in such emissions of any country in the world. And air continued to become cleaner, with combined emissions of the core six traditional air pollutants falling by 7% from 2017 to 2019.

Unfortunately, our government is now rejecting this proven blueprint for environmental success. Instead, it is advancing a government-centered approach that will cripple the U.S. economy and prove once again to be ineffective, not only in relation to climate targets but also to addressing a host of other

environmental issues, including traditional air and water pollution and environmental cleanup, among others.

This harmful policy approach includes rejoining the Paris Agreement and reversing modernized regulatory reforms that were undertaken to address decades of accumulated red tape. These reforms preserved environmental protections, such as the NEPA reforms, Section 401 reforms, and the WOTUS rule, which provided much-needed clarification and rejection of federal overreach in relation to U.S. waters, among others. This reversal reinforces the importance of updating and modernizing the underlying statutes as the most effective way to address the failings of accumulated and outdated regulations and provide better certainty for American businesses long-term.

Rather than produce real environmental results, the current misguided approach uses a myopic focus on climate change as a justification for its sweeping radical agenda and massive government expansion. Among other measures, this broad expansion includes increases in regulations, taxes, and spending. This agenda runs directly contrary to economic principles proven to generate prosperity, improve infrastructure, and drive innovation.

The American people deserve a human-centered approach that delivers results, not more apocalyptic rhetoric that prioritizes lofty ambitions over real progress. To provide a better future for all Americans, the U.S. must commit to the core principles that advance economic and environmental progress.

### THE FACTS

- ★ During the past 30 years, the U.S. has reduced concentrations of criteria air pollutants by more

than 77%.

- ★ At the same time, energy production increased by 44%, and the economy grew by more than 350%.
- ★ The combined emissions of the six core pollutants fell by 7% from 2017 to 2019, resulting in cleaner air.
- ★ Energy-related carbon dioxide emissions declined by an estimated 2.9% in 2019—the largest absolute decline in such emissions of any country in the world.
- ★ In 2019, the U.S. became a net energy exporter for the first time in nearly 70 years.

## **THE AMERICA FIRST AGENDA**

At the federal level, support policies that:

- ★ Modernize key environmental laws to drive environmental improvement and economic growth outcomes. Laws that may need modernization include:
  - The Clean Air Act (CAA);
  - The Clean Water Act (CWA);
  - The National Environmental Policy Act (NEPA);
  - The Energy Policy Conservation Act (EPCA);
  - The Endangered Species Act (ESA); and
  - The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).
- ★ Prioritize addressing China's and other adversarial nations' vast environmental abuses and their devastating human impacts.
- ★ Prioritize meaningful and enforceable environmental agreements by using USMCA, not the Paris Agreement, as a model.

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## BECOME AN ENERGY SUPERPOWER BY EXPORTING AMERICA'S ENERGY ABUNDANCE

Thanks to the shale revolution, the removal of the crude oil export ban, and the previous administration's pro-liquefied natural gas (LNG) export policies, the U.S. has become a major player in international energy markets. Our Nation's successes included becoming a net oil exporter in 2019 and becoming the world's largest LNG exporter shortly thereafter. Across the board, U.S. products have undercut the ability of adversarial countries to use energy as a geopolitical weapon. As a result, our Nation has fostered greater energy security for our allies and partners. Additionally, we have embraced energy's contributions to human flourishing and reduced global energy poverty, all while returning economic benefits and opportunities to American workers.

Unfortunately, the current administration is promoting policies that would take America from energy dominance to energy dependence. These policies range from opposing overseas fossil fuels projects to empowering an energy future in which China is squarely in the driver's seat. To continue exporting America's energy abundance, maintaining our status as an energy superpower, and restoring market-based competition to global markets, we need an America First Approach. This approach to energy dominance means aligning U.S. economic interests with our global aspirations of promoting prosperity, security, and environmental progress while putting American interests first.

The U.S. must resist build-nothing climate alarmists who undermine our Nation's ability to replicate our economic and environmental success on the world stage. The current top-down, government-knows-best, climate-above-all outlook ignores the needs of

America's allies and partners and stands at odds with our national security and economic interests and with environmental reality. Many international organizations, such as the International Energy Agency (IEA) and the International Renewable Energy Agency (IRENA), actively voice their unfounded and unrealistic opposition to fossil fuels while advancing a renewable-only approach without appropriate recognition of the human, economic, strategic, or environmental realities underpinning our modern energy systems.

Our Nation should also recognize the danger of promoting policies that would empower China and other foreign adversaries by prioritizing renewable-only energy strategies. Instead, we should restore the proven model of an all-of-the-above approach rooted in market-based competition, not top-down economics. America must reassert global leadership, and energy offers a clear and viable path for doing so. Without American investment or affordable energy supplies, countries will increasingly engage in commercial relations with our competitors and adversaries, especially China. Exporting American jobs to China should be an untenable economic or foreign policy for the United States, especially in light of its rampant environmental and humanitarian abuses.

The current administration's restrictive energy policies carry profound implications for millions of Americans and others throughout the developed world. They seek to deny the use of affordable and reliable energy, namely natural gas, and ignore the upward trend in global energy demand. For regions experiencing the realities of extreme energy poverty, the imposition of renewable-only energy systems cannot serve as the foundation of a dependable energy system or provide a

reliable basis for economic growth. Any such policy is nothing short of climate colonialism. When our policies constrain U.S. commercial actors, our adversaries are all too willing to step in.

We have the resources to lead the world in eradicating global energy poverty while strengthening our own energy security and that of our allies and partners. Our Nation can do so while returning benefits to American workers and families. However, private capital must be liberated from policy constraints to support energy infrastructure from production to delivery, regardless of energy source. U.S. export regulations must also be streamlined to foster greater market certainty.

## THE FACTS

- ★ In 2019, the U.S. became a net energy exporter while leading the world in CO2 emissions reductions.
- ★ In 2021, the U.S. became the world's leading LNG exporter, experiencing a 1,800% increase since 2016.
- ★ Fossil fuels make up more than 80% of the global energy mix and are projected to remain a dominant player through 2050.
- ★ Two-thirds of America's natural gas reserves are located in the Appalachian region's Utica and Marcellus shale deposits.
- ★ 10% of the world's population lives without access to electricity, of which nearly half are located in sub-Saharan Africa.
- ★ The Biden Administration has doubled the Obama Administration's initial emissions targets. The previous targets have been estimated to cost the U.S. economy 2.7 million jobs by 2025 and as much as 6% of GDP annually by 2030.

## THE AMERICA FIRST AGENDA

At the federal level, support policies that:

- ★ Conduct a comprehensive audit of U.S. associations and memberships within international energy and
- ★ environmental organizations and right-size engagement toward those that advance American interests.

- ★ Streamline LNG export authorizations by establishing a 30-day review process by the Department of Energy.
- ★ Expand free trade agreement (FTA) treatment to non-FTA countries, particularly American allies.
- ★ Mitigate or remove the Department of State's oversight of transnational oil pipeline infrastructure.
- ★ Eliminate barriers to financing overseas fossil fuel projects that create market opportunities for U.S. industry and drive parity in bilateral trade relations.
- ★ Establish content requirements of at least 75% for renewable projects, both at home and abroad, as a requirement for receiving federal financial support, guarantees, or contracts.
- ★ Establish deadlines for the approval or rejection of authorizations by relevant departments and agencies required for the transfer of low-risk nuclear technology. Doing so would promote the comparative advantage of America's civil nuclear industry and reverse the trend of ceding market share to America's adversaries and competitors.

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