NOVEMBER 7, 2022

DEMOCRATS' WAR ON DOMESTIC ENERGY PRODUCTION AND ITS IMPACT ON THE AMERICAN PEOPLE

STAFF REPORT

HOUSE COMMITTEE ON OVERSIGHT & REFORM REPUBLICANS

I. Executive Summary

> **"*Three hours after President Biden's inauguration, I lost my job on the construction of the Keystone Pipeline.***
>
> ***- Neal Crabtree, Republican Witness***
>
> ***Former Keystone XL Pipeline Welder***

Starting on his first day in office, President Biden waged war on America's energy producers, causing energy prices to skyrocket for the American people, killing good paying jobs in the energy sector, and jeopardizing our nation's security. Canceling the Keystone Pipeline, halting oil and gas production, and reckless Green New Deal spending diminishes America's energy production and makes our nation dependent on foreign counties often opposed to U.S. interests. Due to Democrat policies implemented by the Biden Administration and supported by a Democrat Congress, Americans have faced increased prices for gas and everyday goods. In June 2022, the average price of regular unleaded gasoline reached an all-time national high of $5.016 per gallon.[1] Since September 2021, the energy index alone has risen 19.8 percent year-over-year[2] which is the predominant force driving inflation to a 40-year high.[3] Instead of conducting oversight of these policies as prices have risen or strengthening America's energy security since Russia invaded Ukraine, Democrats have pursued a predetermined narrative vilifying oil and gas companies and blaming them for the results of their own poor policies.

Instead of pursuing domestic production, President Biden has sought to increase our reliance on foreign countries. He traveled to Saudi Arabia to ask them to increase production,[4] which they declined to do.[5] The President is also preparing to scale down sanctions on Venezuela's authoritarian and repressive regime to encourage oil production in Venezuela.[6]

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[1] AAA, *Highest Recorded Average Price*, *available at* https://gasprices.aaa.com/ (last visited Nov. 2, 2022).
[2] U.S. Dep't of Labor, Bureau of Labor Statistics, News Release, *Consumer Price Index – September 2022* (Nov. 2, 2022), *available at* https://www.bls.gov/news.release/pdf/cpi.pdf.
[3] *See* Gwynn Guilford, *Energy Prices May Keep Inflation High for Years*, WALL STREET JOURNAL (July 30, 2022), *available at* https://www.wsj.com/articles/energy-prices-inflation-fed-11659134736.
[4] Mark Mazzetti, et al., *U.S. Officials Had a Secret Oil Deal With the Saudis. Or So They Thought.* N.Y. TIMES (Oct. 25, 2022), *available at* https://www.nytimes.com/2022/10/25/us/politics/us-saudi-oil-deal.html.
[5] *Id.*
[6] Patricia Garip, *U.S. Looks to Ease Venezuela Sanctions, Enabling Chevron to Pump Oil*, WALL STREET JOURNAL (Oct. 5, 2022), *available at* https://www.wsj.com/articles/u-s-plans-to-ease-venezuela-sanctions-enabling-chevron-to-pump-oil-11665005719.

President Biden is encouraging production everywhere except the United States. This strategy ignores the U.S.'s dependence on oil while punishing American workers by killing good paying jobs. At the same time, the Biden strategy props up oppressive regimes by providing a market for their oil and gas. In sum, President Biden is encouraging U.S energy dependence—not independence. The Administration and Committee Democrats, however, refuse to take responsibility for their failed policies. Rather, they have sought to shift the blame onto industry for skyrocketing gas prices and historic inflation. President Biden declared American companies are "war profiteering" and threatened higher taxes.[7] It is clear that the Administration and Committee Democrats will continue to blame the oil and gas industry for the energy crisis the Biden Administration created.

President Biden claims to be "doing everything in [his] power to reduce gas prices."[8] But in reality, the Biden Administration has decreased U.S. emergency stockpiles of crude oil by more than all his predecessors combined with little benefit for American consumers.[9] From March 2022 through the U.S. midterm elections, President Biden will have depleted 180 million barrels of oil from the Strategic Petroleum Reserve (SPR)—the largest release ever.[10] In fact, President Biden's historic SPR release is more than double the combined amount released in the 1991 Operation Desert Storm emergency sale, 2005 Hurricane Katrina emergency sale, and 2011 Libya emergency sale.[11] President Biden is depleting the SPR at a time when global conflict and uncertainty point to the need to maintain, if not strengthen, our strategic reserves.

Meanwhile, President Biden is refusing to encourage domestic energy production,[12] despite Russia's invasion of Ukraine and the war's effect on European energy. Rather than strengthen the SPR and unleashing U.S. domestic energy potential, the Biden Administration instead requested Organization of Petroleum Exporting Countries Plus (OPEC+) counterparts in Saudi Arabia delay production cuts until December to avoid price spikes before U.S. midterm elections.[13] The Administration's war on American energy production was a day one priority for President Biden. Within hours of taking office, President Biden cancelled the Keystone XL

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[7] Peter Baker and Clifford Krauss, *Biden Accuses Oil Companies of 'War Profiteering' and Threatens Windfall Tax*, N.Y. TIMES (Oct. 31, 2022), *available at* https://www.nytimes.com/2022/10/31/us/politics/biden-oil-windfall-tax.html.

[8] The White House, Speeches and Remarks, *Remarks by President Biden on Actions to Strengthen Energy Security and Lower Costs* (Oct. 19, 2022), *available at* https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/10/19/remarks-by-president-biden-on-actions-to-strengthen-energy-security-and-lower-costs/.

[9] Adam Alton, *Biden's use of oil reserves overshadows past presidents*, E&E NEWS (Oct. 31, 2022), *available at* https://www.eenews.net/articles/bidens-use-of-oil-reserves-overshadows-past-presidents/.

[10] Alexandra Alper and Timothy Gardner, *Biden spurs record emergency oil release in 'moment of peril' for world*, REUTERS (Mar. 31, 2022), *available at* https://www.reuters.com/business/energy/biden-release-1-mln-barrels-oil-day-ease-pump-prices-2022-03-31/.

[11] Dep't of Energy, Office of Cybersecurity, Energy Security, and Emergency Response, History of SPR Releases, available at https://www.energy.gov/ceser/history-spr-releases#EmergencyDD (last visited Nov. 1, 2022).

[12] See Victor Skinner, *Business organizations urge Biden administration to boost domestic energy production*, CENTER SQUARE (Oct. 6, 2022), *available at* https://www.thecentersquare.com/national/business-organizations-urge-biden-administration-to-boost-domestic-energy-production/article_b298fe8a-45a1-11ed-ad4d-b31ea35dc7e8.html.

[13] Summer Said, et al., *Saudi Arabia Defied U.S. Warnings Ahead of OPEC+ Production Cut*, WALL STREET JOURNAL (Oct. 11, 2022), *available at* https://www.wsj.com/articles/saudi-arabia-defied-u-s-warnings-ahead-of-opec-production-cut-11665504230.

pipeline—eliminating approximately 11,000 jobs and removing approximately $800 million in wages from American workers' pockets.[14]

Since President Biden took office, the price of heating oil has risen 74.5 percent,[15] leading states to start rationing even before peak winter.[16] Weak domestic energy policies led regions like New England to compete with European countries for natural-gas imports, leading to potentially severe strains on the grid during winter months.[17] Green energy is not ready to meet the demand for low-cost and reliable energy solutions. The Biden Administration, however, continues to embrace radical policies such as those deployed in California. These policies have negative effects and ignore issues of intermittency and commercial viability inherent in renewable energy alternatives.[18] For example, in August, Democrat politicians requested Californians refrain from charging electric vehicles, which is alarming in light of the state's recent move to ban all gas-powered cars by 2035.[19]

During the 117th Congress, Democrats have ignored the Committee's mission to conduct oversight of government waste, fraud, and abuse, and instead have attacked private businesses. They have not invited one cabinet secretary to testify. The nonpartisan Lugar Center gave Committee Democrats an "F" for oversight.[20] With regard to oil and gas, Democrats failed to invite a single Biden Administration witness to testify at any of the three hearings on the industry. Even more concerning, Environment Subcommittee Chairman Khanna made clear the First Amendment protected communications of the oil and gas industry would be "under a magnifying glass," which led to requests for redaction of board members' spouses' names and phone numbers in document productions.[21] The companies subject to this investigation have

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[14] Letter from Steve Daines, Member of Congress, et al., to Jennifer Granhom, Sec'y, Dep't of Energy (Feb. 15, 2022); *see also* Teny Sahakian, *Laid-off Keystone XL worker says decision to cancel pipeline 'is going to hurt a lot of people,'* FOX NEWS (Jan. 25, 2021), *available at* https://www.foxnews.com/media/laid-off-keystone-xl-worker-biden-order-hurt-people.

[15] Nat'l Energy Assistance Directors' Ass'n, Press Release, *Home Heating Costs Reach Highest Level in More than 10 Years, Families will Pay 17.2% More for Home Heating this Winter* (Sep. 12, 2022), *available at* https://neada.org/wp-content/uploads/2022/09/winter2022-23PR.pdf.

[16] Chunzi Xu, *New York, New England Ration Heating Oil Even Before Peak Winter*, BLOOMBERG (Oct. 21, 2022), *available at* https://www.bloomberg.com/news/articles/2022-10-21/heating-oil-being-rationed-in-us-northeast-before-winter-starts?srnd=markets-vp#xj4y7vzkg.

[17] Katherine Blunt and Benoit Morenne, *New England Risks Winter Blackouts as Gas Supplies Tighten*, WALL STREET JOURNAL (Oct. 17, 2022), *available at* https://www.wsj.com/articles/new-england-risks-winter-blackouts-as-gas-supplies-tighten-11665999002?mod=hp_lead_pos12.

[18] *Renewable Energy Can't Save the Planet*, ECO-NNECT (Jan. 2022), *available at* https://eco-nnect.com/renewable-energy-cant-save-the-planet/.

[19] *Gavin Newsom blasted for asking Californians to avoid charging electric vehicles during heat wave*, Fox News (Sept.1, 2022), *available at* https://www.foxnews.com/media/gavin-newsom-blasted-asking-californians-avoid-charging-electric-vehicles-heat-wave; Thomas Catenacci, *California urges residents again not to charge EVs on busy travel weekend*, FOX BUSINESS (Sept. 5, 2022), *available at* https://www.foxbusiness.com/politics/california-urges-residents-not-charge-evs-busy-travel-weekend.

[20] The Lugar Center, Congressional Oversight Hearing Index, *House Committee on Oversight and Reform*, *available at* https://oversight-index.thelugarcenter.org/committee-d292d5cc-2db8-4365-b929-ef4756f5fa2e/# (last visited Oct. 31, 2022).

[21] Hiroko Tabuchi, *House Panel Expands Its Probe of Climate Disinformation by Oil Giants*, N.Y. TIMES (Sept. 16, 2021), *available at* https://www.nytimes.com/2021/09/16/climate/exxon-oil-disinformation-house-probe.html.

provided over one million documents, yet Democrats have failed to discover any wrongdoing that justifies a multi-year investigation, a million pages of documents, and three hearings.

The Biden Administration needs to prioritize American energy independence. It is a national security imperative. It is an economic imperative. Rather than demonizing the American oil and gas industry, Congress must support it. The Biden Administration should promote policies that support investment and construction of oil refineries, liquified natural gas terminals, and pipelines. The Biden Administration's war on domestic energy must end.

II. Table of Contents

III. Findings

The Biden Administration is discouraging domestic production and energy independence while relying on foreign oil and gas producers. In fact, President Biden has attacked America's oil and gas industry since his first day in office. From limiting domestic production and cancelling pipelines to villainizing domestic industry and blaming all but themselves for failed policies, the Biden Administration's climate and energy policies are a disaster for American workers and consumers.

1. **The oil and gas companies subject to the Committee Democrats' partisan investigation provided over one million pages of documents revealing no smoking gun**. Instead of conducting real oversight of the Biden Administration, Democrats used the Committee's oversight authority to issue unnecessary subpoenas, demand information protected by the First Amendment, request board members' personal information, and claim the companies were not cooperating despite providing over a million pages of documents and appearing at a six-hour hearing.

2. **While Committee Democrats attack oil and gas companies for making profits, the disastrous energy policies of the Biden Administration have led to record high gas prices and skyrocketing inflation**. Gas prices hit record highs during the summer of 2022. Sky-high inflation—coupled with spending sprees by the Biden Administration enabled by congressional Democrats—strains the pocketbooks of the American people as prices continue to outpace wages.

3. **The Biden Administration has no coherent energy policy**. President Biden's failed energy policy sends mixed messages to a domestic energy sector facing uncertainties. One day, President Biden commits to cutting emissions in half by 2030, which would necessitate cuts to production, and the next, he attacks companies for not producing enough energy.

4. **The Biden Administration's energy policies have created national security concerns**. Even prior to Russia's large-scale military invasion of Ukraine—which exposed Europe's reliance on Russian energy—the U.S. was experiencing rising gas prices. Reliance on foreign energy sources enriches adversaries and undermines national security.

5. **The Biden Administration and Committee Democrats continue to demonize the oil and gas industry, but emerging green technology is currently not capable of powering the United States**. A premature move away from fossil fuels would be a disaster for the economy, leaving Americans unable to power their homes or travel to

work and school. If America moves away from oil and gas at this point, as JPMorgan CEO Jamie Dimon said, it would be: "the road to hell for America."[22]

IV. Democrat Investigation Missteps

Committee Democrats' investigation of the oil and gas industry was allegedly intended to determine if the fossil fuel industry attempted to cover up scientific evidence about the dangers of climate change while attempting to block reforms by claiming that the science behind climate change is unsettled. Despite three hearings and receiving over one million documents, the Committee Democrats have failed to justify a multiple-year investigation.

Democrats' investigation reached predetermined conclusions before it ever began. Months before launching an investigation or receiving testimony at a hearing, Environment Subcommittee Chairman Ro Khanna threatened the oil and gas industry with subpoenas.[23] In fact, despite the voluntary appearance of oil and gas CEOs on October 28, 2021, at a 6-hour Committee hearing Chairwoman Maloney subpoenaed all the hearing witnesses for documents. Republicans objected. To date, after producing over one million documents, Democrats still falsely accuse the companies of not cooperating.

During the October 28, 2021 hearing, Democrats asked Exxon's CEO Darren Woods: "could you commit to lowering production?"[24] This is at a time when Americans are facing skyrocketing gas prices and Europe is threatened by its reliance on Russian energy. Meanwhile, green energy technology is not capable of fully transporting the American people to work and school. Democrats' predetermined conclusion that the oil and gas industry should produce less is misguided and not based in reality.

On February 8, 2022, Democrats held a second hearing with climate activists that broke no new ground. Months of badgering oil and gas board members to appear at another hearing led to a third hearing scheduled for March 8, 2022. However, days before the hearing, Chairwoman Maloney cancelled the hearing seemingly to avoid a discussion of the world's importance of domestic oil and gas production during the first stages of Russia's invasion of Ukraine.[25]

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[22] WASHINGTON EXAMINER, YouTube, *'Road to hell for America': JP Morgan CEO snaps back at Rep. Tlaib on fossil fuels* (Sept. 22, 2022), *available at* https://www.youtube.com/watch?v=WAFoMagLoks.

[23] Nick Sobczyk, *Ro Khanna Mulls Subpoena of Fossil Fuel Executives*, E&E NEWS (May 19, 2021), *available at* https://www.eenews.net/articles/ro-khanna-mulls-subpoena-of-fossil-fuel-executives/.

[24] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Exposing Big Oil's Disinformation Campaign to Prevent Climate Action*, 117th Cong. (Oct. 28, 2021).

[25] Thomas Catenacci, *Dems plan to restart Big Oil hearings as gas prices cool: 'Sham investigation,'* FOX NEWS (Sept. 6, 2022), *available at* https://www.foxnews.com/politics/dems-plan-restart-big-oil-hearings-gas-prices-cool-sham-investigation; *See also* Letter from Hon. James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Hon. Carolyn B. Maloney, Chairwoman, H. Comm. on Oversight and Reform (Mar. 4, 2022).

On September 15, 2022, in the apparent grand finale of the investigation, Democrats held a third energy hearing only after gas prices had slightly lowered after reaching historic highs. Democrats championed a hearing memo which blamed oil and gas companies for conspiring against their own climate pledges by highlighting a marginal number of internal emails.

This flurry of activity substituted for conducting oversight of the Biden Administration's role in creating America's energy crisis. If Democrats were serious about this investigation, they would have invited at least one Administration official to participate in one of the three oil and gas hearings.

Democrats Request First Amendment-Protected Communications

On September 16, 2021, Democrats sent letters to Exxon, Chevron, Shell, BP, American Petroleum Institute (API), and the U.S. Chamber of Commerce requesting, "[a]ll internal and external policy memos, data, talking points, communications, leave-behind materials, and other documents provided to Members of Congress, their staff members, or executive branch officials related to climate policy and legislation."[26] This information is protected by the First Amendment. The Supreme Court has held: "[S]peech on public issues occupies the highest rung of the hierarchy of First Amendment values, and is entitled to special protection."[27]

On September 28, 2021, Committee Republicans wrote to Chairwoman Maloney objecting to her decision to seek privileged First Amendment communications.[28] Since taking the majority in 2019, Democrats have repeatedly attempted to obtain protected communications and ignored well-established constitutional prerogatives. These tactics have a chilling effect on citizens who wish to exercise their right to petition the government and freely associate.[29]

Democrats have repeatedly failed to respond to Republicans' concerns. "[Democrats are continually] demanding information protected by the First Amendment, requesting that board members' spouses' phone numbers and names be unredacted in document production…" Ranking Member James Comer said during the September 15, 2022 hearing.[30] The Supreme Court blocked similar types of sweeping disclosures in the recent case *Americans for Prosperity v. Bonta*, where California demanded—and then leaked—the personal information of donors to organizations the state disfavored.[31] The Supreme Court has cautioned against government-compelled corporate speech. Committee Democrats' pressure campaign against oil and gas

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[26] *See e.g*., Letter from Carolyn B. Maloney, Chairwoman, H. Comm on Oversight and Reform, et al., to Darren Woods, CEO, ExxonMobil Corp. (Sept. 16, 2021).
[27] *Snyder v. Phelps*, 562 U.S. 443, 452 (2011).
[28] Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Carolyn Maloney, Chairwoman, H. Comm. on Oversight and Reform, et al. (Sept. 28, 2021).
[29] Letter from Carolyn B. Maloney, Chairwoman, H. Comm. on Oversight and Reform, et al., to Douglas Logan, CEO & Principal Consultant, Cyber Ninjas Inc. (July 14, 2020).
[30] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Ranking Member James Comer).
[31] *See Americans for Prosperity v. Bonta*, 141 S. Ct. 2373, 2386 (2021).

companies threatened protected free speech activities between these companies and their advocacy organization.[32] Despite this valid defense against Democrats' tactics, all entities largely complied with Democrats' demands.

Additionally, Subcommittee Chairman Khanna's statements raise serious questions about Democrats' motivations in pursuing this investigation. He suggested that Committee Democrats want to limit the First Amendment rights of the oil and gas industry. Chairman Khanna stated: "[p]art of the timing of this is to make sure that they know they're under a magnifying glass when it comes to any engagement, and running interference, with the climate agenda of Congress and the Senate."[33]

Outside Groups Help Democrats Plan Hearing and Investigation

On October 22, 2021, Committee Republicans wrote to Chairwoman Maloney asking them to disclose which groups were helping plan the October 28, 2021, hearing. Media reports have documented Committee Democrats work with outside groups.[34] However, the extent of this coordination and the information received is unclear. For example, Subcommittee Chairman Khanna told *The Hill* that "the committee has enlisted the aid of 'a lot of people,'" with regard to the planning and structuring of the hearing.[35] Subcommittee Chairman Khanna has even touted outside research as "seminal and foundational" in the Committee's investigation of Big Oil.[36] Despite Subcommittee Chairman Khanna's statements, Committee Democrats have not disclosed which groups are assisting with the hearing and what information they received.[37]

Democrats Spread Misinformation at Hearings

On September 14, 2022, Committee Democrats released a supplemental memo titled *Investigation of Fossil Fuel Industry Disinformation*. Throughout this investigation, however, Democrats themselves have spread false and misleading information on these issues. The following are ten examples of Democrats and their witnesses spreading misinformation during the Committee's September 15, 2022 hearing *Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*.[38] Republican witness and energy expert Michael Shellenberger's

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32 *See Pac. Gas & Elec. Co. v. Pub. Utils. Comm'n*, 475 U.S. 11, 16-18 (1986).
33 Hiroko Tabuchi, *House Panel Expands Its Probe of Climate Disinformation by Oil Giants*, N.Y. TIMES (Sept. 16, 2021), *available at* https://www.nytimes.com/2021/09/16/climate/exxon-oil-disinformation-house-probe.html.
34 Zack Budryk, *Democrats call for oil company executives to testify on disinformation campaign*, THE HILL (Sept. 16, 2021), *available at* https://thehill.com/policy/energy-environment/572612-democrats-call-for-oil-company-executives-to-testify-on/.
35 *Id*.
36 Dharna Noor, *At Harvard, researchers work to hold Big Oil accountable for misinformation*, BOSTON GLOBE (Sept. 29, 2022), *available at* https://www.bostonglobe.com/2022/09/29/science/harvard-researchers-work-hold-big-oil-accountable-misinformation/.
37 Brian Dabbs, *Oil Execs Hunker Down for Sweeping Climate Probe*, NATIONAL JOURNAL (Sept. 28, 2021), *available at* https://www.nationaljournal.com/s/715091/oil-execs-hunker-down-for-sweeping-climate-probe/.
38 H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022).

testimony highlights why these statements are not factual and are intended to mislead the American people.

Example # 1

Chairwoman Maloney: "As climate change intensifies, these disasters will become more frequent, more expensive and more deadly."[39]

Shellenberger: **"**Deaths globally from natural disasters declined from an average of 550,000 per year in 1920, when the global human population was less than 2 billion, to 8,200 in 2020. We prevent flooding through flood management. We survive droughts through water storage, water recycling, and desalination. And we prevent high-intensity fires through forest management, such as through selective mechanical cutting and prescriptive burns."[40]

Example # 2

Chairwoman Maloney: "Unlike the oil companies, Democrats in Congress are taking action. President Biden's Inflation Reduction Act, which we passed last month, provides nearly $370 billion to cut emissions, promote clean energy, advance environmental justice. And this law is estimated to cut energy costs for the average American family by $500 a year. So, Democrats are showing it can be done, we can bring down inflation, reduce energy costs for Americans and solve the climate crisis."[41]

Shellenberger: "The Biden Administration has issued fewer leases for oil and gas production on Federal lands than any other Administration since World War II. It blocked the expansion of oil refining. It is using environmental regulations to reduce liquified natural gas or LNG, production and exports. It has encouraged greater production by Venezuela, Saudi Arabia, and other OPEC nations, rather than by the U.S. And as representatives continue to emphasize that their

[39] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Chairwoman Carolyn B. Maloney).
[40] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).
[41] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Chairwoman Carolyn B. Maloney).

goal is to end the use of fossil fuels, including the cleanest one, natural gas, thereby undermining private sector investment."[42]

Example # 3

Chairwoman Maloney: "Oil corporations have reaped record profits while the war in Ukraine created global turmoil on commodity markets."[43]

Shellenberger: "Is your concern really with the high profits of American corporations? If so, then why have you not held hearings demanding lower profits by high-tech companies such as Meta (Facebook), Apple, and Google? Their earnings last year were $39 billion, $30 billion, and $76 billion, respectively, as compared to $23 billion, $21 billion, and $16 billion for Exxon, Shell, and Chevron, respectively."[44]

"And does your concern only extend to profitable years or unprofitable ones? From 2010 to 2020, U.S. shale frackers lost $300 billion. From 2002 to 2012, industry leader Chesapeake never had positive cash flow and lost $30 billion. From mid-2012 to mid-2017, the 60 largest fracking companies lost an average of $9 billion every quarter. From 2006 to 2014, they lost $80 billion. Even when oil was $100 a barrel, in 2014, they lost $20 billion."[45]

Example # 4

Chairman Khanna: "You know, I mean, we've heard from the other side that there's some kind of war on energy. It's kind of hard to square with the facts. I mean, if there was a war on energy how is Exxon, Chevron, BP and Shell making over 200 percent profits? I mean,

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[42] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).
[43] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Chairwoman Carolyn B. Maloney).
[44] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).
[45] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).

you can't have a war in an industry and then they're having record profits more than they've ever had under the previous president."[46]

Shellenberger: "…this is a completely avoidable crisis and tragedy that we're in. You know, in terms of why do you have those profits like that, because you're stifling production. There is such a thing as supply and demand."[47]

Example # 5

Rep. Wasserman-Shultz: **"**Dangerous storms like we've seen decimate communities in Florida and Texas and Louisiana are becoming more frequent and more intense."[48]

Shellenberger: "There was another statement that was made that hurricanes will become more frequent in the United States. That is also *not* the prediction of the National Oceanic and Atmospheric Administration. It supports the notion of a substantial decrease, 25 percent in the overall number of Atlantic hurricanes and tropical storms. So, in terms of misinformation, we've seen some here today."[49]

Example # 6

Rep. Kelly: "It is clear with the [Inflation Reduction Act] the United States is ready to chart its own course to serve globally leadership, benefit American families, and transition to reliable clean energy."[50]

Shellenberger: "Over the last decade in Texas, investors spent over $53 billion on weather-dependent energy sources, mostly wind turbines, which alongside frozen fossil fuel plants were largely unavailable during

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[46] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Chairman Ro Khanna).
[47] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).
[48] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Rep. Debbie Wasserman-Shutz).
[49] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress) (emphasis added).
[50] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Rep. Robin Kelly).

the cold snap in February. That was only partly because of the cold and mostly because of low wind speeds."[51]

Example # 7

Rep. Pressley: "…instead of bank rolling fossil fuels, we must invest in renewable energy and clean energy that offer job opportunities with significant future growth, just like the investments made in the Inflation Reduction Act as an example. The law the Democrats passed that will create nine million jobs."[52]

Shellenberger: "Solar and wind energy projects require roughly 300 percent more copper and 700 percent more rare earths than fossil fuels, per unit of energy. Wind, solar, and batteries require 1,000 percent more steel, concrete and glass; 300 percent more copper; and 4,200 percent, 2,500 percent, 1,900 percent, and 700 percent more lithium, graphite, nickel, and rare earths, respectively, than fossil fuels, to produce the same amount of energy."[53]

Example # 8

Democrat Witness: "We need to move away from fossil fuels and that absolutely includes gas and that's why I am very glad that New York State is doing exactly that."[54]

Shellenberger: "…someone said that New York is moving away from gas. That's false. New York burned natural gas and oil, went from 77 percent to 89 percent of its electricity supply between 2020 and 2021 because New York shut down a perfectly functioning nuclear power plant. So, New York is not moving away from gas. It

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[51] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).
[52] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Rep. Ayanna Pressley).
[53] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).
[54] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Raya Salter, Founder and Executive Director, Energy Justice and Law Policy Center).

became more dependent on gas because of the war on American energy."[55]

Example # 9

Democrat Witness: "Yet despite the urgency of the moment, action to reduce greenhouse gas emissions has been limited at the federal level until the recently signed Inflation Reduction Act. No doubt the IRA is the most significant investment in climate action to date but we must see the IRA as only a down payment on what is needed, not the end-all, be-all of meaningful climate action."[56]

Shellenberger: "Between 2005 and 2020, U.S. carbon emissions declined by 21.5 percent, which is 4.5 percentage points more than what the U.S. promised as part of its United Nations Paris Climate Change commitments. Of that emissions reduction, 61 percent was due to the shift from coal to natural gas and electricity production, and the 39 percent reduction that came from intermittent renewables backstopped by natural gas."[57]

Example # 10

Democrat Witness: "And also all the weather patterns that we're seeing now, these really destructive tornadoes, these destructive hurricanes, those will all intensify both in terms of their strength but also their frequency."[58]

Shellenberger: "Data collected by EM-DAT in Belgium, the main source for data on global disasters, show that weather-related disasters declined by at least 10 percent between 2000 to 2021."[59]

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[55] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).

[56] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of J. Mijin Cha, Associate Professor, Occidental College).

[57] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).

[58] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of J. Mijin Cha, Associate Professor, Occidental College).

[59] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (Statement of Michael Shellenberger, Founder and President, Environmental Progress).

V. Failed Biden Administration Policies

Bad policies have increased gas prices, decreased investment in low-cost energy solutions, and killed American jobs. The Biden Administration changed numerous policies which previously provided oil and gas companies increased market certainty to increase investment and advance technology—making cleaner domestic energy. The following is a list of ten Biden Administration policies that are undermining the United States' energy independence.

1. Closed the Keystone Pipeline

Within hours of taking office, President Biden cancelled construction of the Keystone pipeline forcing more than 1,500 workers out of a job overnight.[60] During his confirmation hearing, Transportation Secretary Pete Buttigieg claimed that more jobs would be created "in the context of the climate and infrastructure work that we have before us."[61] However, neither the Biden Administration nor Committee Democrats have shown any details about how these "green" jobs will replace job losses resulting from their policies.

On October 28, 2021, at the Committee's hearing, *Fueling the Climate Crisis: Exposing Big Oil's Disinformation Campaign to Prevent Climate Action*, Republican witness and former Keystone XL pipeline welder Neal Crabtree testified:

> ***Not only did I lose an opportunity for employment on the Keystone but I'm losing employment opportunities because of energy companies seem to be hesitant to plan other needed projects that we need in this country, and all this is happening while the demand for energy is rising.***
>
> **- Neal Crabtree, Republican Witness**
>
> ***Former Keystone XL Pipeline Welder***

[60] Letter from Steve Daines, Member of Congress, et al., to Jennifer Granhom, Sec'y, Dep't of Energy (Feb. 15, 2022); *see also* Teny Sahakian, *Laid-off Keystone XL worker says decision to cancel pipeline 'is going to hurt a lot of people,'* FOX NEWS (Jan. 25, 2021), *available at* https://www.foxnews.com/media/laid-off-keystone-xl-worker-biden-order-hurt-people.
[61] Ronn Blitzer, *Buttigieg defends Biden killing Keystone XL pipeline amid criticism from unions,* FOX BUSINESS (Jan. 21, 2021), *available at* https://www.foxbusiness.com/politics/buttigieg-defends-biden-killing-keystone-xl-pipeline-union-criticism.

2. **Contributed to Skyrocketing Gas Prices**

Under the Biden Administration, gas prices hit all-time highs, reaching a national average of $5.01 over the summer.[62] President Biden's failed energy and economic policies contributed to skyrocketing gas prices. Weak domestic energy policy has placed consumers at peril, yet the Administration continues to blame others. While President Biden refuses to take responsibility for record high gas prices, he is quick to take credit for minor price reductions.[63] One industry expert pointed out that "[t]here hasn't really been a policy that we can point you to that has helped the situation."[64]

Determined to do anything but unleash the American energy sector, President Biden traveled to Saudi Arabia over the summer of 2022 to ask for help. President Biden's plea to Saudi Arabia fell on deaf ears as OPEC+ recently pledged to cut production by 2 million barrels a day, a move expected to raise gas prices even more.[65] President Biden also reached out to the hostile Venezuelan regime controlled by dictator Nicolás Maduro for help with lowering gas prices. An industry expert said that the move "is a sign of true desperation."[66] Not only does a reliance on foreign energy threaten U.S. national security, but the move also enriches adversaries like China and Russia.[67]

The Biden Administration's attack on domestic production—without a reliable alternative source of energy—not only hurts the American people but is also a national security threat. By championing an anti-fossil fuel agenda, the Administration discourages private sector energy investments and deters new investments and construction. Relying on foreign energy for consumption will worsen the oil supply crisis and result in American's paying more at the pump for gasoline than necessary.

3. **Contributed to Consumers Paying Higher Energy Bills**

Over 55 million people struggled to pay their energy bills last year.[68] According to the National Energy Assistance Directors' Association (NEADA), home heating costs will reach a

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[62] Brad Dress, *Gas Prices hit new record high*, THE HILL (June 12, 2022), *available at* https://thehill.com/policy/energy-environment/3520293-gas-prices-hit-new-record-high/.

[63] Jim Tankersley, *Biden's New Economic Scorecard: The Price at the Pump*, N.Y. TIMES (July 22, 2022), *available at* https://www.nytimes.com/2022/07/22/us/politics/biden-gas-prices.html.

[64] Shannon Pettypiece, *Gas prices are down, but Biden's problem at the pump isn't going away,* NBC NEWS (Aug. 21, 2022), *available at* https://www.nbcnews.com/politics/white-house/gas-prices-are-bidens-problem-pump-isnt-going-away-rcna43810.

[65] Joey Garrison, *From fist bump to humiliation: OPEC+ production cut leads Biden to 'revisit' Saudi relations,* USA TODAY (Oct. 10, 2022), *available at* https://www.usatoday.com/story/news/politics/2022/10/10/saudis-cut-oil-production-putting-biden-visit-under-scrutiny/8235650001/.

[66] Diana Furchtgott-Roth, *Biden Administration Desperately Cozies Up to Venezuela*, FORBES (Oct. 7, 2022), *available at* https://www.forbes.com/sites/dianafurchtgott-roth/2022/10/07/biden-administration-desperately-cozies-up-to-venezuela/?sh=2924a5c51f87.

[67] *Id.*

[68] Nik Popli, *It's Going to Be a Lot More Expensive to Heat Your Home This Winter. Here's What To Expect,* TIME (Oct. 3, 2022), *available at* https://time.com/6218281/heating-costs-rising-2022/.

decade high as families will pay 17.2 percent more than last year.[69] Since President Biden took office, the price of heating oil has risen 74.5 percent alone.[70] NEADA Executive Director Mark Wolfe predicts that "[t]he rise in home energy costs this winter will put millions of lower-income families at risk of falling behind on their energy bills and having no choice but to make difficult decisions paying for food, medicine, and rent."[71] At a time when wages of American workers are not keeping pace with inflation,[72] sky-high heating costs further exacerbate the American people's financial troubles.

> ***To sum this up, the administration is having a direct negative impact on energy crisis in this country; they're having an impact on my ability to find work right now. My crisis right now isn't the climate. My crisis is the mortgage payments I have due every month, it's the food I need to put on my table, and it's the healthcare I need to provide to my family.***
>
> ***- Neal Crabtree, Republican Witness***
> *Former Keystone XL Pipeline Welder*

4. <u>Banned Oil and Natural Gas Leases</u>

Through a pair of executive orders, President Biden directed a pause in federal oil and gas lease sales.[73] On his first day in office, President Biden halted leasing activity in the Arctic National Wildlife Refuge, the Bering Sea, and the Arctic.[74] Then a week after taking office, President Biden issued Executive Order No. 14008 directing the Department of the Interior (DOI) to pause all new onshore and offshore oil and natural gas leasing.[75] President Biden's intended ban on federal land leases cripples America's ability to achieve domestic energy independence.

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[69] Nat'l Energy Assistance Directors' Ass'n, Press Release, *Home Heating Costs Reach Highest Level in More than 10 Years, Families will Pay 17.2% More for Home Heating this Winter* (Sep. 12, 2022), *available at* https://neada.org/wp-content/uploads/2022/09/winter2022-23PR.pdf.
[70] *Id.*
[71] Chris Oberholtz, *Heating your home will be $177 more this winter. Here's why,* FOX WEATHER (Sep. 22, 2022), *available at* https://www.foxweather.com/lifestyle/high-heating-bill-winter.
[72] Megan Cerullo, *Most U.S. workers say their pay isn't keeping up with inflation,* CBS NEWS (Sep. 14, 2022), *available at* https://www.cbsnews.com/news/wages-not-keeping-up-with-inflation/.
[73] *See* Robert Rapier, *How President Biden's Executive Orders Impact The Oil Industry*, FORBES (Jan. 29, 2021), *available at* https://www.forbes.com/sites/rrapier/2021/01/29/how-president-bidens-executive-orders-impact-the-oil-industry/.
[74] Exec. Order No. 13990, 86 Fed. Reg. 7037 (Jan. 20, 2021).
[75] Exec. Order No. 14008, 86 Fed. Reg. 7619 (Jan. 27, 2021).

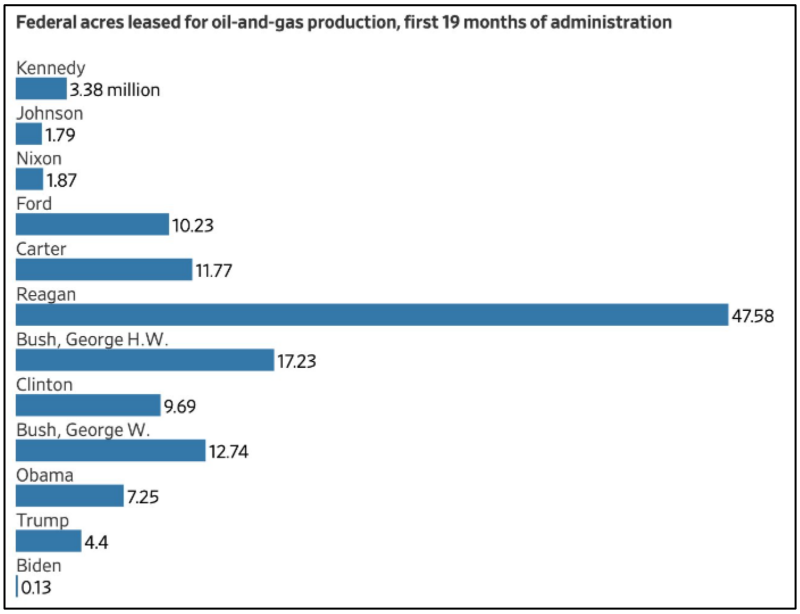

Figure 1: Federal Acres Leased for Oil-and-Gas Production, First 19 Months of Administration[76]

According to an American Petroleum Institute study using Energy Information Administration (EIA) data, a total moratorium on federal leases would result in 416,000 fewer jobs, a GDP decline of $700 billion, and a power sector carbon dioxide increase of 5.5 percent by 2030.[77] While states would collectively forgo $152 billion in tax revenue, Texas, New Mexico, Louisiana, Wyoming, and Alabama are disproportionally at risk of job and state revenue losses due to federal lease bans.[78]

After President Biden issued E.O. 14008, DOI stated a lease ban would not affect current production levels.[79] However, the Bureau of Ocean Energy Management—the division of DOI responsible for planning the sale of offshore leases—maintained "the impact of Federal Lease

[76] Timothy Puko, *Federal Oil Leases Slow to a Trickle Under Biden*, WALL STREET JOURNAL (Sep. 4, 2022), *available at* https://www.wsj.com/articles/federal-oil-leases-slow-to-a-trickle-under-biden-11662230816.
[77] OnLocation, Inc. for the American Petroleum Inst., *Addendum: New Analysis on the Consequences of a New Leasing Ban on Federal Lands and Waters* (April 2021), *available at* www.api.org/-/media/Files/Policy/Exploration/2021/OnLocation-updated-federal-leasing-and-development-ban-study.pdf.
[78] OnLocation, Inc. for the American Petroleum Inst., *Federal Leasing and Development Ban One-Pager* (Sept. 2020), *available at* https://www.api.org/-/media/Files/Policy/Exploration/2020/federal-leasing-and-development-ban-one-pager.pdf.
[79] Dep't of the Interior, *President Bident to Take Action to Uphold Commitment to Restore Balance on Public Lands and Waters, Invest in Clean Energy Future* (Jan. 27, 2022), *available at* www.doi.gov/pressreleases/fact-sheet-president-biden-take-action-uphold-commitment-restore-balance-public-lands.

Sale frequency becomes more significant as time goes on due to the development time between when tracts are leased versus when they contribute to Federal production."[80]

In March 2022, amid skyrocketing oil and gas prices and weakened energy security, President Biden and Department of Energy (DOE) Secretary Granholm urged fossil fuel companies to ramp up supply.[81] The Administration cited 9,000 permits "unused" by private industry yet failed to mention the 4,621 drilling permits still awaiting Bureau of Land Management approval.[82] As some oil fields take over five years to go from discovery to production—a process can begin only after necessary leases and permits are obtained—companies cannot immediately increase supply even after permits are issued.[83] The Biden Administration certainly knows this, indicating that they intentionally sought to vilify the oil and gas industry to score political points instead of working to provide solutions for the American people.

5. <u>Pushed Through New National Environmental Policy Act (NEPA) Rules</u>

The Biden Administration's increasingly burdensome regulations are creating uncertainty in the market and discouraging new energy projects. For example, the Biden Administration's new National Environmental Policy Act (NEPA) rules reversed the progress the Trump Administration achieved to streamline the arduous and burdensome permitting process for domestic energy producers. The Trump Administration's 2020 NEPA rules were consistent with Congress' own, bipartisan legislation to streamline permitting in the 2015 FAST Act.[84] They also represented the first major Executive Branch modernization of environmental conservation since 1978. However, the Biden Administration has willfully deployed more red tape to slow down oil and gas projects and skew policy towards unreliable green energy and environmental justice alternatives.[85] As a result of the Biden Administration policies, vital infrastructure projects involving oil and gas drilling on public lands, offshore oil rigs, pipelines, and mining have decreased in speed to the detriment of American companies and consumers.

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[80] Bureau of Ocean Energy Mgmt., *Oil and Gas Production Forecast 2022-2031* (July 2022), *available at* www.boem.gov/sites/default/files/documents/regions/gulf-mexico-ocs-region/US%20OCS%20GOMR%20Oil%20and%20Gas%20Production%20Forecast%202022-2031.pdf.

[81] *See* Ben Lefebvre, *'We are on war footing': Granholm calls on oil companies to ramp up production*, POLITICO (Mar. 9, 2022), *available at* https://www.politico.com/news/2022/03/09/granholm-calls-oil-companies-increase-production-00015802.

[82] Callie Patteson, *Biden administration, energy industry point fingers over soaring US gas prices*, N.Y. POST (Mar. 9, 2022), *available at* https://nypost.com/2022/03/09/white-house-energy-industry-point-fingers-over-high-gas-prices/.

[83] American Petroleum Inst., Lem Smith, *Drilling Down on Federal Leasing Facts* (March 24, 2022), *available at* www.api.org/news-policy-and-issues/blog/2022/03/24/drilling-down-on-federal-leasing-facts.

[84] *See* Fixing America's Surface Transportation Act (FAST Act), Pub. L. No. 114-94, at title 41 (2015).

[85] *See* Stefani Reynolds, *The EPA Is Creating a "Green Bank" — Here's What That Means*, TRUTHOUT (Oct. 31, 2022), *available at* https://truthout.org/articles/the-epa-is-creating-a-green-bank-heres-what-that-means/.

6. **Passed the Inflation Reduction Act, Which Will Decrease Domestic Production**

On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA) into law. The IRA is a massive spending bill with tax and climate provisions. News outlets call the IRA the "most significant climate action legislation in U.S. history."[86] While messaged by Democrats as a means to reduce costs, the IRA will actually make natural gas and oil more expensive, cause electricity to become less reliable, raise business and household taxes,[87] discourage future investment, make it harder for companies to develop on federal lands, grant the EPA more power to restrict fossil fuels,[88] and give more power to anti-fossil fuel activists.[89]

The IRA's tax provisions hurt oil and gas companies and discourage investment in the future.[90] The massive spending bill "falls well short of addressing America's long-term energy needs and further discourages needed investment in oil and gas."[91] According to API CEO Mike Sommers, the "policy raises taxes and discourage investment in U.S. oil and natural gas."[92] Furthermore, Sommers stated that "glaringly absent in the bill is permitting reform, which is required for America's infrastructure needs and to bolster critical oil, natural gas and renewable supplies to meet our current and future energy demand."[93]

The IRA further imposes additional unfavorable corporate taxes that could negatively impact oil and gas companies and suppress investment in domestic production.[94] University of Pennsylvania's Wharton School professor of accounting Jennifer Blouin stated that "[w]e're introducing just an enormous amount of complexity into the system."[95] According to Blouin, the

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[86] Silvio Marcacci, *The Inflation Reduction Act Is The Most Important Climate Action In U.S. History*, FORBES (Aug. 2, 2022), *available at* https://www.forbes.com/sites/energyinnovation/2022/08/02/the-inflation-reduction-act-is-the-most-important-climate-action-in-us-history/?sh=16a954c6434d.
[87] Tax Policy Center, John Buhl, *The Inflation Reduction Act Primarily Impacts Top 1 Percent of Taxpayers* (Aug. 11, 2022), *available at* https://www.taxpolicycenter.org/taxvox/inflation-reduction-act-primarily-impacts-top-1-percent-taxpayers.
[88] Alex Epstein, *The "Inflation Reduction Act" is a 4-step recipe for destroying American energy*, ENERGY TALKING POINTS (Sep. 21, 2022), *available at* https://energytalkingpoints.com/ira-recipe/.
[89] *Id*.
[90] American Petroleum Inst., Mark Green, *Weighing the Impacts of IRA's Energy Tax Hikes* (Aug. 16, 2022), *available at* https://www.api.org/news-policy-and-issues/blog/2022/08/16/weighing-the-impacts-of-iras-energy-tax-hikes.
[91] Scott Nyquist, *What the Inflation Reduction Act means for oil and gas* (Sep. 12, 2022), *available at* https://www.linkedin.com/pulse/what-inflation-reduction-act-means-oil-gas-scott-nyquist.
[92] Kevin Dobbs, *Why Is Inflation Reduction Act a Big Deal for Natural Gas, Oil Industries?*, NATIONAL GAS INTELLIGENCE (Aug. 8, 2022), *available at* https://www.naturalgasintel.com/why-is-inflation-reduction-act-a-big-deal-for-natural-gas-oil-industries/.
[93] *Id*.
[94] Soyoung Ho, *Oil and Gas Companies Will be Most Impacted by Inflation Reduction Act, Moody's Says,* REUTERS (Sep. 7, 2022), *available at* https://tax.thomsonreuters.com/news/oil-and-gas-companies-will-be-most-impacted-by-inflation-reduction-act-moodys-says/.
[95] Wharton School of the Univ. of Penn., Jennifer Blouin, *Why the Inflation Reduction Act May Hurt Businesses* (Aug. 30, 2022), available at https://knowledge.wharton.upenn.edu/article/how-the-inflation-reduction-act-may-hurt-businesses/.

IRA "end[s] up hurting investment appetites."[96] This makes it "tougher for the average retail investor to wade through and understand what's going on."[97]

7. <u>Substantially Decreased the Strategic Petroleum Reserve</u>

In an attempt to temporarily remedy President Biden's gas price crisis, the Biden Administration began releasing stockpiles of oil from U.S. Strategic Petroleum Reserve (SPR). The SPR was created so the U.S. would have a stockpile of crude oil supply to be used in the case of an emergency.[98] According to the Department of Energy (DOE), in September 2022, crude inventories of the SPR reached their lowest levels since November 1984. Before President Biden took office, the SPR had been used on three occasions: (1) in 1991 during Operation Desert Storm, (2) in 2005 in the aftermath of Hurricane Katrina, and (3) in 2011 in response to military intervention in Libya.[99] The Biden Administration has prioritized depleting domestic energy production and reserves—both of which pose a national security risk.

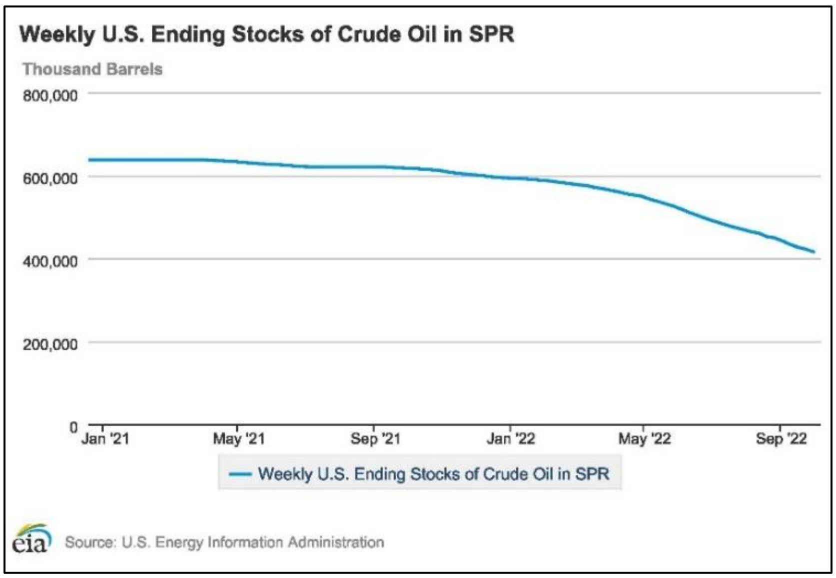

Figure 2: Weekly U.S. Stocks of Crude Oil in SPR[100]

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[96] *Id.*
[97] *Id.*
[98] Amy McKeever, *What is the Strategic Petroleum Reserve?*,NAT'L GEOGRAPHIC (Mar. 16, 2022), *available at* https://www.nationalgeographic.com/environment/article/what-is-the-strategic-petroleum-reserve.
[99] Alexander Zemek, *Biden's America is Running on Empty,* WALL STREET JOURNAL (Sept. 22, 2022), *available at* www.wsj.com/articles/bidens-america-is-running-on-empty-opec-strategic-petroleum-reserve-pipeline-fossil-fuel-saudi-arabia-11663881235.
[100] U.S. Energy Information Admin., *Weekly U.S. Stocks of Crude Oil in SPR*, *available at* www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=WCSSTUS1&f=W (last accessed Oct. 7, 2022).

In November 2021, President Biden authorized his first SPR release of 50 million barrels.[101] Since then, the Biden Administration has decreased U.S. emergency stockpiles by more than all his predecessors combined in a bid to artificially deflate runaway fuel prices.[102] According to media reports, the International Energy Agency (IEA), an organization that works with governments and industry to shape a secure and sustainable energy future for all,[103] was not consulted in advance of the March announcement to release 180 million barrels.[104] The SPR is currently at its lowest levels since establishment, holding only enough reserves to offset U.S. consumption for 50 days should imports cease.[105]

Committee on Oversight and Reform Republicans sent multiple letters to the Administration outlining concerns that gutting vital fuel storage with the goal of marginally lowering prices in the short term could unnecessarily expose the U.S. to future market volatility and manipulation by hostile nations.[106] On October 19, 2022, President Biden announced he would release an additional 15 million barrels of crude oil from the SPR,[107] raising questions as to whether he is once again depleting U.S. emergency stores to temporarily increase domestic supply and lower prices ahead of the midterm elections.[108] The only lasting solution to bolster U.S. and allied national security, set markets on a course to expand supply and moderate prices, and safeguard against future crises is to embrace an all-of-the-above energy approach that encourages domestic production.[109]

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[101] Federal Reserve Bank of Dallas, Garrett Golding and Lutz Kilian, *A Ban on U.S. Crude Exports Would not Lower Gasoline Prices at the Pump* (Jan. 4, 2022), *available at* https://www.dallasfed.org/research/economics/2022/0104.
[102] Adam Aton, *Biden's use of oil reserves overshadows past presidents*, E&E NEWS (Oct. 10, 2022), *available at* https://www.eenews.net/articles/bidens-use-of-oil-reserves-overshadows-past-presidents/.
[103] Int'l Energy Agency, *The IEA Works with Governments and Industry to Shape a Secure and Sustainable Energy Future for All* (Sept. 6, 2022), *available at* https://www.iea.org/about/mission.
[104] Noah Browning and Dmitry Zhdannikov, *Exclusive: Biden Sidelined Global Energy Partners with Record Emergency Oil Release*, REUTERS (May 9, 2022), *available at* https://www.reuters.com/business/energy/exclusive-biden-sidelined-global-energy-partners-with-record-emergency-oil-2022-05-09/.
[105] Alexander Zemek, *Biden's America is Running on Empty,* WALL STREET JOURNAL (Sept. 22, 2022), *available at* www.wsj.com/articles/bidens-america-is-running-on-empty-opec-strategic-petroleum-reserve-pipeline-fossil-fuel-saudi-arabia-11663881235.
[106] Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (May 26, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (July 20, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (July 20, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (Sept. 1, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (Oct. 26, 2022).
[107] Dustin Jones, *Biden is releasing 15 million barrels from the strategic oil reserve to tame prices*, NPR (Oct. 18. 2022), *available at* https://www.npr.org/2022/10/18/1129788081/biden-to-release-another-15m-barrels-from-strategic-reserve.
[108] Jennifer Jacobs, Ari Natter, and Jennifer A. Dlouhy, *White House to Tap Oil Reserve Again Amid High Fuel Prices*, BLOOMBERG LAW (Oct. 18, 2022), *available at* https://news.bloomberglaw.com/environment-and-energy/white-house-planning-oil-reserve-release-announcement-this-week.
[109] Alexander Zemek, *Biden's America is Running on Empty,* WALL STREET JOURNAL (Sept. 22, 2022), *available at* www.wsj.com/articles/bidens-america-is-running-on-empty-opec-strategic-petroleum-reserve-pipeline-fossil-fuel-saudi-arabia-11663881235.

8. <u>Asked OPEC+ to Delay Production Cuts</u>

On October 5, 2022, the Organization of Petroleum Exporting Countries Plus (OPEC+) announced its intent to cut oil production by two million barrels a day—the equivalent of two percent of current global yields—beginning in November.[110] As reported by the *New York Times*, days before the decision, the Biden Administration requested OPEC+ counterparts in Saudi Arabia to delay the potential production cuts until December to avoid price spikes before U.S. midterm elections.[111] President Biden even traveled to Saudi Arabia over the summer to seek relief from the high gas prices abroad—a trip where President Biden sought approval from a crown prince seeking international rehabilitation after findings of his ties to the murder of a U.S.-based journalist.[112] Rather than lifting restrictions and regulations to encourage domestic production, the Biden Administration told American companies to ramp up production after falsely accusing the industry of price gouging and "hoarding" leases necessary to operate on federal lands.[113]

9. <u>Vilified the United States' Energy Sector</u>

President Biden vilifies American energy producers by blaming them for price increases caused by market forces and global instability,[114] while also gaslighting the American people by calling for more oil and gas production which the Administration had previously made every effort to oppose.[115] Over the fourth of July weekend in 2022, Biden demanded gas stations lower gas prices, deflecting blame instead of taking responsibility for his failed energy policies that led to record gas prices in the first place.[116] He tweeted: "My message to the companies running gas stations and setting prices at the pump is simple: this is a time of war and global peril. Bring down the price you are charging at the pump to reflect the cost you're paying for the product.

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[110] Timothy Puko and Benoît Morenne, *U.S. Takes Aim at OPEC for Oil Production Cuts*, WALL STREET JOURNAL (Oct. 6, 2022), *available at* www.wsj.com/articles/u-s-takes-aim-at-opec-for-oil-production-cuts-11665096529?mod=hp_lead_pos4.

[111] Summer Said, et al., *Saudi Arabia Defied U.S. Warnings Ahead of OPEC+ Production Cut*, WALL STREET JOURNAL (Oct. 11, 2022), *available at* https://www.wsj.com/articles/saudi-arabia-defied-u-s-warnings-ahead-of-opec-production-cut-11665504230; *see also* Mark Mazzetti, Edward Wong & Adam Entous, *U.S. Officials Had a Secret Oil Deal with the Saudis. Or So They Thought*, N.Y. TIMES (Oct. 25, 2022).

[112] Peter Baker and David E. Sanger, *Biden's Fraught Saudi Visit Garners Scathing Criticism and Modest Accords*, N.Y. TIMES (July 15, 2022), *available at* https://www.nytimes.com/2022/07/15/world/middleeast/biden-mbs-saudi-visit.html.

[113] White House, Press Release, *FACT SHEET: President Biden's Plan to Respond to Putin's Price Hike at the Pump* (March 31, 2022), *available at* https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/31/fact-sheet-president-bidens-plan-to-respond-to-putins-price-hike-at-the-pump/.

[114] The White House, *Remarks by President Biden on Russia's Unprovoked and Unjustified Attack on Ukraine* (Feb. 24, 2022), *available at* https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/02/24/remarks-by-president-biden-on-russias-unprovoked-and-unjustified-attack-on-ukraine/.

[115] Pippa Stevens, *Biden tells oil companies in letter 'well above normal' refinery profit margins are 'not acceptable'*, CNBC (June 15, 2022), *available at* https://www.cnbc.com/2022/06/15/biden-tells-oil-companies-in-letter-well-above-normal-refinery-profit-margins-are-not-acceptable.html.

[116] Rich Lowry, *Biden's Shameful Gas-Station Attack*, NATIONAL REVIEW (July 6, 2022), *available at* https://www.nationalreview.com/2022/07/bidens-shameful-gas-station-attack/.

And do it now."[117] This came after President Biden sent a letter to seven major oil refiners reprimanding them for high prices instead of developing an energy policy favorable to increasing domestic production.[118]

On October 19, 2022, when President Biden announced a release of another 15 million barrels from the SPR, he continued his false narrative and attacked energy producers. "You're sitting on record profits," he said.[119] Meanwhile, President Biden claims to be "doing everything in [his] power to reduce gas prices."[120] However, the Administration and Committee Democrats make it harder for companies to invest in expanding domestic production. For example, Democrats are calling on banks to refuse funding for new oil and gas products. In a congressional hearing, Rep. Rashida Tlaib asked JP Morgan's CEO Jamie Dimon whether the bank had such a policy. He replied, "absolutely not, and that would be the road to hell for America."[121] In an interview, Mr. Dimon stated the following:[122]

> **"**
>
> ***In my view, America should have been pumping more oil and gas and it should have been supported.***
>
> ***- Jamie Dimon***
> ***CEO of JPMorgan Chase & Co.***

Former White House Press Secretary Jen Psaki even stated that calls to increase American oil production after Russia's invasion of Ukraine is a "misdiagnosis" and "we need to

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[117] https://twitter.com/POTUS/status/1543263229006254080.

[118] Armando Garcia, *Biden sends letter to oil refiners blasting high profits amid record gas prices*, ABC NEWS (June 15, 2022), *available at* https://abcnews.go.com/Politics/biden-sends-letter-oil-refiners-blasting-high-profits/story?id=85410420.

[119] The White House, Speeches and Remarks, *Remarks by President Biden on Actions to Strengthen Energy Security and Lower Costs* (Oct. 19, 2022), *available at* https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/10/19/remarks-by-president-biden-on-actions-to-strengthen-energy-security-and-lower-costs/.

[120] *Id*.

[121] Irna Slav, *Failing To Invest In Oil And Gas Would Be The "Road To Hell For America*," OILPRICE.COM (Sept. 22, 2022), *available at* https://oilprice.com/Energy/Energy-General/Failing-To-Invest-In-Oil-And-Gas-Would-Be-The-Road-To-Hell-For-America.html.

[122] Karen Gilchrist, *U.S. should pump more oil to avert war-level energy crisis, says JPMorgan's Jamie Dimon,* CNBC (Oct. 10, 2022), *available at* https://www.cnbc.com/2022/10/11/us-should-pump-more-oil-to-avert-war-level-energy-crisis-jpmorgans-jamie-dimon.html.

look at other ways of having energy in our country and others."[123] Unfortunately, the Administration is still unwilling to acknowledge the same left-wing climate policies they continue to push are similar to "Europe's climate obsession" that "rendered it vulnerable" to Russia.[124]

The Biden Administration's Climate Czar John Kerry has even expressed his concern that Russia's invasion of Ukraine will distract from climate change initiatives.[125] In a particularly out-of-touch and nonsensical remark, Mr. Kerry opined that the war: "could have a profound negative impact on the climate obviously…you're going to lose people's focus, you're going to lose certainly big country attention because they will be diverted and I think it could have a damaging impact."[126]

By refusing to allow for gas production on federal lands and offshore and by rolling out red tape to limit and punish the natural gas and oil industry, the Biden Administration has restricted domestic energy production in ways that harm American consumers and allies overseas. In the Committee's September 15, 2022 hearing *Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, Republican witness and energy expert Michael Shellenberger testified regarding the Biden Administration's active prevention of the expansion of natural gas production and exports. Shellenberger stated: "On September 8, three days before, *The Washington Post* reported that the Biden Administration was doing all it could to expand [Liquified Natural Gas] exports, Treasury Secretary Yellen reaffirmed in Detroit the commitment by the Biden administration to end the use of fossil fuels."[127]

10. <u>Rushed Green Energy Policies</u>

To reduce the world's net carbon emissions to zero by 2050, as proposed by President Biden,[128] renewable energy would have to entirely replace oil and other fossil fuels. But even a 95 percent reduction in American carbon emissions by 2050 would have devastating economic impacts, estimated to cost the United States 11.9 percent of its gross domestic product annually.[129]

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[123] Joseph Choi, *Psaki says calls to enhance US oil production are a 'misdiagnosis,'* THE HILL (Feb. 27, 2022), *available at* https://thehill.com/homenews/administration/596025-psaki-says-calls-to-enhance-us-oil-production-in-response-to-russian.

[124] *Energy, Russia, and American Power*, WALL STREET JOURNAL (Feb. 27, 2022), *available at* https://www.wsj.com/articles/energy-and-american-power-vladimir-putin-russia-ukraine-joe-biden-fossil-fuels-energy-11645902803.

[125] Jessica Chasmar, *John Kerry fears Russia-Ukraine war will distract from climate change*, FOX NEWS (Feb. 24, 2022), *available at* https://www.foxnews.com/politics/john-kerry-russia-ukraine-war-climate-change.

[126] *Id.*

[127] H. Comm. on Oversight and Reform, *Hearing on Fueling the Climate Crisis: Examining Big Oil's Prices, Profits, and Pledges*, 117th Cong. (Sept. 15, 2022) (testimony of Michael Shellenberger, Founder and President, Environmental Progress).

[128] Exec. Order No. 14057, 86 Fed. Reg. 70935 (Dec. 8, 2021).

[129] Bjorn Lomborg, *Biden's Climate Ambitions Are Too Costly for Voters*, WALL STREET JOURNAL (Oct. 14, 2021), *available at* https://www.wsj.com/articles/climate-change-cost-economy-emissions-tax-per-person-net-zero-joe-biden-11634159179.

Similarly, to meet the goals of the Paris Accord clean energy investments, the U.S. would need to increase current investments from $1.1 trillion in 2021 to $3.4 trillion a year until 2030.[130] The likelihood of this scenario—an increase of $2.3 trillion in clean energy investments—is questionable at best. Instead of unrealistic and coerced transitions to green energy technologies, the United States should use the robust natural resources that we currently have to supply the increasing demand for energy.

Additionally, the Administration's Corporate Average Fuel Economy (CAFE) standard revision raised new vehicle costs for all Americans on average by $1,100,[131] and while Americans struggle to afford safe and reliable transportation to get to work, the Administration focuses on electric vehicles, which have an average transaction price of $66,000.[132] The Administration's electric vehicle tax incentives largely subsidize high-income earners who can afford expensive electric vehicles, with one analysis showing that the top 20 percent of income earners received 90 percent of electric vehicle tax credits.[133] Rushing coercive green energy mandates creates cost, reliability, and national security concerns. Moreover, Democrats' policies favor the wealthiest Americans by providing tax credits for vehicles that average Americans cannot afford.

i. Europe's Abandonment of Fossil Fuel Production Leads to an Energy Crisis

Europe's abandonment of European energy production and reliance on Russian exports has led to spiking energy prices and fears that the Europeans could run short of gas this winter. Russia's decision to close its Nord Stream 1 pipeline indefinitely has left European countries without reliable energy to fuel cars and heat homes.[134] In October, British energy bills were expected to rise 80 percent, having a "massive impact" on households across the country.[135]

As a result of the energy crisis, European leaders are discussing radical proposals, such as gas-price caps and suspension of energy derivatives.[136] In addition, European governments are

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[130] *Id.*

[131] U.S. Dep't of Transportation, Nat'l Highway Traffic Safety Admin., *Final Regulatory Impact Analysis: Final Rulemaking for Model Years 2024-2026 Light-Duty Vehicle Corporate Average Fuel Economy Standards* (March 2022), at 17, *available at* https://www.nhtsa.gov/sites/nhtsa.gov/files/2022-04/FRIA_CAFE-MY-2024-2026.pdf.

[132] Fred Lambert, *Average electric car price hit $66,000 in the US, but that's not the whole story*, ELECTREK (Jul. 25, 2022), *available at* https://electrek.co/2022/07/25/average-electric-car-price-hit-66000-us-whole-story/.

[133] Energy Inst. at Haas, Severin Borenstein and Lucas Davis, *The Distributional Effects of U.S. Clean Energy Tax Credits* (July 2015), *available at* https://haas.berkeley.edu/wp-content/uploads/WP262.pdf.

[134] Uliana Pavlova and Anna Cooban, *Russia cuts off gas exports to Europe via Nord Stream indefinitely*, CNN BUSINESS (Sept. 5, 2022), *available at* https://www.cnn.com/2022/09/02/energy/nord-stream-1-pipeline-turned-off/index.html.

[135] *UK household energy bills to soar by 80% in October*, CNN BUSINESS (Aug. 26, 2022), *available at* https://www.cnn.com/2022/08/26/energy/uk-energy-bills-october/index.html.

[136] *Uniper Could Need Even Bigger German Bailout: Energy Update*, BLOOMBERG, (Sept. 5, 2022), *available at* https://www.bloomberg.com/news/articles/2022-09-05/europe-scrambles-to-respond-as-gas-prices-surge-energy-update.

preparing massive spending packages to cope with rising gas prices as inflation skyrockets.[137] In combination with restrictive climate measures, these policies prevent consumers from buying low-cost energy solutions and threaten national security. The European rush to alternative energy sources have left them vulnerable, and should serve as a warning to the United States.

ii. California's Unrealistic Green Push Leads to an Energy Crisis

California is the prime example of unrealistic green technology implementation. In surging heatwaves, California has relied on natural gas-fired power plants to support the state's electricity grid demand despite its push for renewable energy alternatives.[138] In August, requests for Californians to hold off from charging electric vehicles were alarming considering the state's recent moves to ban gas-powered cars by 2035.[139]

California's recent grid crisis illustrates the importance of natural gas generation capacity to grid resiliency. While California has the largest population and second greatest power demand, it ranked fourth in the country for production and imported 30 percent of its electricity supply. [140] California's problems are so bad that the North American Electric Reliability Corporation (NERC) rated it high risk even before its near grid failure this past summer.[141] Despite the dire situation, activists insist on transitioning to greater reliance on wind and solar and closing California's remaining nuclear power plant, which accounts for roughly eight percent of the state's generation capacity.[142]

On September 30, 2022, California Governor Gavin Newsom called for a windfall tax on oil companies in an attempt to mitigate gas prices rising to above six dollars a gallon.[143] Like the Biden Administration, Governor Newsom has attacked "greedy oil companies" instead of addressing poor energy policies to deflect from his own failed policies.[144] California's high gas taxes, lack of access to pipelines, and the state's pressure to transition to renewable energies have

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[137] Anna Cooban, *Europe's Russian energy crisis is escalating and so are the costs*, CNN BUSINESS (Sept. 5, 2022), *available at* https://www.cnn.com/2022/09/05/energy/energy-crisis-russia-europe-costs/index.html.

[138] Thomas Catenacci, *California's grid leaning heavily on natural gas to survive energy crisis, despite green push*, FOX BUSINESS (Sept. 7, 2022), *available at* https://www.foxbusiness.com/politics/california-grid-leaning-heavily-natural-gas-survive-energy-crisis-despite-green-push.

[139] Thomas Catenacci, *California urges residents again not to charge EVs on busy travel weekend*, FOX BUSINESS (Sept. 5, 2022), *available at* https://www.foxbusiness.com/politics/california-urges-residents-not-charge-evs-busy-travel-weekend.

[140] U.S. Energy Info. Admin., *California State Energy Profile, available at* https://www.eia.gov/state/print.php?sid=CA (last visited Oct. 10, 2022).

[141] U.S. Energy Info. Admin., *California fuel mix changes in response to September heat wave* (Sept. 21, 2022), *available at* https://www.eia.gov/todayinenergy/detail.php?id=53939.

[142] U.S. Energy Info. Admin., *Nuclear power provided about 10% of California's total electricity supply in 2021* (Sept. 19, 2022), *available at* https://www.eia.gov/todayinenergy/detail.php?id=53899.

[143] Madison Hirneisen, *Newsom calls for windfall tax on oil companies amid high gas prices*, THE CENTER SQUARE (Sep. 30, 2022), *available at* https://www.thecentersquare.com/california/newsom-calls-for-windfall-tax-on-oil-companies-amid-high-gas-prices/article_7b2e8c56-4102-11ed-a053-e7b8b8889791.html.

[144] *Id*.

resulted in its energy crisis. Despite the problems California creates for its residents, the Biden Administration has embraced similar policies.

iii. Renewable Energies Require Minerals Mined from Chinese-owned Mines

Rare earth minerals play a vital role in the world today. These minerals are "indispensable to the manufacturing of smartphones, electric vehicles, military weapons systems, and countless other advanced technologies."[145] Today, China is the largest mineral producer in the world—it also holds the most in reserve.[146] The Democratic Republic of Congo (DRC) holds more than 70 percent of the world's cobalt supply.[147] Over the last decade, China and the DRC have agreed to a number of infrastructure-for-minerals deals, giving China access to the largest reserves of cobalt in the world. Cobalt is an essential mineral in batteries that power electric vehicles, smartphones, computers, etc.[148] The *N.Y. Times* reported Hunter Biden, President Biden's son, helped the sale of a DRC cobalt mine from an American company to a Chinese company[149]—raising questions about the Biden Administration's focus on renewable energy.

The U.S. reliance on Chinese minerals for essential technologies is a serious national security threat. In September of 2010, China threatened to withhold rare earth minerals to Japan.[150] The Biden Administration's policies make the United States more reliant on foreign countries like Russia, China, and Venezuela for minerals. Not only are rare earth minerals needed for electric vehicles and weapons systems, but also for renewable energy technologies.[151] We must not allow our adversaries, like China, to have increased leverage over the United States by hastily transitioning to green energy dependent on those minerals.

VI. Solutions

To unleash U.S. domestic energy potential and protect energy independence, the Biden Administration should: remove obstacles discouraging modern energy infrastructure construction; reduce regulatory uncertainty; increase oil and gas production on federal lands; and

[145] Observer Research Foundation, Keerthana Rajesh Nambiar, *China's scramble for Africa's rare earthy elements* (Sep. 1, 2022), *available at* https://www.orfonline.org/expert-speak/chinas-scramble-for-africas-rare-earth-elements/.
[146] *Id.*
[147] *Id.*
[148] Council on Foreign Relations, John Campbell, *Why Cobalt Mining in the DRC Needs Urgent Attention* (Oct. 29, 2020), *available at* https://www.cfr.org/blog/why-cobalt-mining-drc-needs-urgent-attention.
[149] Michael Forsythe, et al., *How Hunter Biden's Firm Helped Secure Cobalt for the Chinese*, N.Y. TIMES (Dec. 7, 2021), *available at* https://www.nytimes.com/2021/11/20/world/hunter-biden-china-cobalt.html.
[150] Foreign Policy Research Inst., June Teufel Dreyer, *Rare Earthys, Scarce Metals, and the Struggle for Supply Chain Security* (Mar. 30, 2022), *available at* https://www.fpri.org/article/2022/03/rare-earths-scarce-metals-and-the-struggle-for-supply-chain-security/.
[151] Memorandum from Cong. Research Staff to Members of the Senate Committee on Energy and Natural Resources, *Projected Demand for Critical Minerals Used in Solar and Wind Energy Systems and Battery Storage Technology* (Sept. 10, 2019), *available at* https://www.energy.senate.gov/services/files/28F0D27F-BC97-4D06-997C-0CE6FD5760C4.

encourage new offshore and onshore drilling. To reverse the geopolitical, economic, and inflationary damage caused by President Biden's failed policies, the Administration should end the war on domestic energy production. The following are ten examples of measures the Biden Administration could take to end the war on domestic energy production and lower costs for American consumers.

1. ***Approve pending LNG export applications and promote new ones***. According to the U.S. Chamber of Commerce, "[d]oing so would send critical market signals to catalyze investment decisions necessary to bolster the important role of U.S. energy."[152] Promoting growth in liquefaction capacity will enable the U.S., Europe, and other countries to decrease reliance on Russian supply, increase the number of global suppliers, and lower prices over time.[153]

2. ***Approve pending applications for onshore natural gas pipeline projects and promote new ones***. Expediting the Federal Energy Regulation Commission's (FERC) review of pending applications will help lower future emissions and ease rising costs for consumers.[154]

3. ***Announce an actual, predictable five-year leasing plan for new offshore drilling***. By delaying the release of a Proposed Program for offshore leasing under the Outer Continental Shelf Lands Act (OCSLA), the Biden Administration has destabilized our domestic energy production.[155]

4. ***End U.S. reliance on Chinese rare earth and critical mineral production and encourage investment in a strong domestic alternative***. According to the U.S. Geological Survey, the U.S. is dependent on China for more than 50 percent of its supply for 25 different minerals.[156] Despite the lengthy process for obtaining U.S. mining permits, the Biden Administration has no roadmap for streamlining the process.[157]

5. ***Reverse the decision to stop the Twin Metals and the Resolution Copper mines***. Cancelling federal mineral leases increases American reliance on China and other foreign

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[152] U.S. Chamber of Commerce, *U.S. Chamber Applauds LNG Export Approvals, Calls for Swift Action to Approve Remaining Applications* (April 28, 2022), *available at* https://www.uschamber.com/energy/u-s-chamber-applauds-lng-export-approvals-calls-for-swift-action-to-approve-remaining-applications.

[153] David Goldwyn and Richard Morningstar, *An Action Plan for Transatlantic Energy Security Cooperation*, THE NATIONAL INTEREST (Feb. 6, 2022), *available at* https://nationalinterest.org/feature/action-plan-transatlantic-energy-security-cooperation-200315.

[154] Letter from Amy Andryszak, President and CEO, Interstate Natural Gas Ass'n of America, et al., to Joseph R. Biden, Jr., President of the United States (March 23, 2022), *available at* https://www.ingaa.org/File.aspx?id=39261.

[155] Letter from Steve Scalise, House Republican Whip, et al., to Joseph R. Biden, Jr., President of the United States (Oct. 17, 2022), *available at* https://www.republicanwhip.gov/wp-content/uploads/2022/10/Letter-to-President-Biden-About-Five-Year-Offshore-Plan-10.17.22.pdf.

[156] Competitive Enterprise Inst., Ben Lieberman, *U.S. Geological Survey Study Underscores Extent of Import Dependence for Critical Minerals* (Feb. 4, 2022), *available at* https://cei.org/blog/u-s-geological-survey-study-underscores-extent-of-import-dependence-for-critical-minerals/.

[157] Ernest Scheyder, *Analysis: Biden's EV minerals cash fruitless without permitting reform*, REUTERS (Oct. 24, 2022), *available at* https://www.reuters.com/markets/commodities/bidens-ev-minerals-cash-fruitless-without-permitting-reform-2022-10-24/.

nations for access to critical minerals[158] and eliminates thousands of American jobs that would have brought millions of dollars into local economies.[159] At a time when demand for copper, nickel, and cobalt is set to surge "several hundred percent over the next two decades," the U.S. should take steps to secure domestic supply chain resources by reversing the decision to end the leases.[160]

6. ***Reverse the decision to suspend leasing in Artic National Wildlife Refuge***. The combination of the Biden Administration suspending leases and green groups restricting access to loans and insurance sent oil and gas projects out of the region.[161] Preventing long-term development of the ANWR deprives Americans from the benefits the region offers, including the potential for thousands of jobs and revenue.[162]

7. ***End the practice of "sue and settle."*** The Biden Administration rescinded a Trump Administration order ensuring public visibility into "sue and settle" agreements. Special interest groups—especially environmental NGOs—use "sue and settle" tactics to achieve regulatory goals through litigation—in secret. "Sue and settle" consent agreements vault these groups' regulatory priorities and preferences to the tops of agencies' crowded agendas—bypassing the legislative and regulatory process.[163] A recent Biden Administration court settlement with climate activist groups exemplified this practice—halting oil and gas exploration on over 58,000 acres of government land,[164] evading transparency, and harming domestic energy potential. These decisions should rest in the hands of American citizens, not federal bureaucrats in Washington, D.C.

8. ***Encourage investment in upstream infrastructure and downstream refining.*** Rhetorically, Chevron CEO Mike Wirth stated, "How do you go to your board, how do you go to your shareholders and say 'we're going to spend billions of dollars on new capacity in a market that is, you know, the policy is taking you in the other direction."[165] The Biden Administration's policies harm the refinery industry, preventing critical

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[158] Dan Kraker, *Biden administration cancels Twin Metals' leases to mine near BWCA*, MPR NEWS (Jan. 27, 2022), *available at* https://www.mprnews.org/story/2022/01/26/biden-administration-cancels-twin-metals-leases.

[159] Twin Metals Minnesota, Creating Local Jobs, *available at* https://www.twin-metals.com/why-minnesota/creating-local-jobs/ (last visited Oct. 26, 2022); Elsa Hortareas, *Fight over Resolution Copper Mine drags on – and both sides expect more*, CRONKITE NEWS (Aug. 8, 2022), *available at* https://cronkitenews.azpbs.org/2022/08/08/fight-over-resolution-copper-mine-drags-on-and-both-sides-expect-more/.

[160] *Energy Transition Means More Metals*, FITCH RATINGS (Sept. 30, 2022), *available at* https://www.fitchratings.com/research/corporate-finance/energy-transition-means-more-metals-30-09-2022.

[161] Nathaniel Herz, *Alaska's push to drill in the Arctic National Wildlife Refuge backfired. Here's how.*, ANCHORAGE DAILY NEWS (Oct. 23, 2022), *available at* https://www.adn.com/business-economy/energy/2022/10/23/alaskas-push-to-drill-in-the-arctic-national-wildlife-refuge-backfired-heres-how/.

[162] *Id*.

[163] Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Michael Regan, Administrator, EPA (July 28, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Deb Haaland, Sec'y Dep't of the Interior (July 28, 2022).

[164] Jack McEvoy, *'Sue And Settle': Biden Admin Agrees To Block Oil And Gas Drilling After Settling With Eco Activists*, DAILY CALLER (Sept. 13, 2022), *available at* https://dailycaller.com/2022/09/13/sue-and-settle-biden-admin-oil-gas-eco-activists/.

[165] Breck Dumas, *Chevron CEO says there may never be another oil refinery built in the US*, FOX BUSINESS (June 3, 2022), *available at* https://www.foxbusiness.com/markets/chevron-ceo-oil-refinery-built-u-s.

investment in developing low-cost energy solutions for American families.[166] "Daunting" environmental standards and restrictive policies prevent the construction of new refineries.[167]

9. ***Reinstitute important reforms to the National Environmental Policy Act***. The Biden Administration reversed the Trump Administration's progress in streamlining the permitting process for domestic energy producers. The Trump Administration's 2020 NEPA rules represented the first major Executive Branch modernization of environmental conservation since 1978. President Biden swiftly rolled back that progress.

10. ***Stop draining the Strategic Petroleum Reserve to provide political cover for the consequences of bad policies.*** Depleting the SPR to its lowest levels since the 1980's has served the Biden Administration's interests in temporarily reducing gas prices caused by destructive energy policy decisions, but emptying our emergency stockpiles ultimately jeopardizes U.S. national security and damages American consumers. To refill the SPR, the Department of Energy will have to purchase barrels at a higher price, adding yet another cost to taxpayers already struggling to pay for the Administration's misguided energy policies and resulting inflation.

VII. Conclusion

Committee Republicans question the motivation and legitimacy of the Committee Democrats' investigation of oil and gas companies. This investigation has been a politicized attack on private companies and individuals instead of conducting real oversight of government waste, fraud, and abuse.

During this investigation, the Biden Administration received a free pass from Committee Democrats. Instead of calling even one Biden Administration official to testify, Democrats issued unnecessary subpoenas, demanded information protected by the First Amendment, made absurd demands of personally identifying information, and continued to falsely claim companies were not cooperating despite responding with over a million pages of documents.

President Biden singlehandedly shutdown the critically important Keystone XL pipeline, placed a moratorium on oil and gas production on federal lands, and caused gas prices to reach historic highs. Meanwhile, the sole focus of this investigation is to put American energy companies out of business and pursue radical Green New Deal policies that jeopardize national security and Americans' access to reliable, affordable energy. Committee Republicans will continue to conduct real oversight of our government by examining President Biden's failing energy policies.

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[166] Inst. For Energy Research, *Will Any New Refineries Be Built in the United States?* (June 13, 2022), *available at* https://www.instituteforenergyresearch.org/fossil-fuels/gas-and-oil/will-any-new-refineries-be-built-in-the-united-states/.
[167] *Id.*