

ENERGY & ENVIRONMENT

POLITICS AND POLICY



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2014 ENERGY & ENVIRONMENT

Don't Pull The Plug: Wind Energy Empowers America

By Sen. Chuck Grassley, Sen. Mark Udall, Rep. Steve King & Rep. Dave Loebsack

Supporters of wind energy tax incentives received some good news earlier this month, when a key Senate committee agreed to renew the provisions that expired last December. Yet the future of these measures is uncertain.

There is some indication the full Senate might take up the Finance Committee-passed tax package including the investment and production tax credits for wind energy in the near future, but the exact timing remains unclear. If and when the House of Representatives will take up similar tax-extend legislation is less clear.

No matter what, we'll continue to work to build bipartisan, bicameral and regional alliances to secure a victory for America's 21st century clean energy policy. So far, 144 lawmakers have stood with us and hard-working families in our effort to support on-shore and offshore wind energy developments through tax policy.

House and Senate leaders should prioritize the extensions of the job-creating investment and production tax credits for wind energy. This federal tax policy has helped to launch a carbon-free energy source and diversify America's portfolio of home-grown, alternative sources of energy.

The tax credits have helped to support 85,000 U.S. jobs; trigger \$105 billion in private sector investment; reduce the carbon footprint by displacing carbon-emitting energy with clean generation wind energy (U.S. wind power capacity of more than 60,000 megawatts avoids 100 million metric tons of carbon dioxide emissions, the equivalent of taking 17 million cars off the road); and, harness an inexhaustible source of affordable, domestic electricity for consumers.

Opponents of wind energy tax incentives argue the industry doesn't need any government support, yet there are plenty of tax policies for various industries that have been on the books for decades longer than those for wind. If one measure is on the table for potential removal, all of them should be on the table. Everything deserves consideration on its merits, and wind energy stands up to scrutiny.

Technology, tax incentives and



Senator Chuck Grassley (R-IA)



Senator Mark Udall (D-CO)



Representative Steve King (D-CO)



Representative Dave Loebsack (D-IA)

private investment work to strengthen the renewable energy sector's position in the free marketplace and power America's carbon-free energy policies forward. Consider that 72 percent of a wind turbine's value today is made in the United States, compared to 25 percent in 2005. Over the past few decades, wind energy in the United States has changed the economic and energy landscape with nearly 900 utility-scale wind projects on the nation's electricity grid and more than 550 wind-related manufacturing facilities.

Wind farms and/or factories have cropped up in all 50 states, putting people to work in good-paying jobs, diversifying farm and ranch income with an organic, drought- and weed-resistant cash crop, revitalizing rural communities and creating pollution-free electricity for millions of homes and businesses across the country.

Under one estimate, if the United States reaches 20 percent of wind-generated electricity, carbon emissions by the electricity sector would fall by up to 25 percent. That's the equivalent of

taking 140 million vehicles off the road. In fact, at 27.4 percent, Iowa leads the nation, powering the equivalent of 1.3 million homes -- Colorado is not far behind, powering roughly a million homes.

Critics looking for additional proof that wind energy tax incentives make good policy and good politics need to consider that wind energy is good for consumers, constituents and taxpayers. Wind energy projects operate in 70 percent of congressional districts. They require no oil spill liability fund to clean up environmental disasters. The U.S. taxpayer doesn't have to pay for catastrophic insurance as with nuclear power.

But despite its successes in the last two decades, the still-emerging wind industry is working to rebound after setbacks from the uncertainty of expiring tax policy. It suffered 4,500 job losses in 2012 within its manufacturing sector as orders and investment dwindled. Investment dropped from \$25 billion to \$2 billion.

And this debate is not taking place

within a vacuum. A failure to renew wind energy tax credits not only jeopardizes U.S. manufacturing and our pursuit of energy security, but it also threatens U.S. leadership in the global energy race. If Congress pulls the rug out from under wind energy firms, other places like China are more than willing to step into the breach.

The United States can't afford to pull the plug on wind energy tax incentives that foster responsible environmental stewardship, encourage

entrepreneurs to innovate clean-energy technologies and investors to finance the job-creating infrastructure that delivers clean electricity to America's homes and businesses.

Grassley is a Republican from Iowa. Udall is a Democrat from Colorado. King is a Republican from Iowa. Loebsack is a Democrat from Iowa.



We Need To Help Build An Energy Plan With Our European Allies To Deter Russian Aggression

The U.S. Can Strengthen Our National Security, Help Our Allies, Create Jobs, Boost Our Economy and Reduce Flaring



Senator John Hoeven (R-ND)

The U.S. Can Strengthen Our National Security, Help Our Allies, Create Jobs, Boost Our Economy and Reduce Flaring

Two weeks ago, I traveled to Norway with Senator John McCain (R-Ariz.) as part of a week-long Senate

delegation to Europe to help build a long-term energy plan that will help reduce Ukraine's and the region's dependence on Russian natural gas.

We also visited Estonia, Latvia, Lithuania, and Moldova, where their leadership made it clear that they are ready and eager to work with the United States on a comprehensive energy strategy that will help deter Russian aggression and maintain peace and stability in the region.

In Norway, a member of the North Atlantic Treaty Organization (NATO) and an important U.S. ally, we met with high ranking energy officials and senior executives of Statoil, a major multinational oil and gas company with operations in thirty-four countries, including the United States. From them, we heard firsthand the outlook on Norway's energy production capacity and its view of the European and global liquid natural gas market in the context of current events in Ukraine and Eastern Europe.

Norway is working to reduce European dependence on Russian natural gas by exploring new sources in its offshore fields, as well as by making more efficient use of its existing fields to maximize gas production. They are also going beyond Norway to invest in production globally. The company plans to invest \$20 billion

a year worldwide between 2014 and 2016, for a total of \$60 billion. Up to a quarter of that, \$15 billion, will go to North America.

Statoil is not only producing more energy, but it is also using new technology to do so with better environmental stewardship. In partnership with General Electric, for example, the company is beginning to implement Compressed Natural Gas (C.N.G.) in a Box, a technology that captures natural gas that would otherwise be flared and moves it by tank and truck to wherever it is needed.

Some parts of the gas are shipped to processing plants and others are compressed and shipped to the oil-fields. Several years ago Statoil converted its Bakken drilling fleet from diesel-powered to a bi-fuel system, enabling them to replace 50 percent of the diesel it uses on its rigs with less expensive, cleaner burning natural gas.

While Norway is a key supplier to Europe and can take some steps to mitigate the effects of Russia spiking the cost of natural gas, Norway cannot solve the problem all on its own. The only real, long-term solution is to make additional LNG supplies available, and that is where the United States has a strong role to play as a world leader. We have the natural

gas, and we have a potentially huge market -- Europe.

The United States currently produce 30 trillion cubic feet of natural gas annually, but use only 26 trillion cubic feet. Some of it is flared -- as much as \$1.5 million worth daily in North Dakota alone -- yielding no economic benefit to anyone. Instead, why not use it to strengthen our national security, help our allies, create jobs, boost our economy and reduce flaring? We can not only help our friends strengthen their hand so that they can stand with us to deter Russian aggression, but we can also seize the moment as an incredible opportunity for our country.

Some of my colleagues in the Senate and I have been advocating measures that will enhance U.S. energy security and help to bolster the security of our allies, like Ukraine and other European nations, by boosting U.S. energy production. The problem is that right now, the Department of Energy has about 23 LNG permit applications for LNG export pending, some of which have been awaiting approval for up to two years.

Two weeks ago, Senators John Barroso (R-Wyo.), Lisa Murkowski (R-Alaska) and I introduced the Energy Security Act, legislation that would approve the long-delayed Keystone

XL pipeline project and expedite applications to export LNG. Between the Keystone XL pipeline project and LNG exports, the measure could, conservatively, create nearly 100,000 jobs, boost the U.S. economy and aid our allies in Ukraine, NATO and Japan.

Approving projects like the Keystone XL Pipeline, which according to recent polling is supported overwhelmingly by the American people, as well as approving outstanding applications for LNG export can be good for our allies and good for our country. America's oil and gas sector have grown tremendously, and new opportunities continue to emerge. We need to seize this one to grow our economy, create jobs and make our nation and our allies more secure.



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DR. LESLIE DEWAN
TECHNOLOGY INNOVATOR
FORBES 30 UNDER 30

“I’m developing innovative technology that takes used nuclear fuel and generates electricity to power our future and protect the environment.”

America’s innovators are discovering advanced nuclear energy technologies to smartly and safely meet our growing electricity needs while preventing greenhouse gases.

Bill Gates and Jose Reyes are also advancing nuclear energy options that are scalable and incorporate new safety approaches. These designs will power future generations and solve global challenges, such as water desalination.

Nuclear energy supplies nearly one-fifth of our electricity. In a recent poll, 85% of Americans believe nuclear energy should play the same or greater future role.



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America's Energy Revolution Requires A New Architecture Of Abundance



Representative Fred Upton (R-MI)

Technological advances have dramatically transformed our lives over the last decade. Thanks to new advancements and American ingenuity,

we can now grocery shop from our living rooms, monitor our heart rate and sleep habits on our smart phones, and check email while 35,000 feet in the air. But often overlooked is how technology and innovation have changed the way we produce and consume energy. Advanced energy technologies have unlocked vast supplies of American energy resources and spurred an energy revolution in this country. Technology took us from energy scarcity to energy abundance.

But like with any technological revolution, we are faced with new opportunities and challenges, especially when it comes to infrastructure. The Industrial Revolution required the construction of the Transcontinental Railroad, the invention of the telephone required a new cross-country telecommunications network, the rise of the Internet required broadband deployment, and this new energy revolution requires the construction of a visionary Architecture of Abundance. America's new energy abundance requires a new and improved energy infrastructure to meet market demands and keep prices affordable for consumers and businesses.

But as so often happens in

Washington, our policies have not kept pace with new technologies and breakthroughs in the private sector. Many policies and beliefs are still rooted in the obsolete assumptions of energy shortages, standing in the way of new opportunities and growth and obstructing the construction of this much-needed energy infrastructure.

A case in point is the Keystone XL pipeline. The review of this landmark jobs and energy project has now exceeded 2,000 days. And to add insult to injury, the Obama administration has just announced they will extend the review process indefinitely. We will never be allowed to take full advantage of North America's growing energy resources if it takes over five years to simply approve a privately-built pipeline. We are going to need to build dozens of new oil and natural gas pipelines and transmission lines over the next decade to fully realize the potential our newfound energy abundance.

Remember also, we already import more than a million barrels of oil from Canada every day. With the political unrest in Nigeria, Venezuela, and Russia, isn't it better to rely on our friends like Canada?

The Energy and Commerce Committee is meeting this challenge to update and modernize our distribution infrastructure. We have advanced legislation to reform permitting processes for interstate natural gas pipelines and cross-border energy projects. By cutting red tape and eliminating bottlenecks, we can get projects in the ground sooner, create jobs, and help deliver affordable and reliable supplies to American consumers and businesses. And with our success in passing pipeline safety legislation into law, we can ensure that these pipelines will be safer than ever before.

Our energy abundance has also opened new opportunities and markets abroad, but our current infrastructure and regulatory policies are choking off this potential. For example, the Department of Energy's slow process for approving liquefied natural gas (LNG) export applications is threatening the opportunity for America become a natural gas export superpower. Exporting more American natural gas will help provide our allies greater energy security while improving our economy and creating jobs here at home. It will also send a message to Russia's heavy-handed

aggression. That's why we are moving thoughtful legislation to clear the backlog of applications at DOE and update the approval process so we can start building more export facilities.

Private sector innovation and advancements in technology created a new 21st century energy landscape, and we now need a 21st century energy infrastructure. Our job as policymakers is to pursue visionary policies that will allow this Architecture of Abundance to soon become a reality.



Time To Remove Roadblocks To Energy Trade



Representative Joe Barton (R-TX)

America's new found energy abundance creates incredible opportunities, but old laws are getting in the way of economic growth and the chance to strengthen security here and abroad.

Our nation is blessed with a bounty of natural resources, but until recently much of it remained out of reach. The men and women working in the oil and gas industry have developed new techniques to produce energy from unconventional sources, which gives us the opportunity to strengthen our domestic economy, increase our energy security, and help our friends and allies overseas who are not so lucky.

Now is the time to modernize laws passed decades ago that artificially restrict trade and distort energy markets and outdated laws governing natural gas exports is a good place to start. I am an original co-sponsor of a recently introduced piece of legislation, H.R. 6 - The Domestic Prosperity and Global Freedom Act, that will update the Natural Gas Act (a law passed more

than 75 years ago) by eliminating the lengthy delays in approving liquefied natural gas (LNG) export facilities. It will also replace the archaic standard of review with a more rational approach that reflects our newly discovered wealth of energy.

Updating laws like the Natural Gas Act will send a clear signal that Congress is serious about keeping our commitment to free trade and helping Americans still struggling to find work. Look around the nation - the states seeing the most job growth are those producing the most new energy and we can create even more of these high paying jobs. Energy export facility construction projects waiting years for a decision will finally have a path forward. Billions of dollars in private sector investments, and the jobs that follow, could soon flow all over the country - instead of being confined to so-called energy states.

Allowing energy exports will also strengthen our security by

encouraging future investment, which will allow the current pace of oil and natural gas production to continue and maybe even increase. The future is bright, but new technologies will be required and the U.S. should not risk losing our competitive edge by blocking the market signals that incentivize new investment and risk taking. This new energy revolution and the jobs it creates depend on it.

Energy trade, especially LNG, is also a powerful diplomatic tool. Today, we have the ability to push back against countries, like Russia, who use energy as a political weapon to strengthen their grip on their neighbors. We should counteract Russia's natural gas monopoly by providing our allies with LNG. Even though our supplies won't reach Europe's shores immediately, updating our laws governing the export approval process will strengthen their ability to negotiate more fair gas contracts with Russia.

H.R. 6 is one of many ways Congress

can act to unlock America's treasure chest of energy, if the liberal obstructionists would just allow us to turn the key. The way to lower prices is American made energy for Americans, not more excuses. This is truly a win-win-win for our domestic economy, energy security, and foreign policy.



Texas: "Fracking" Role Model For U.S.



Representative Ralph Hall (R-TX)

I make it a point to go home every weekend to visit with folks in the Fourth District of North East Texas, which I represent. The top concern I continue to hear from people is their personal security - their families, their pocketbooks, and their jobs.

The need to boost the Nation's economy to help struggling Americans is great, and Texans are fortunate to be faring better than most. For the ninth year in a row, Chief Executive Magazine named Texas as the #1 State for doing business. A large part of Texas' success is due to private and State initiatives - particularly in the energy sector - with Texas' Governor playing a significant role. This is an accomplishment that this Administration should note.

Domestic energy is important to all Americans - energy production creates jobs, boosts the local and national economy, helps move our country toward energy independence, and ultimately strengthens our national security. Texas is making great strides with true comprehensive energy solutions that are reshaping the energy landscape. Hydraulic fracturing (or "fracking") plays a leading role in that development.

Fracking is the process by which a mixture of mostly water and sand are pumped into a well to create enough pressure to fracture formations deep within the Earth. The fractured formations release gas to flow up to the wellbore to be extracted for use. Fracking is not new, but recent advances to this 60-year old technology have transformed America's role to be a leader in natural gas production. In fact, the U.S. recently

overtook Russia to become the world's top natural gas producer.

Increased access to natural gas is now driving State and local economic growth all around the country while providing new sources of domestic energy to meet growing demand. Texas received an extra \$2.5 billion in revenue over three years from increased energy production in the Eagle Ford Shale alone.

According to a 2012 study by the research company HIS Global Insight, fracking supports an estimated 1.7 million U.S. jobs, and that number is projected to grow to 3.5 million jobs by 2035. The Energy Information Administration predicts that natural gas production will rise an estimated 44 percent through 2040, and a Purdue University study noted the new boom in production amounts to about \$473 billion a year for the U.S. economy.

Unfortunately, due to unfounded claims and flawed information, the EPA is attempting to block this successful energy source through a process based on non-transparent, non-peer-reviewed science. Congressional oversight exposed a number of unfounded allegations and misleading attacks by opponents of "fracking," including by the EPA. Three times the EPA has alleged that hydraulic fracturing has been responsible for groundwater

contamination - in Parker County, Texas; Dimock, Pennsylvania; and Pavillion, Wyoming - and three times the EPA has had to retract these allegations after proper scientific analysis and review exposed them to be unfounded.

Notably, witnesses I have questioned at Congressional hearings - including ones from the Obama Administration - have confirmed the safety of fracking and have been unable to offer a single bit of proof that these claims against fracking are true.

As with all energy development, concerns about potential environmental effects must be evaluated, using objective scientific processes and methodology that are vetted through an honest and open peer-reviewed process. Truth and transparency must drive energy solutions, and the federal government should not overstep its bounds into states' sovereignty with unnecessary and harmful regulations.

Energy production in Texas is well regulated by the State's own Railroad Commission. State regulators have the necessary expertise and experience with local geologic conditions and drilling operations to oversee their state's energy production - and they have significantly more vested interest in protecting the environment and seeing their local communities succeed.

A one-size-fits-all government

overreach is not the answer to our energy portfolio. Overbearing federal regulatory authority would raise production costs, leading to higher costs for goods and services, and also would stall job creation.

Our Nation needs environmentally safe, clean, and efficient energy for our future, and we are fortunate to have abundant resources in our backyard. The Obama Administration should recognize the proven safety and success of fracking and its future potential to further boost the economy and create jobs - and it should look to Texas' leadership on this front.



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American Energy: What Putin Should Fear Most



Senator David Vitter
(R-LA)

Home-grown American energy, particularly natural gas, has produced a real job boom across America. It's clearly the brightest spot in our nation's otherwise

rocky economy, reversing the previous outsourcing of manufacturing jobs and building them here at home instead. And this enormously positive development has so much more potential, including in strengthening our influence around the world.

Specifically, as President Obama and his foreign policy team try to dissuade Vladimir Putin from even further aggression, they should look to American natural gas as a powerful tool. It could play a hugely important role in undercutting Putin's influence over Europe.

Russia provides about a quarter of total European demand, which is the core of its political leverage. Such dominance provides strategic control in the region and frustrates the situation in Ukraine. But thanks to the ingenuity and hard work of America's natural gas producers, we have plenty to share. So it's a no-brainer for the administration to start granting full approval for projects, like Cameron LNG and others. It would be a win-win—we could boost our domestic economy and give enormous support to our closest international allies.

I say "would" and "could" because we still don't have all the necessary

approvals from the Obama administration for many cutting-edge liquefied natural gas projects. During the course of this administration, there has been a general bureaucratic slow-walk of the regulatory process for domestic energy production, including natural gas exports.

Because of this, private investment continues to shun doing business with the Obama Administration over lack of certainty in the permitting process and abuse of discretion in applying our environmental laws. This has led to a 6% decline in oil production on federal land. In contrast, oil production on private land has exploded with a 61% increase since 2009. And natural gas is no different. While gas production decreased 28 percent on federal land, production on non-federal land grew 33 percent.

It's not all bad news though. Recently, Cheniere Energy's Liquefied Natural Gas (LNG) Export Terminal in Cameron Parish, Louisiana, successfully completed important permitting in the federal approval process and will likely be fully operational in a few years. Earlier this year, I had the privilege of visiting Cheniere's LNG Terminal,

meeting many of the workers there. It's incredible to see what they'll be able to do, including shipping Louisiana-produced natural gas to allies around the world. They've already created 2,000 construction jobs, and they're expecting to create 2,000 more, followed by x permanent ones.

A little further back in line, Cameron LNG in Hackberry, Louisiana, recently earned conditional approval from the Department of Energy (DOE) to export liquefied natural gas to countries that do not have a Free Trade Agreement (FTA) with the United States. The project will create 3,000 jobs during construction and more than 1,300 jobs in Louisiana in the next four years.

These promising natural gas projects are the product of not only our abundant supplies of natural gas, but also our long-developed energy infrastructure, the best in the world. With these strengths, we have an opportunity to supply energy to populations all over the world through LNG exports, strengthening our international relationships in the process.

I'll continue to push the administration for final approval on these incredible opportunities. We must accelerate

these projects, similar projects and additional facilities too. If we do, American resources and workers can help alleviate resource constraints faced by our strategic allies.

So this is my message to President Obama and Secretary of State John Kerry: Louisiana's and America's energy producers are ready, willing and able. We can grow desperately needed jobs at home and help our closest allies abroad wean themselves off bullies like Putin. But to do so, you have to release your stranglehold on the energy regulatory process. And you have to do it now.



The Dim Future Of Affordable, Reliable Energy



Senator Jim Inhofe
(R-OK)

If one word were to characterize the Obama Administration's posture toward the economy it would be

overregulation. Common sense would instruct that regulations should be supported when the benefits outweighs the costs. Due to this administration's tactics of distorting the cost of its regulations, federal agencies are getting away with an excessive rulemaking agenda that should otherwise be intolerable.

One agency that can be credited with leading the way is the Environmental Protection Agency (EPA). The EPA has made a business of systematically overstating the benefits and understating the costs of its regulatory initiatives, leaving Americans blind to the damaging effects this agency is having on domestic energy affordability and reliability.

The Utility MACT rule is one example. Designed to reduce emissions from power plants around the country, the EPA estimated in 2011 that this rule would result in the retirement of less than 10,000 megawatts (MW) of electricity generation. Today, reality is proving to be much worse. With the deadline to comply with this rule less than one year away, electricity companies have announced the retirement of power plants totaling more than 50,000 MW of generation capacity, five times

the amount EPA had estimated.

What will this mean for the nation's electricity grid? According to a Federal Energy Regulatory Commissioner, it has the potential to result in substantial power blackouts within the next few years. This means Americans may not be able to rely on the cool breeze of an air conditioner or a ceiling fan on a hot summer day.

Consider the New York Times' story, "Coal to the Rescue, but Maybe Not Next Winter," from March 10 that detailed how close the Eastern United States was to experiencing reductions in power supply during the Polar Vortex. Because electricity was in high demand during the cold snap, power supply companies had a difficult time keeping the grid online. The Times pointed out that "there might not be relief in future winters, as the coal-fired power plants that utilities have relied on to meet the surge in demand are shuttered for environmental reasons." Had this Polar Vortex occurred once the Utility MACT rule was in full effect, our grid may not have been able to reliably heat family homes or keep businesses open in large portions of the country.

This is just one of a handful of EPA's unchecked regulations that will be implemented in the coming years by bureaucrats and Obama political appointees. As the North American Electric Reliability Corporation (NERC) has warned, the worst is yet to come. In just the next few weeks, EPA is expected to finalize an additional rule regulating the cooling water intake components of power plants. The NERC reported this rule could have the "greatest impact" on the number of power plants that may shut down in the next couple years, despite the EPA admitting this rule has no direct impact to the quality of life for humans.

I don't want my grandkids to know an America where brownout and blackouts are par for the course or where energy reliability is a luxury for the upper class. This is why I am fighting against President Obama's excessive regulatory agenda at the EPA. This starts with enforcing transparency, which is why I introduced the EPA Employment Impact Analysis Act to require the agency to disclose how its regulations will impact the whole economy. I am also working to force a simple up-or-down vote in the Senate

on major EPA regulations that put at risk our nation's ability to lead in producing cheap, accessible power.

The United States has long been a nation of abundant domestic energy in all its forms, and because of that we've held tremendous advantages over the rest of the world. To ensure economic growth and expanded opportunities for future generations, we must reign in the President's unbridled regulatory agenda and keep energy affordable for all.

Jim Inhofe is the senior U.S. Senator to Oklahoma and senior member of the Senate Environment and Public Works Committee.

Liquefied Natural Gas Exports
The Future Of U.S. Domestic Production

Representative Gene Green
(D-TX)

For decades, the United States has been a global leader in developing Liquefied Natural Gas (LNG). The first LNG facility was built in West Virginia in 1912, and in 1971, the U.S. began importing LNG to supplement domestic production. Over time, with

advances in production techniques, the U.S. began to produce a surplus and started to export large quantities of LNG.

Since the 1940's, the oil and gas industry has been employing hydraulic fracturing in wells. The technique, known commonly as fracking, helps develop and extend the life of drilled wells. In the last decade, the process of fracking has been combined with horizontal drilling to develop, most notably, natural gas reserves from shale. The United States has extensive shale gas reserves throughout the country.

U.S. natural gas reserves have climbed 72% since 2000 resulting in the lowest priced natural gas in the world. In 2012, the U.S. produced more than 29.8 trillion cubic feet (tcf) of gas while consuming 24 tcf. Production is projected to continue until approximately 2040 resulting in approximately 5 tcf of excess capacity natural gas.

Natural gas consumption by the power generation sector has lowered our carbon footprint significantly. Low cost natural gas has given domestic manufacturers a competitive advantage that is resulting in significant economic benefits. However, production is expected to outpace consumption until at least 2040. The economics and environmental benefits of natural gas

favor exporting LNG. These important issues need to be highlighted so that the benefits of our domestic natural resources can be as wide spread as possible.

The demand for natural gas, worldwide, will continue to climb presenting the U.S. with the opportunity to export excess production and reap the economic benefits associated with foreign sales. To export natural gas, the gas must be super-chilled to a liquefied state and transported via pipeline, train or ship to an import facility. This process adds cost to the baseline production of natural gas, however U.S. LNG would remain competitive due to international demand and the consistently high price of natural gas.

Currently, to export LNG from the United States to a Free Trade Agreement (FTA) country or a Non-Free Trade Agreement (non-FTA) country, a private entity must apply to the Department of Energy (DOE) for a permit. The permit consists of a public interest determination, by which, the DOE considers a number of factors and determines whether the exporting project is in the interests of the U.S.

Following, or concurrently with, a determination by DOE, a project to export LNG must apply to the Federal Energy Regulatory Commission

(FERC) for a permit to construct and operate an LNG facility. The FERC permit considers many factors, including a thorough environmental review process. Upon receipt of both permits, an entity may export LNG freely.

A permit to export to a FTA country, which currently includes 20 countries, is automatically considered in the public interest and is granted within 90 days of application. A permit to a non-FTA country is a separate application and is considered on a case-by-case basis at the DOE. Currently, seven non-FTA export permits have been approved with approximately another 25 pending applications. It is this process, the non-FTA decision-making process, that is currently being discussed by policy and lawmakers in Washington, D.C.

To ensure that projects remain economically viable, and thereby allow the U.S. to reap the benefits, the consideration of non-FTA permit applications must be expedited or streamlined. The government has an important role to play in determining the public interest but it should not make market-based decisions. It is clear that exports serve the public interest and benefit the country as a whole. We will seek opportunities to make the process quicker while protecting the public interest. The U.S.

will reap the geo-political and socio-economic benefits of LNG exports for decades to come. LNG exports are just one more benefit associated with the energy revolution currently taking place in the United States.

Congressman Green has represented the oil and gas sector and the Houston area for more than 30 years both as a Member of the Texas State Legislature and United States House of Representatives.



2014 ENERGY & ENVIRONMENT

Energy: The New Jobs Frontier For Minorities



Representative Bobby Rush
(D-IL)

There's no secret that the field of energy is the latest gold rush for our country, but with more viability that will sustain our way of life for centuries. The mystery lies in who is aware of this ever evolving and increasingly economically viable frontier that's changed the playing field internationally and positioned the U.S. as the country that leads the world in advanced energy technologies, energy production, and clean and renewable energy breakthroughs. This guarantees the U.S. will also lead the global race for economic superiority; hence it's imperative that the United States remains in the forefront in each of these areas and is inclusive of all people.

Since taking over as Ranking Member on the Energy and Power Subcommittee in 2011, no other issue has been more of a priority for me than increasing minority engagement in the lucrative energy sector. Today, there is an undeniable lack of participation on the part of blacks, Hispanics, and other minorities who are engaged in the energy industry, in regards to

employment, entrepreneurial and ownership opportunities.

Last year the American Petroleum Institute (API) commissioned a report which also found that there needs to be a comprehensive strategy to engage minority communities in the energy sector, in order to help fill the void that will occur over the next five to ten years when the energy sector will lose up to half of their workers in the oil, gas, and pipeline industries due to retirements and attrition.

Industry recognizes the need for increased minority participation in the energy sector, and they are working with Congress and other stakeholders to engage our communities.

Using the API report as the basis, I drafted a bill, the 21st Century Energy Workforce Development Jobs Initiative Act. This bipartisan legislation will provide a pathway to employment for minorities and other historically underrepresented communities in the energy sector, by outlining a comprehensive strategy for initiating collaboration between the Departments of Energy,

Education, and Labor, as well as industry, schools, community colleges, universities, labor unions, workforce development organizations, and other stakeholders in order to engage, inform, train, and recruit minorities for the energy jobs of the present and future.

Partnering with the Department of Energy (DOE) is essential to prioritizing minority involvement in the energy sector and STEM Education (Science, Technology, Engineering and Math). In a recent hearing, the Subcommittee on Energy and Power listened to U.S. Department of Energy (DOE) Secretary Ernest Moniz present the Fiscal Year 2015 Department of Energy Budget. I pointed to concerns regarding the amount of resources the agency is actually investing in the initiative, as evidenced by the DOE's budget proposal. I called for a separate hearing on increasing minority participation in the energy sector in order to make up for the shortfall of workers who will be retiring and exiting the workforce as it is necessary to increase minority participation and involvement within

all sectors of the energy industry.

This is simply the beginning of a conversation to make sure that minorities are aware of the tremendous opportunities in the energy field, and to inform them of the skills and training they will need to take advantage of these opportunities. There is much more work that can be done and I will continue to be advocate for increased representative and participation of minorities in the energy sector.



America's Energy, America's Choice



Jack Gerard
API

America's energy revolution is fueling a manufacturing renaissance, reducing the trade deficit and making our nation more energy secure – all while playing a significant role in helping achieve environmental goals.

During the same time that oil and natural gas production has skyrocketed,

emissions have plummeted. Carbon dioxide emissions from energy dropped 12 percent between 2005 and 2012 to reach their lowest level since 1994, according to the U.S. Energy Information Administration. A new Environmental Protection Agency (EPA) report shows overall greenhouse gas emissions are down 10 percent since 2005 and dropped 3.4 percent from 2011 to 2012. No country on Earth has reduced its total CO2 emissions by as much as the U.S.

This dramatic reversal was not the result of taxpayer spending. Much of the improvement is a byproduct of our position as the world's leading producer of cleaner-burning natural gas. Technological innovations in hydraulic fracturing coupled with horizontal drilling have ushered in a new era of energy abundance, and access to affordable domestic natural gas for power plants and manufacturers is helping to reduce emissions while creating hundreds of thousands of jobs.

The oil and natural gas industry is also the nation's most aggressive investor in greenhouse gas mitigating technologies. Between 2000 and 2012, the industry invested \$81 billion in technologies that reduce greenhouse gas emissions – more than the federal government and almost as much as the rest of private industry combined. These include investments in wind, solar, and geothermal energy, as well

as investments in other zero- and low-emitting and greenhouse gas reducing technologies.

The U.S. oil and natural gas industry proves each day that economic prosperity and environmental progress are not mutually exclusive. Too often, government mandates jeopardize economic growth in pursuit of environmental goals and end up undermining both.

Case in point: the Renewable Fuel Standard (RFS), which requires adding increasing volumes of ethanol to fuel each year, regardless of consumer demand or market realities. Although EPA's own analysis indicates corn-based ethanol yields 27 percent more greenhouse gases over its full lifecycle compared to regular gasoline, the agency persists in raising volume requirements each year. Yet, due to engine efficiency improvements and economic conditions, Americans are buying less transportation fuel. This creates an irreconcilable disconnect whereby outdated RFS mandates require the blending of ever more gallons of ethanol into ever-shrinking volumes of fuel. Continued RFS implementation could lead to fuel rationing and supply shortages that, by 2015, could drive up gasoline costs by 30 percent and the cost of diesel by 300 percent – decreasing worker income by \$580 billion and resulting in severe economic harm, according to a study by NERA Economic Consulting.

Grocers, restaurant associations and producers of poultry, pork and beef cite the RFS as a primary factor driving food price increases, and automakers and other experts warn that increasing ethanol content in gasoline beyond the current 10 percent to 15 percent could void warranties and cause engine damage. A diverse and growing coalition of organizations, including anti-hunger and environmental groups, is urging EPA to follow the scientific evidence, consider market conditions and repeal or significantly reform the RFS before it can wreak economic damage.

Then there's the Keystone XL pipeline – another issue not only backed by strong environmental and economic evidence but supported by bipartisan majorities in Congress, 70 percent of American voters and a broad coalition, including the labor community. During nearly six years of review, five separate environmental assessments have repeatedly confirmed that the pipeline is environmentally safe. The vast economic benefits – including 42,000 jobs paying more than \$2 billion total during the construction phase alone – are matched by the energy security and national security advantages. Keystone would help access more energy from Canada and our own Bakken region of North Dakota, moving us closer to the ability to supply 100 percent of our liquid fuel needs from right here in North America.

Failure to move forward with the pipeline increases the likelihood that Canada will ship its oil elsewhere, possibly to China – the world's largest greenhouse gas emitter.

With overwhelming evidence in favor of Keystone XL, the Obama administration's recent decision to delay approval yet again can only be political. If the administration would heed the scientific analysis and honor the findings of its own State Department, Keystone would have been approved long ago. Likewise, the RFS and a host of other regulations that hurt the economy while creating little to no environmental benefit would fall by the wayside in favor of science-based, market-based policies.

The past few years have demonstrated we can reduce global emissions without compromising job creation, economic growth and global competitiveness. Energy development and environmental progress are compatible when politics gets out of the way.



Re-Authorize The Export-Import Bank To Keep America Growing And Competitive



Bernard L. Weinstein
Maguire Energy Institute
Associate Director

More than six years after the onset of the "Great Recession," the American economy is finally gaining traction. During the second half of 2013, real gross domestic product (GDP) expanded at a 3.4 percent annual rate, and the

International Monetary Fund just recently forecast a growth rate of about 3 percent for the U.S. in 2014. Though the unemployment rate remains high at 6.7 percent, the total number of payroll jobs is finally above the 2007 level.

Exports of American goods and services have played a large part in the economic recovery. Indeed, exports have grown rapidly every year since 2008, and they reached a record \$2.3 trillion in 2013 – equivalent to about 14 percent of GDP. According to the International Trade Administration, 11.3 million U.S. jobs were supported by exports in 2013, while a recent study by the U.S. Chamber of Commerce finds that another 16 million jobs were supported by imports.

Though exports declined slightly during the first quarter of this year, due to economic weakness in China and the Euro zone, nonetheless they're projected to reach another record in 2014.

But there's a fly in the ointment-political wrangling over renewing the charter of the Export-Import Bank of the U.S. (Exim) that will expire in September barring Congressional action. Established in the 1930s, Exim is a credit agency that helps American companies sell goods overseas. Last year, its lines of credit supported \$37.4 billion in U.S. exports, which translated into 205,000

jobs. Exim financing is especially critical for selling U.S. products to developing countries, where the demand for American products and services is growing the fastest but private financing is often inadequate or unavailable. Though the top beneficiaries of Exim financing are large corporations, about 70 percent of the 6,000 firms aided over the past five years have been small businesses.

Unfortunately, some conservatives are deriding the Export-Import Bank as a form of corporate welfare that has U.S. taxpayers on the hook for its \$140 billion in outstanding commitments. But this criticism is unwarranted. Yes, Exim loans are sometimes direct subsidies to foreign buyers. But other countries offer even greater financial inducements to promote their exports. For example, the Organization for Economic Cooperation and Development (OECD) reports that export credit agencies worldwide have extended more than \$1 trillion in trade finance credit in recent years.

Because Exim performs thorough due diligence before issuing a credit, its loan default rate is negligible, less than one-half of one percent. In fact, the U.S. Treasury actually makes money from Exim, which transferred more than \$1 billion in fees last year.

Perhaps surprisingly, it's America's nuclear energy industry that stands to lose the most if Exim's charter isn't renewed. Though only a handful of nuclear plants are currently under construction or planned in the U.S., 70 new nuclear energy facilities are under construction in other parts of the world with an additional 173 units in the licensing and advanced planning stages. Because the U.S. Department of Commerce estimates the value of the global nuclear market at up to \$740 billion over the coming decade, capturing even a modest share of this market can create thousands of new high wage jobs in the U.S.

The market for commercial nuclear power components has become very competitive. Russia, Korea, Japan and France provide their suppliers with multiple layers of support, including strong trade finance. Russia, in particular, is offering below-market interest rates to secure new business and recently inked a \$13.5 billion deal that will enable Rosatom to build two new nuclear plants in Hungary.

In the past, Exim has supported American nuclear exports to Taiwan, Mexico, Spain, Brazil, the Czech Republic and several other countries. Most recently, Exim authorized \$2 billion in

financing for a nuclear plant under construction in the United Arab Emirates. Because nuclear plants have relatively long construction periods before revenue is produced, some of these contracts would not have been awarded to American companies in the absence of Export-Import Bank financing.

Uncertainty about the future of Exim is already impairing the ability of American companies in nuclear energy and other industries to secure foreign contracts. For the sake of the economy, and the millions of American workers who owe their livelihoods to exports, Congress should embrace reality rather than ideology and renew the charter of the Export-Import Bank on a long-term basis without further delay.

*Weinstein is associate director of the Maguire Energy Institute in the Cox School of Business at Southern Methodist University in Dallas and a fellow with the 4 Percent Growth Project of the George W. Bush Institute.



2014 ENERGY & ENVIRONMENT

All Of The Above Includes Nuclear



Representative John Shimkus
(R-IL)

While the shale oil and gas renaissance dominates today's energy landscape, it's important that policymakers

remember the vital contribution nuclear power makes to our nation's energy portfolio.

According to the Nuclear Energy Institute, reactors in 31 states generate nearly 20 percent of America's electrical power each year. That percentage is more than double in my home state of Illinois where nuclear even outpaces our abundant coal resources to meet 48 percent of the state's electricity needs. For those concerned about climate change, the most salient point may be that 64 percent of emission-free electricity in America comes from nuclear. That's more than hydroelectric, wind, solar and geothermal... combined.

For all its environmental benefits, nuclear energy today is struggling to compete with inexpensive natural gas and decreased electricity demand. Just last year, four reactors closed prematurely and there are frequent media reports that others may soon follow. In fact, the Department of Energy is currently studying a scenario where as many as one-third of our 100 remaining nuclear plants close and the resulting impact to the President's climate change goals. More importantly, the premature closure

of nuclear plants takes its toll on families and communities through job losses and decreased tax revenue. Nuclear energy also supplies reliable electricity, keeping the lights on in typically colder regions during the polar vortex this past winter.

While I understand and respect that much of this decline is attributable to market forces, it's our responsibility as policymakers to think strategically and ensure our national energy portfolio remains diverse and competitive. That's why, given the growing economic pressures, it is more important than ever that the Nuclear Regulatory Commission (NRC) prioritize regulatory actions and ensure any changes to current policy are fully justified by significant safety benefits. This shouldn't be difficult considering that in its most recent review of the industry's long-term safety trends, the NRC reported no "statistically significant adverse trends in industry safety performance." But that didn't stop them from proposing 56 new regulations last year.

I fear that this growth in regulation is representative of a larger trend at the NRC. Despite the commission's diminishing workload and shrinking number of licensees, staffing has grown 29 percent

over the past ten years and the fees recovered from licensees, borne ultimately by electricity customers, has increased 58 percent. That's unsustainable.

The NRC is the world's gold standard for nuclear safety regulation, and I want it to remain that way. The American people deserve no less. Unfortunately, resources are not infinite. Consumers' electricity bills should not be viewed by the NRC as a blank check. The NRC must be better stewards of their funds.

Perhaps most frustrating of all, however, is the very thing NRC should be spending money on is the one thing they and the Department of Energy (DOE) refuse to seek additional funding for: Yucca Mountain. Last year the DC Circuit Court affirmed thirty years of nuclear waste policy, ordering both agencies to follow the law and resume work on the high-level waste repository deep below Yucca Mountain in the Nevada desert. So far, neither has requested the necessary funds to complete their work.

As the EPA's War on Coal inevitably turns on natural gas in years to come, the loss of nuclear plants will exacerbate our nation's loss of baseload electricity generation. Without these proven, reliable,

affordable energy supplies, we'll be left in the dark. For our long term energy security and affordability, we must take steps today to ensure the continued availability of nuclear energy as part of our all-of-the-above strategy to meet future electricity needs.

Congressman Shimkus represents the 15th District of Illinois and chairs the Energy and Commerce Subcommittee on Environment and the Economy.



Keystone XL: It's A Matter Of Political Will



Representative Lee Terry
(R-NE)

Last week, Rolling Stone ran a story that quoted two Obama Administration officials who said the President had all but made up his mind to deny the permit to build the Keystone XL pipeline.

This comes just after the Good Friday news dump when the Obama Administration announced that it needed more time for the inter-agency review

process - as if over five years and over 22,000 pages of environmental reviews weren't enough.

The Dallas Morning News called this decision "embarrassing". The leader of a national labor union called it "gutless". The Chicago Tribune, the President's hometown newspaper, said the delay was bad for those people who want a job.

While all these are true we should just call it like it is.

It's political.

The President has sold out lock, stock and barrel to Tom Steyer and the radical environmental movement. He would rather work to save an election rather than work to create American jobs.

Just prior to Easter, the President stood at the White House podium and spoke directly to the American people about "hard politics" and the need to pass immigration reform.

"We know what the right thing to do is," the President said. "It's a matter of political will. It's not any longer a matter of policy. And I'm going to continue to encourage them to get this done."

The President should spare us any more lectures after he punted and put on permanent delay the single largest infrastructure project that has the potential to create jobs in this country.

All it takes is for him to use his pen. But so much for the year of action he promised.

If we use the President's logic, we wouldn't still be waiting some five years

and thousands of pages of reviews later that indicate the Keystone XL pipeline won't significantly impact carbon pollution.

The latest Rasmussen survey that says, support for the Keystone Pipeline is at an all-time high of 61%. That's nearly two-thirds of the American people who support this project. According to this standard set by the President, we should move forward on this project. Now.

But, shortly after the State Department released its final environmental impact study, the environmental left warned that there would be "negative consequences" for Democrats in the 2014 midterms if President Obama approved the Keystone XL pipeline.

Apparently, political extortion now trumps facts.

According to the State Department's own statistics presented in the final environmental report, the Keystone XL pipeline will create 42,000 direct and indirect jobs which would equate to roughly \$2.05 billion in employee earnings.

The economy, during the construction of the pipeline would see a \$3.1 billion economic boost. After construction is completed, the 27 counties along the Keystone XL route would see an estimated \$55.6 million increase in property taxes during the first year. This is money that would go to build roads and local schools.

When I was at home during the

Congressional work period, I met with the workers of Omaha-based Laborers #1140 who have the project labor agreement with TransCanada to go to work and build the pipeline. These are hard-working middle-class citizens who are arrogantly dismissed by the environmental movement and some Democrats in Congress as temporary workers.

To those who say these jobs don't really count because they're temporary I challenge them - point out a road, a bridge, or building that is a permanent construction project. We're a nation of builders. We build and move onto the next project.

But going back to the President's own standards, it's he who has shown the complete lack of political will because his decision isn't based on the merits. If he had any semblance of leadership, then Harry Reid would have already held a vote on my bill to deem the permits to build Keystone XL approved and the President would be on his phone telling the Senate to send the bill down so he could use his pen at a signing ceremony.

One writer at the Washington Post hit the nail on the head writing the President's move to delay the Keystone XL pipeline was "a more sinister, cynical political ploy by this administration to manipulate two groups into supporting vulnerable Democrats" during the midterms.

The President proved it with his delay. This is no longer a matter of

policy. It's as if President Frank Underwood from House of Cards is making this decision.

But we shouldn't let Hollywood and radical environmental organizations make vital decisions that impact American job creation.

With strong bipartisan support in both the House and the Senate, it's incumbent on the Congress to lead and hold this President's feet to the fire. It's up to us to encourage him to get this done.

Rep. Terry is a senior member of the House Energy and Commerce Committee and author of the House-passed bill to build the Keystone XL Pipeline.



Coal Country Under Assault By The EPA



Representative Tim Murphy
(R-PA)

Last fall, 380 workers at the Hatfield's Ferry and Mitchell Power Stations in southwestern Pennsylvania lost their jobs when these two coal-fueled plants permanently shut down. After just having invested hundreds of millions of dollars in environmental upgrades to the facilities, owner FirstEnergy stated the decision was based in part on "the cost

of compliance with current and future environmental regulations."

Since none of these new regulations weren't adopted by Congress, how did we get here?

The author of these regulations, the Environmental Protection Agency, is mired in the outdated view that virtually any use of fossil energy in power generation poses an imminent threat to public health. Not true. What has been lost in today's energy debate is the incredible technological advancements that have led to cleaner air and water.

Those opposed to fossil energy still present the false narrative of "dirty coal," which is an insult to the thousands who work in the mines and throughout the coal industry supply chain. These workers live in our communities, send their kids to local schools and reside in the towns where these plants are located. None of them wants to return to the old days of contaminated rivers and open smokestacks.

Take, for example, Pittsburgh-based U.S. Steel. The company, which relies on affordable American metallurgical coal, just spent \$500 million making the its coke works one the most environmentally safe facilities in the world. The plant even recycles gases to generate power needed for its Monongahela Valley steel operations. Innovative conservation projects of this kind have cut energy waste by close to 30 percent nationwide since 2000.

Another Western Pennsylvania

company, Calgon Carbon, has developed powdered activated carbon to help to cut in half the amount of mercury in the air. Today, most trace mercury found in the air isn't even from domestic sources; it's from countries without any regulation, such as China.

Three-quarters of the country's coal plants are now equipped with technologies developed by the federal National Technology Energy Laboratory. NETL perfected scrubbers, such as those installed by boiler makers at Hatfield's Ferry just three years ago, to remove from the air sulfur dioxide gases that can cause acid rain. NETL's ground-breaking achievements helped to reduce emissions by 75 percent even as coal usage tripled over the last 30 years.

Instead of shutting down coal to make even greater environmental gains, the right way forward is to harness the creativity and innovation of American businesses, researchers and universities. But that's made exceedingly difficult under President Barack Obama's budget, which cut more than \$100 million out of NETL and clean-coal research and instead directs billions in taxpayer subsidies for unproven renewable energy projects similar to Solyndra.

As our country's workers, engineers and scientists have demonstrated, we don't have to choose between a healthy economy and clean air. We can have both, but not if we allow the debate to be hijacked by propaganda and overzealous government regulators.

Workers are enduring not just the scorn of disinformation campaigns that ignore the true story of coal's environmental renaissance, but they also are having to fight regulators in Washington who are destroying their way of life. Current EPA regulations eventually would eliminate coal as a fuel source without public input or even a vote in Congress.

That's why I authored legislation, adopted on a bipartisan vote in the House of Representatives, to halt the EPA's newest "social cost of carbon" regulation so Congress has an opportunity to review it. A regulation of this magnitude -- with such sweeping impact on the economy and the American workforce -- cannot be left to regulators alone, because as blue-collar moms and dads across the country know well, the true impact of overregulation is concentrated unemployment and poverty.

If we give up on coal, we will lose more than the manufacturing and energy jobs that are the lifeblood of our economy. We'll also lose the chance to invest in building our future because we'll remain reliant on buying foreign energy.

The U.S. trade deficit with OPEC nations exceeded \$1 trillion in the last decade. Some of those dollars are funneled to terrorist groups fighting against us in the War on Terror, which has cost us more than \$1 trillion to wage. Since 1976, we've also spent more than \$8 trillion protecting the flow of oil from the Persian Gulf. That's money unavailable

for investing in infrastructure, education or job creation. An even higher cost has been the tragic number of soldiers lost in defense of our country.

The fact remains that we will need coal, oil and natural gas for transportation, electricity generation and chemical production well into the future. The question is whether we will use domestically available resources or allow our destiny to be determined by other nations and OPEC members.

I choose American energy.

Rep. Tim Murphy represents the 18th congressional district of Pennsylvania. He is Chairman of the House Energy and Commerce Subcommittee on Oversight & Investigations and a member of the Congressional Coal Caucus.



2014 ENERGY & ENVIRONMENT

How American Energy Unlocks American Potential



Representative Steve Scalise (R-LA)

Since the Great Recession of 2008, the debate in Washington, D.C. has been loaded with ideas for how to get our economy moving again. To find the quickest and most proven recipe for jumpstarting America's economy, the answer in many cases is right below our feet if we are only allowed to explore. American energy creates high-paying jobs, grows our economy, and provides billions in royalties and tax revenues to reduce our deficit. Louisiana's First Congressional District, which I am honored to represent, is now home to the

metropolitan area with the lowest unemployment rate in the United States thanks to our booming energy industry.

Just how low is the Houma-Thibodaux metro area's unemployment rate? 2.8 percent. That's pretty impressive considering the national average is closer to seven percent. One of our crown jewels is Port Fourchon, where more than 8,000 jobs in the region are located. More than 90 percent of all Gulf of Mexico deepwater drilling projects are serviced out of Port Fourchon. This is vital to energy production in the Gulf, which provides the U.S. with about 30 percent of our domestic oil supply. In fact, the Port is home to more than 250 companies that operate there or use its facilities. Port Fourchon is just one example of how energy production leads to jobs, as everyone from shipbuilders to food service providers to oilfield service companies rely on access to these vital American resources.

The energy industry drives job creation, and unless you've been hiding under a rock for the last few years, you know that this country could use a boost in that department. But southeast Louisiana is not the only place where this revolution is happening. In the Dakotas, fast food employees are earning nearly \$20 per hour as employers compete for workers in the wildly-successful Bakken Shale play, and the Marcellus shale has revitalized an ailing state economy in Pennsylvania. Technological advances and American ingenuity have unlocked these abundant resources that can provide the U.S. with steady growth and energy security for years to come, and I want to expand that dynamism to grow

the American economy.

As a representative from an area of the country that is benefiting from this amazing renaissance, I feel compelled to share this American success story with my colleagues from other parts of the country whose citizens deserve these same opportunities. That is why every year, I take a group of Congressional colleagues down to Louisiana to tour an offshore drilling rig or production platform in the Gulf of Mexico. When members see for themselves the great career opportunities, level of technical expertise, attention paid to safety, and the sheer scale involved in these projects, they are simply amazed. This year is no exception, as we will be bringing more Members of Congress down to the deep waters of the Gulf to see how American energy is produced.

As the vice chairman of the House Energy and Commerce subcommittee on Energy and Power, I am proud to promote an "all-of-the-above" energy strategy. It is the only solution that will offer immediate relief to hard-working taxpayers who are struggling in this weak economy and are paying the cost of high energy prices. With broad jurisdiction, our committee serves the vital role of overseeing policies dealing with energy production from upstream exploration to downstream at the pump. As we go about our work in Washington, my focus is getting the government out of the way so we can create more good jobs here at home, and help families stretch their dollar a little further at the grocery store and pump. We can do all this while increasing America's energy

security by producing what we use so we don't have to send billions of dollars to Middle Eastern countries who don't like us. The time to say yes to an all of the above energy strategy is now.

As Chairman of the House Republican Study Committee (RSC), I introduced a jobs bill last month that would unlock the power of American energy production. The bill, which includes many of our RSC Members' best ideas, would open up new areas of the Outer Continental Shelf (OCS) for domestic energy exploration, approve the Keystone XL pipeline, stop the EPA's war on coal, repeal the ban on energy exploration in the Arctic National Wildlife Refuge (ANWR), and restore sanity and accountability to the regulatory process. Our bill, called the Jumpstarting Opportunities with Bold Solutions (JOBS) Act, would kick-start our stagnant economy with bold ideas, many of which are energy-related, and share strong bipartisan support.

By lifting job-killing federal restrictions that block exploration of resources on federal lands and waters, we increase access to abundant, affordable domestic energy that can help America compete globally - from the high tech sector to auto manufacturing - helping outsourced jobs to finally come back home. The vast resources available here at home can help America achieve "superpower" status when it comes to energy.

I believe, as Ronald Reagan did, in America's greatness - that the United States is a "shining city on a hill" that stands brightly as a beacon to others throughout the world. Friends, as we have endured a sluggish recovery, energy

production is vitally important to restoring America as a place where hard work and innovation propel us forward. If we do this, the American economy will not only roar back to life with employment levels closer to that of the Houma-Thibodaux region, it will provide security and stability to millions of individuals and families who have been waiting for these kinds of bold solutions for far too long. America is poised to achieve energy independence and the economic opportunities that come with it. I will continue working hard on these common-sense solutions until we finally reach our potential.

Republican Study Committee Chairman Steve Scalise proudly represents Louisiana's First Congressional District and serves as the vice chairman of the House Energy and Commerce subcommittee on Energy and Power.



Opening The Atlantic Ocean To Offshore Drilling Is Long Overdue



Representative Pete Olson (R-TX)

After a record-breaking long, harsh winter, Americans are already bracing themselves for a summer that will see the thermostat—and electric bills—spike. That fact is part of why whether for controlling the temperature in our homes, filling up the gas tank or cooking the family dinner, a reliable, affordable energy supply is critical for all Americans.

The Gulf Coast has long done its part to provide energy to America. The oil and gas industry has successfully tapped into the abundant energy resources on land and in ever deeper waters. As drilling increases to new fields both offshore and onshore in recent years, this has meant even more jobs, affordable energy and national security. It's no mistake that Texas has led the way in the economic recovery. But in too many parts of the country, that opportunity is lost.

The current debate over opening the US Atlantic Outer Continental Shelf (OCS) to offshore drilling is long overdue. Today, there is bipartisan support

in states like Virginia to tap into these resources and further reduce our reliance on foreign energy resources. At the same time, advances in drilling technologies and computerized modeling data could set the stage for a safe, East Coast energy renaissance that would significantly impact the economy along the East Coast, bolster job creation and could serve as a new source of state government revenues.

At this point, the amount of energy off our eastern shore is unknown. Old estimates derived from now-antiquated technology concluded that almost three and half billion barrels of oil can be safely accessed through the Atlantic OCS. The true number is likely much higher. However many barrels of oil sit off our coast, it is likely a tremendous amount of untapped energy in a part of the country that remains reliant on imports of crude from expensive and sometimes unreliable sources overseas.

The energy and economic benefits of offshore drilling and production in the Atlantic Outer Continental Shelf

are worth pursuing. Any increase in oil and natural gas could ease the upward push of energy prices due to greater supply. Enhanced shale oil production in Texas and North Dakota have far exceeded expectations and revolutionized local economies.

According to the American Petroleum Institute, offshore drilling in the Atlantic would contribute \$23.5 billion to the U.S. economy annually until 2035. It would also add about 280,000 new energy jobs that our economy critically needs.

The Obama Administration has completely excluded the Atlantic Coast out of plans to access domestic oil and gas - leaving billions of barrels of oil and millions of dollars in local revenue off limits. Currently, just the right to study the area's energy potential is winding its way through red tape and bureaucracy. However, the potential in the Atlantic is too great to ignore any longer.

Offshore drilling in the Atlantic Ocean would safely and significantly

contribute to the local and national economy, increase government revenues and boost domestic energy production while reducing U.S. reliance on foreign oil. An investment in American energy independence is an investment in the American economy for generations to come.

Olson is a member of the House Energy & Commerce Committee.



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Over 50 years ago John Ellis™, who holds over 28 patents in everything from aeronautical design to the most unique water distilling systems in the world stumbled across the process to alter the property of water with the most unique distillers invented by man. Why distillers? Because John Ellis™ became fascinated by the curative characteristics of water. Water is a solvent and a transporter of all of the elements that enter our bodies. Every nutrient we consume as fuel is transported to every cell in our body by water. Our bodies, while carbon-based, are 96% water. The blood that courses through our veins is largely water. That blood, which carries oxygen to every organ in our body does so because water makes blood liquid enough to flow. Without water as a transporter, your blood would thicken into sludge, and just like clean oil is needed to lubricate industrial gears and keep that machinery running smoothly, water is the lubricant that keeps our body parts working smoothly because water is also the cleanser that clears waste from our body.

Add to that John's natural curiosity about...well, just about everything. So when the Ellis family entertained pharmaceutical pioneer Elmer Bobst (head of what was Warner Lambert at that time, now Pfizer), Mary Lasker, founder of the American Cancer Society and a man known to the Ellis family only as "Otto." At the Ellis estate, John was fascinated by the views of his guests. Otto piqued John's interest to delve deeper into water—simple water—to determine its curative properties. Only, the water John Ellis™ electron distillers created was not simple. The idea came from Otto, who turned out to be Baron Otto von Bolshwing—a man with a CIA dossier that any movie director would have paid a fortune to convert into a movie script.

What started John's mind on this odyssey was a comment Otto made: "The only home water system that will work to clear pathogens from the body must change the properties of water, and subject water to intense ultraviolet radiation and heat by repeatedly recycling that water hundreds of times per gallon—not just once!" Then Lasker said something that chilled Ellis to the bones. "Millions of people will become susceptible to cancer [not because they are genetically predisposed to it but] because when the mixtures of drugs and latent disease markers are flushed into the city's sewer system and end up in the ground water supply, eventually to be reprocessed back into our drinking water supply because water treatment plants use a 'single pass' purification, distillation and filtration system..." Those drinking that water will consume whatever pathogens and waste particles were not filtered by nature nor killed in the purification and distillation process at the treatment facility. Remember, we live in a world that reuses everything. Nature is, itself, the world's greatest recycler. What you drink and expel today will quite possibly be in someone else's cooking pot tomorrow.

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Edward Coty, a Washington Post Foreign Service writer wrote an article on January 27, 1992, page A10 about a "miracle well" in Tlacote, Mexico. His article began: "By the thousands they waited; men, women and children, equipped with plastic jerrycans and tranquil faith in miracles that has adorned Mexican history since pre-Hispanic times.

"The line stretched alongside a dusty road for more than a quarter of a mile one day last week. On other days it strung out for more than a mile as hundreds of thousands of sick and lame line up for the "light water" in Jesus Chahin's well—the miracle water that is said to cure everything from AIDS and cancer to obesity or high cholesterol.

"For me, all of these things are God's miracles," said Mary Guadalupe Aguilar, a Dominican nun who drove 175 miles from Puebla along with a fellow nun and a priest, Father Juan Crespo, who has prostate cancer.

"Chahin, a wealthy rancher, has been making the water available free to the public since May, 1991 ever since he accidentally discovered its healthy properties by observing the swift recovery of a farm dog who had lapped some of it. But Chahin quickly dismissed the reporters continued reference to "miracle water;" by explaining he was using distillers purchased from Crystal Clear in the United States, and the "curative power" comes from the constant movement of water from one metal tank (the distillers) to another. Whenever any of those in search of a miracle through references to Christian faith, Chahin said he tells them there's no miracles here, only science.

"But Chahin, a Roman Catholic himself, makes sure when those seeking water speak of miracles, they understand the water has no divine power. "The water is scientific," Chahin told the Washington Post, but man is God's creation."

Millions of people go to John Ellis.com every year. Thousands of people buy one or more of the Crystal Clear™ distillers that permanently turns the bond angle of his water from 104° to 114°, or they buy gallons and gallons of his water. For that reason, Crystal Clear™ is now the best known distillers in the world. And, for that same reason, sooner or later someone who needs John Ellis water™ for something other than drinking would read the John Ellis™ ads and apply John's water for some other scientific application. All scientific advances begin with curiosity.

The curious person was David Davies, CEO of Powergate Technologies, LLC which has been researching and developing HHO (hydrogen-hydrogen-oxygen) hybrid conversion systems for trucks and cars since late 2007. Powergate's current hybrid system adds 25% to 35% gains in fuel mileage. In addition to creating a fuel-efficient HHO conversion hit for cars and trucks, Powergate is also perfecting a zero-pollution, extremely efficient home heating and cooling system that burns HHO generated from tap water. Add to that the possibility of buying an HHO electric generator that serves as a back-up system to your power company's electrical system.

Okay, now you're curious. What would Davies want with John Ellis' 114° bond angle water, the stuff you drink? Davies discovered that the properties about John Ellis™ water, that makes thousands of American homes buy his water, may well work in an entirely different application. It might even be the key to something called "cold fusion." John Ellis™ water may well be the catalyst that makes cold fusion really work.

Davies, like scores of other HHO developers was quick to grab what information they could from the late Stanley Meyers 44 patents on HHO technology when the patents expired after Meyers' death in 1997. Meyers claimed to have perfected the science behind HHO powered automobiles which is like claiming you have perfected Cold Fusion) by producing 300% more energy than the electricity required to generate the hydrogen needed to operate the vehicle from water. Meyers was a deliberately obscure inventor who equipped his dune buggy with a HHO fuel system and ran it on nothing but tap water for three years.

As Meyers continued to defend his statements of generating 300% more energy than the electricity consumed to create it, scientists continued to refute his claims by saying an over-unity device was impossible. To prove he was correct, Meyers subjected his patents to three years of rigorous testing by the US Patent Office, proving beyond a shadow of a doubt that his HHO invention really worked. The one problem with Meyers' work is that because he constantly feared someone would steal it, he cloaked his discoveries and methods in obscure terminology that he simply made up to protect his work. He used that created terminology in his patent applications, keeping his code secret. Meyers' Water Fuel Cell, a variation of which is now being used by Davies and everyone else experimenting with HHO, was subjected to three years of testing by the Patent Office and Meyers claims have been substantiated.

Davies had one problem with his invention—he couldn't achieve the 300-to-1 ratio Meyers claimed in his notes. In Meyers' notes, Davies observed the question Meyers asked himself: "How do we switch off the covalent bond of the water molecule, and do it economically?" He answered himself: "We need a way to switch off the bonds and not process the water molecule in any way. Normally the oxygen atom has 8 protons and 8 electrons.

But when the oxygen atom accepts the negatively charged hydrogen electron there is an electrical imbalance. The oxygen atom still has 8 protons, but because of the hydrogen atoms, it has 10 electrons. Meyers realized that because there is no electromagnetic field between hydrogen and oxygen, all he had to do was reverse the electrolysis process. Under Newton's second law, all Meyers had to do was set up opposite electrical charges to make the positive field attract the negative charge. The positive field, according to Coulombs Law, would repel the positive charge and the positive field would then attract the negative charge. When Meyers' patent clerk realized Meyers was describing a form of cold fusion in his patent application, he said: "Why in the world did no one ever think of this?" I think someone did. His name was Michael Faraday.

Faraday may have theorized cold fusion in the early 1800s, long before the technology to achieve it existed. Meyers may have achieved the concept in 1997, but David Davies wasn't getting the results he wanted.

On April 23, 2013 John Ellis™ received a fax from David Davies concerning what the as many as 10,000 pilgrims a day carrying their jerrycans to Jesus Chahin's well called "miracle water." Davies needs some "exceptional" water. In his fax, Davies said:

"I've been researching and building hydrogen generators for big trucks since 2007. So, when a friend of mine sent me a copy of the John Ellis™ water advertisement from a magazine I went ahead and requested a free sample of John Ellis™ water to test with my new HHO (hydrogen-hydrogen-oxygen) cell design.

"After mixing KOH and well water for the electrolyte, I connected my cell to my Pulse Width Modulator that pulses energy from a 12-volt battery. As suspected, the amps shot up to over 35 amps blowing a few 30 amp fuses. So, I added two cups of hydrogen peroxide to dilute the electrolyte. "The cell had excellent HHO output and the amperage immediately dropped a little bit down to 29 to 30 amp range where it remained. Every day I ran the cell for about 15 minutes and the amps remained in the same 29 to 30 range.

Then my 4 oz. free sample of John Ellis™ water arrived so I put 10 drops of the water into the electrolyte. I continued to run the cell several times a day for 15 to 30 minutes and, to my surprise, the amperage kept getting lower. It was using less of the battery's power to make hydrogen. A couple of days later the cell was still producing lots of HHO. But the amps had dropped to about 15 amps, then to 12, then to 7.5 amps. So, I decided if a little more John Ellis™ water could make the electrolysis so efficient, I would add another 10 drops. The amps continued to drop. I was dumbfounded. My electronic engineer said there had to be something wrong with my ammeter or I messed up my experiment somehow. After seven days of testing, it remained steady at 1 amp—but the HHO output was the same as when the cell required 33 amps.

Today, I decided to save the electrolyte with the John Ellis™ water and use it to test a brand new cell in case there was something defective with the original test cell. To my total amazement, the cell began to produce lots of HHO as it was "broken in"...but the amps dropped from one amp to an indicated zero amps. The ammeter goes up to 60 amps so the calibrations are coarse, but even so, my new cell is using no more than 1/2 amp to produce lots of HHO.

As a researcher who devotes all of his time in the study of using water for the fuel process, this appears to be a breakthrough since I'm producing abundant HHO (lots of energy when burned), using almost no electrical power to generate the HHO fuel. This is the cleanest energy on the planet since the only emissions when HHO is burned is pure H₂O. If the John Ellis™ water is used with my new cell design, fuel mileage will go way up. The HHO can also be used to heat and power your home because they are no harmful emissions, and it is so efficient the device, using John Ellis™ water as a booster, consumes very little Electricity."

Each new discovery man makes is a new first step of a new journey to even more important discoveries. Stanley Meyers started the journey that David Davies now walks. Davies footsteps just crossed paths with the footsteps of engineer and scientist John Ellis who discovered that H₂O with a bond angle of 114° instead of 104° permanently alters water and makes HHO burn a hundred times more efficiently.

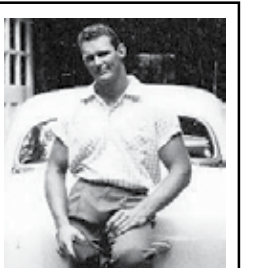
About the same time Davies was starting Powergate, Dennis J. Klein of Clearwater, Florida formed his own company, also in the footsteps of Stanley Meyers' genius. His company is called Hydrogen Technologies Applications, He is also using HHO to power cars. He branded his product as Aquygen® gas (a new spelling for the word "oxygen.") Klein converted his Ford Escort to use HHO. He calls his hybrid HHO system HHOS for "a hybrid hydrogen-oxygen system."

What makes Klein's HHO application interesting is that after converting his Escort into a HHO hybrid, he began experimenting with other applications for HHO gas. Klein converted a normal acetylene torch into a HHO torch. When he lights up the torch, he can place his bare fingers at the metal tip of the torch just below the flame—and it remains cool to the touch. Yet the flame of the torch is so hot it will immediately cut a building brick in half with a heat comparable to the heat of the sun. The heat was so intense, it took only seconds to burn a hole completely through a cannonball-sized piece of charcoal. Three seconds turned a brass ball into a glowing sphere and tungsten lights up like a fluorescent tube. Steel slices on contact. Yet, the instant Klein turned off the torch, it was still cool to the touch. That is Cold Fusion.

If Cold Fusion has been around since before 1997, why are our cars powered by gasoline, and our homes heated, cooled and lighted by coal and oil? Because, until David Davies put ten drops of John Ellis' 114° bond angle H₂O in the hydrogen cell he was experimenting with, HHO consumed too much of the power it produced while creating it. **But it just may be that the world's purest and most pathogen-free drinking water just may be the key to Cold Fusion. In fact, if you really think about it, when you look at the John Ellis water™ for drinking, you could probably call it "cold fusion for the body."**

About John Ellis Water®

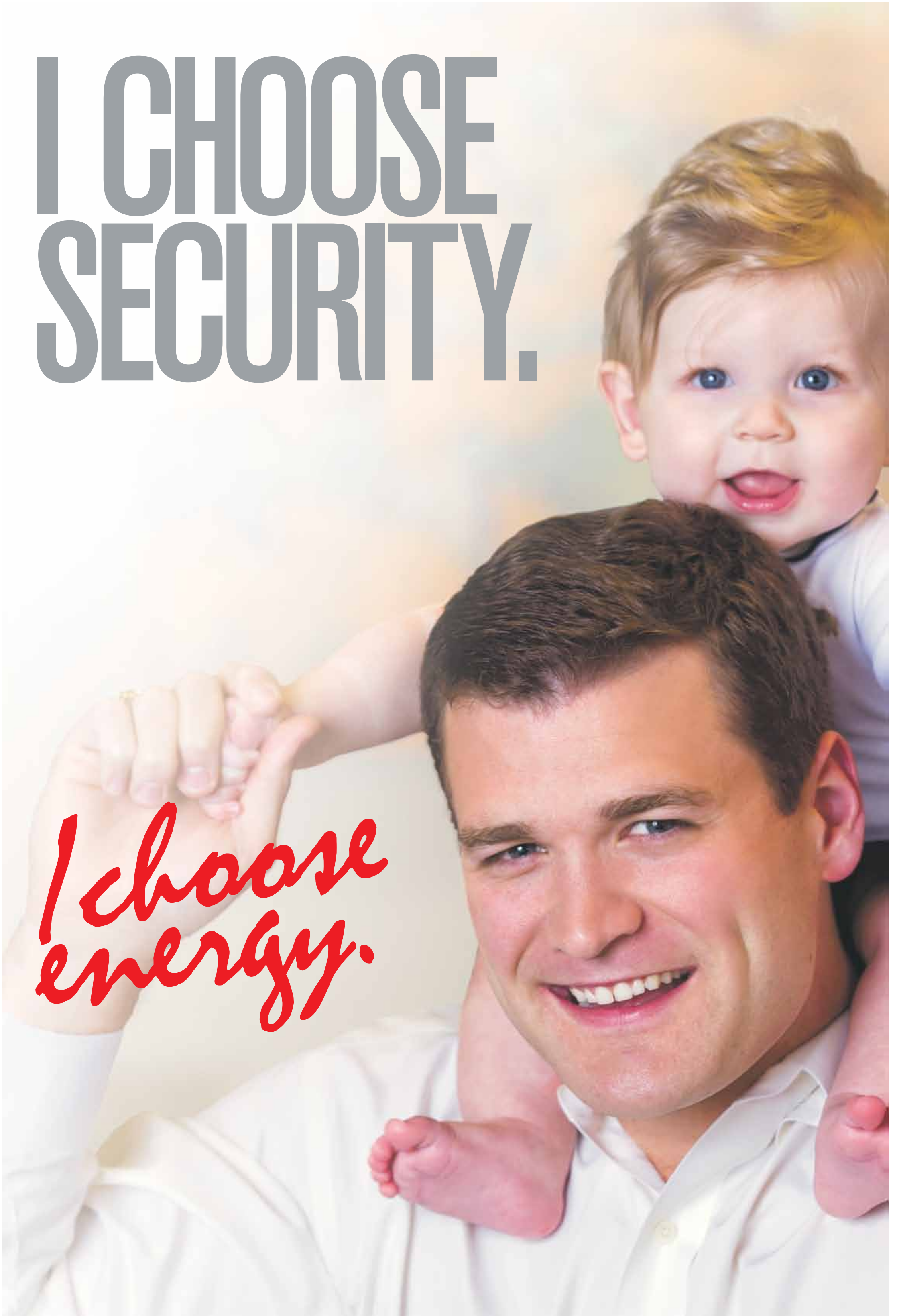
The 82 year old inventor is a Choate School and Lafayette College Engineering graduate. At just 17 years old, he invented a scientific measuring device that is still used worldwide. After working as an Oil Well Engineer, a Design Engineer at Douglas Aerospace and Honeywell Engineer, he started his own business at age 30 and invented a switch that operates (on-off) within .0001 of an inch. Honeywell and Military/Industrial users say, "He's the only person that knows how to produce it!" Likewise, textbook sciences claim "you can't change water properties" but **John Ellis HAS changed the properties of water...for the benefit of all mankind!**



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*World Energy Outlook 2013, International Energy Agency, November 2013

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