AEA AMERICAN ENERGY ALLIANCE®

100 Ways Biden and the Democrats Have Made it Harder to Produce Oil & Gas

On January 20, 2021,

- 1. Besides cancelling the Keystone XL pipeline,
- 2. President Biden restricted domestic production by issuing a moratorium on all oil and natural gas leasing activities in the Arctic National Wildlife Refuge.
- 3. He also restored and expanded the use of the government-created social cost of carbon metric to artificially increase the regulatory costs of energy production of fossil fuels when performing analyses, as well as artificially increase the so-called "benefits" of decreasing production.
- 4. Biden continued to revoke Trump administration executive orders, including those related to the Waters of the United States rule and the Antiquities Act. The Trump-era actions decreased regulations on Federal land and expanded the ability to produce energy domestically.

On January 27, 2021,

- 5. Biden issued an executive order announcing a moratorium on new oil and gas leases on public lands
- 6. or in offshore waters
- 7. and reconsideration of Federal oil and gas permitting and leasing practices.
- 8. He directed his Interior Department to conduct a review of permitting and leasing policies.
- 9. Also, by Executive Order, Biden directed agencies to eliminate federal fossil fuel "subsidies" wherever possible, disadvantaging oil and natural gas compared to other industries that receive similar Federal tax treatments or other energy sources which receive direct subsidies.
- 10. This <u>Biden Executive Order</u> attacked the energy industry by promoting "ending international financing of carbon-intensive fossil fuel-based energy while simultaneously advancing sustainable development and a green recovery." In other words, the U.S. government would leverage its power to attack oil and gas producers while subsidizing favored industries.
- 11. Biden's EO pushed for an increase in enforcement of "environmental justice" violations and support for such efforts, which typically are advanced by radical environmental organizations and slip-and-fall lawyers hoping to cash in on the backs of energy consumers.

On February 2, 2021,

12. The EPA hired Marianne Engelman-Lado, a prominent environmental justice proponent, to advance its radical Green New Deal social justice agenda at the EPA, a signal to industry that it plans to continue its attack on American energy.

On February 4, 2021,

13. At the behest of the January 27th Climate Crisis EO, the <u>DOJ withdrew</u> several Trump-era enforcement documents which provided clarity and streamlined regulations to increase energy independence.

On February 19, 2021,

14. Biden officially rejoined the Paris Climate Agreement, which is detrimental to Americans while propping up oil production in Russia and OPEC and increasing the dependence of Europe on Russian oil and natural gas. It also benefits China, who dominates the supply chain for critical minerals that are needed for wind turbines, solar panels, and electric vehicle batteries.

On February 23, 2021,

15. Biden administration issued a Statement of Administration Policy in support of H.R. 803 which curtailed energy production on over 1.5 million acres of federal lands.

On March 11, 2021,

- 16. The President signed ARPA, which included numerous provisions advancing Biden's green priorities, such as a \$50 million environmental slush fund directed towards "environmental justice" groups, including efforts advanced by Biden's EO.
- 17. ARPA also included \$50 million in grant funding for Clean Air Act pollution-related activities aimed at advancing the green agenda at the expense of the fossil fuel industry.

On March 15, 2021,

18. Biden's Securities and Exchange Commission sought input regarding the possibility of a rule that would require hundreds of businesses to measure and disclose greenhouse gas emissions in a standardized way, hugely increasing the environmental costs of compliance and disincentivizing oil and gas production.

On April 15, 2021,

19. The Federal Energy Regulatory Commission's policy statement outlines — and effectively endorses — how the agency would consider market rules proposed by regional grid operators that seek to incorporate a state-determined carbon price in

organized wholesale electricity markets. This amounts to a de facto endorsement of a carbon tax that would be paid by everyday Americans in their utility bills.

On April 16, 2021,

- 20. At Biden's Direction, Secretary of the Interior Deb Haaland revoked policies in Secretarial Order 3398 established by the Trump administration including rejecting "American Energy Independence" as a goal;
- 21. rejecting an "America-First Offshore Energy Strategy;"
- 22. rejecting "strengthening the Department of the Interior's Energy Portfolio;"
- 23. and rejecting establishing the "Executive Committee for Expedited Permitting." These actions set the stage for the unprecedented slowdown in energy activity by the Interior Department, steward of 2.46 billion acres of federal mineral estate and all its energy and mineral resources.

On April 22, 2021,

24. Biden issued the U.S. International Climate Finance Plan to funnel international financing toward green industries and away from oil and gas.

On April 27, 2021,

25. The Biden administration issued a <u>Statement of Administration Policy</u> in support of S.J. Res. 14 which rescinded a Trump-era rule that would have cut regulations on American energy production.

On April 28, 2021,

26. Biden's EPA issued a <u>Notice of Reconsideration</u> that would propose to revoke a Trump-era action that revoked California's waiver for California's Advanced Clean Car Program (Light-Duty Vehicle Greenhouse Gas Emission Standards and Zero Emission Vehicle Requirements).

On May 5, 2021,

27. This proposed Fish and Wildlife Service <u>Rule</u> revokes a Trump administration rule and expands the definition of "incidental take" under the Migratory Bird Treaty Act (MBTA). The rule would impact energy production on federal lands, increasing regulatory burdens.

On May 20, 2021,

28. Biden issued an executive order on <u>Climate Related Financial Risk</u> that would artificially increase regulatory burdens on the oil and gas industry by increasing the "risk" the federal government undertakes in doing business with them.

On May 28, 2021,

29. <u>Biden's FY 2022 revenue proposals</u> include nearly \$150 billion in tax increases directly levied against the oil and gas energy producers.

On July 28, 2021,

- 30. This Department of Energy <u>determination</u> increases regulatory burdens on commercial building codes, requiring green energy codes to disincentivize natural gas and other energy sources. DOE readily admits they ignored efforts private industry is making on their own and utilized the questionable "social costs of carbon" to overstate the public benefit.
- 31. The Executive Order also kicked off development of more stringent long-term fuel efficiency and emissions standards, a backdoor way to compel electrification of vehicles.

On August 11, 2021,

32. White House <u>released a letter</u> from Jake Sullivan begging OPEC+ (OPEC plus Russia) to produce more oil.

On September 3, 2021,

33. Biden's Department of Transportation issued a <u>proposed rule</u> that would update the Corporate Average Fuel Economy Standards for Model Years 2024–2026 Passenger Cars and Light Trucks to increase fuel economy regulations on passenger cars and light vehicles. The modeling calculated "fuel savings" by multiplying fuel price with 'avoided fuel costs' to disincentivize gasoline by making it more costly to afford ICE cars and trucks.

On September 9, 2021,

- 34. NASA and the FAA launched a partnership to reduce "fuel use and harmful emissions" by <u>strong-arming industry</u> to adopt elements of their green agenda.
- 35. Department of Education's <u>Climate Adaptation Plan</u> (CAP) includes efforts to incorporate the green agenda into as many guidance and policies as possible, effectively leveraging the department as an anti-fossil fuel propaganda tool.

On October 4, 2021,

36. The <u>FWS published its final rule</u> revoking Trump-era actions which eased burdensome regulations on energy action.

On October 7, 2021,

- 37. The Council on Environmental Quality <u>revoked</u> Trump administration NEPA reforms that reduced regulatory burdens by reinstating tangential environmental impacts of proposed projects.
- 38. Biden <u>announced</u> plans to designate the Northeast Canyons and Seamounts Marine National Monument, a move counter to Trump's reversal of a similar Obama-era proclamation. Trump aimed to allow energy exploration in the area to increase energy independence.
- 39. The U.S. Department of Agriculture's (USDA) <u>CAP</u> includes efforts to switch fuel away from oil and natural gas and subsidize more costly, less efficient fuel sources.
- 40. As part of its <u>CAP</u>, EPA intends to incorporate Biden's Green New Deal agenda throughout its rulemaking process.

On October 21, 2021,

41. This <u>report</u> paints climate change, and therefore oil and gas producers, as a "risk to financial stability." The report recommended the "climate disclosures" later set forth by the Biden administration.

On October 28, 2021,

42. Rep. Rho Khanna <u>interrogated</u> oil CEOs about why they were increasing production as their 'European Counterparts' were lowering their own.

On October 29, 2021,

43. The Bureau of Land Management announced the use of <u>social costs of carbon in</u> <u>decision making for approving permits</u> for oil and gas drilling. This devalues the economic benefits of energy production on federal lands.

On October 30, 2021,

44. The Department of Labor issued a final <u>ESG Rule</u> that would require fiduciaries to consider the economic effects of climate change and other so-called environmental, social and governance (ESG) factors when evaluating funds for retirement plans. The rule would strongly encourage fiduciaries to draw capital from domestic energy development in oil and natural gas to renewables.

On November 2, 2021,

45. The Biden administration led a "<u>Global Methane Pledge</u>" to reduce global methane emissions by 30 percent by 2030. Neither Russia nor China signed the pledge, increasing the world's reliance on these two countries for energy-related imports and disadvantaging the U.S. oil and natural gas industry, as well as large consumers of energy such as industrial manufacturing and agriculture. On November 4, 2021,

46. Biden <u>committed</u> to "ending fossil fuel financing abroad," targeting the global fossil fuel industry, thereby disadvantaging them, which increases global oil and gas prices. Further, key countries, like China, did not sign the pledge, so the pledge harms signatories while empowering adversaries. This is another case of unilateral economic and energy disarmament.

On November 5, 2021,

47. Biden Energy Sec. Granholm <u>laughed at questions</u> about boosting oil production.

On November 12, 2021,

48. New Source Review: These broad, overreaching regulations target new, modified, and reconstructed oil and natural gas sources, and would require states to reduce methane emissions from hundreds of thousands of existing sources nationwide for the first time. The Proposed Rule follows the President's Day 1 Climate EO and the passage of the S.J. Res. 14, a CRA rescinding Trump-era energy independence policies. The proposed rule spends several paragraphs dismissing the effects of the rule on the oil and gas industry and misleadingly applies its effects on the industry to only the "140,000" (an underestimate of the over 220,000) employees directly involved in extraction. This means it ignores the nearly 10 million other people working in the oil and gas industry and the impacts to the oil and gas economy more broadly.

On November 15, 2021,

- 49. Biden's Interior Department <u>announced</u> plans to withdraw Chaco Canyon from oil and gas drilling for 20 years.
- 50. The Biden administration nominated Saule Omarova to serve as Comptroller of the Currency. Omarova's <u>past comments speak for themselves</u>: "A lot of the smaller players in [the fossil fuel] industry are going to, probably, go bankrupt in short order—at least, we want them to go bankrupt if we want to tackle climate change," she said.

On November 17, 2021,

- 51. HUD's CAP leverages the Community Development Block Grant to advance 'environmental justice' efforts.
- 52. Biden <u>calls on FTC</u> to probe "anti-consumer behavior" by energy companies.

On November 19, 2021,

- 53. Biden endorsed several oil and gas provisions in the Build Back Better Bill, including a new tax on methane, of up to \$1500 per ton;
- 54. prohibiting energy production in the Arctic and offshore leasing on the Outer Continental Shelf (OCS) in the Atlantic, Pacific and Eastern Gulf of Mexico Planning Areas;
- 55. increased fees and royalties for onshore and offshore oil and gas production;
- 56. a new \$8 billion tax on companies that produce, process, transmit or store oil and natural gas starting in 2023;
- 57. limited ability of energy producers to claim tax credits for upfront and royalty payments in foreign countries amounting to a tax increase on domestic energy producers;
- 58. and a 16.4 cent tax on each barrel on crude oil up from 9.7 cents a \$13 billion tax increase on oil production.

On November 26, 2021,

59. Biden's Interior Department issued its report on the Federal Oil and Gas Leasing Program includes recommendations to raise rents and <u>royalty</u> rates on oil and gas producers, even though federal energy production already lags that from state and private lands.

On December 14, 2021,

60. The EPA <u>launched a revamp</u> of its Office of Civil Rights to add so-called environmental justice enforcement as a key pillar in enforcing Title VI civil rights complaints. The agency's announcements mean social justice claims against, among others, the oil and gas industry will increase costs and penalties that have specious connections to its environmental mission.

On December 21, 2021,

61. Biden's Department of Transportation issued its <u>Final Rule</u> revoking Trump-era actions which prevented California from arbitrarily becoming the national standard for fuel emissions. The rule set the stage for the administration to reinstate California's waiver, and, since automakers do not make different cars for different states, the rule would allow California's radical environmental policies to reach nationwide, forcing people nationwide to pay for vehicles meeting California's standards.

On December 30, 2021,

62. Biden's EPA issued its <u>Final Rule</u> for increased "fuel efficiency standards." According to the Final Rule, "These standards are the strongest vehicle emissions standards ever established for the light-duty vehicle sector. The rule, in responding to

comments, claims "energy security benefits to the U.S. from decreased exposure to volatile world oil prices" suggesting that decreasing oil and gas production in the U.S. will result in less exposure to the international oil and gas market because they will be disincentivizing vehicles that use oil and gas. The rule also claims that it will result in "fuel savings" entirely due to less use of fuel.

On January 13, 2022,

63. DOE announced <u>an initiative</u> to hire 1,000 staffers for their Clean Energy Corps, a group of staff dedicated to Biden's promise to destroy fossil fuels.

On January 14, 2022,

64. Biden nominated Sarah Raskin to serve as Vice Chair of the Federal Reserve. She was deemed so radical on her belief that fed policy should be dictated by environmental policy that she gained a bipartisan opposition and had to withdraw her nomination.

On February 9, 2022,

65. A proposed rule on <u>Coal and Oil Power Plant Mercury Standards</u> would revoke a Trump-era rule that cut red tape on coal and oil-fired power generators <u>and</u> <u>followed the Supreme Court's rejection of an earlier Obama administration rule</u>. This would effectively reinstate Obama-era regulations which sought to increase regulations on coal and oil-fired power plants.

On February 18, 2022,

66. <u>FERC updated a 23-year-old policy</u> for assessing proposed natural gas pipelines, adding new considerations for landowners, environmental justice communities, and other factors. In a separate but related decision, the commission also laid out a framework for evaluating projects' greenhouse gas emissions.

On February 21, 2022,

67. The Biden <u>administration</u> paused working all new oil and gas leases on Federal land in response to a judge blocking their arbitrary use of social costs of carbon, unnecessarily hurting domestic oil and gas production.

On February 28, 2022,

68. The <u>Ozone Transport Proposed Rule</u> would expand federal emissions regulations over a wider geographic region and over a wider array of sources, including the gathering, boosting and transmission segments of the oil and gas sector. Integral energy production states like Nevada, Utah and Wyoming would be required to jump through more red tape. On March 1, 2022,

- 69. Refusal To Appeal adverse leasing court decision: The Biden administration refused to appeal an unprecedented decision to vacate an offshore oil and gas leasing sale held in November 2021. This means under Biden, the U.S. has not held one successful lease sale offshore.
- 70. Certification of New Interstate Natural Gas Facilities: This policy statement increases climate change regulations for new interstate natural gas facilities.

On March 8, 2022,

71. President Biden tried to deflect from his anti-energy record saying there are 9,000
<u>issued leases</u> on federal lands without current drilling. This is true and it's also true that this is the lowest percentage of unused leases in at least 20 years — in other words, lease utilization is at a multi-decade high.

On March 9, 2022,

72. EPA Reinstates California Emissions Waiver: The EPA reinstated California's emissions waivers, allowing the state to set its own greenhouse gas emissions standards, standards which will likely be adopted nationwide and are sure to make vehicles more expensive. The practical effect is that California is setting policy for people in all the other states despite their terrible record of energy inflation.

On March 11, 2022,

73. Natural Gas Infrastructure Project Reviews: This interim regulation will increase the regulatory burden on natural gas facilities by, among other things, requiring climate change impacts be considered when determining whether a project is in the public interest.

On March 16, 2022,

74. Doubling Down on Social Costs of Carbon: The 5th Circuit Court of Appeals reinstated the dubious social costs of carbon metric which had been rejected by another court by issuing a stay on the lower court's ruling. The ruling itself cast doubt on the lower court's ruling. The Biden administration argued against the lower court's ruling to reinstate the SCC metric. The Social Cost of Carbon is a "made-up" number designed to make any hydrocarbon project in the U.S. more expensive. It is an "end-around" the politically difficult carbon tax most of the Green Establishment supports.

March 21, 2022,

75. SEC Proposed Rule on Mandatory Climate Disclosures: The SEC's proposed rule would require public companies to disclose greenhouse gas emissions

76. and their exposure to climate change. This rule would massively increase so-called environmental costs of compliance and, in tandem with so-called social costs of carbon, artificially disincentivizing oil and gas production.

March 28, 2022,

77. Army Corps of Engineers' Review of its Nationwide Permit 12 for Oil or Natural Gas Pipeline Activities: The corps announced it would be reviewing NWP 12 late last month as part of Biden's day-1 executive order on climate change mandating all federal agencies ensure their work is in line with its climate and environmental objectives. The review is part of a long list of actions that confuse and delay permitting for critical infrastructure. This makes pipelines harder to build and improve in the U.S.

March 30, 2022

78. Environmental Justice Advisory Council Meeting: The WHEJAC will hold its first two meetings to, among other things, advance Green New Deal priorities including "environmental justice and pollution reduction, energy, climate change mitigation and resiliency, environmental health, and racial inequity."

March 31, 2022

- 79. Biden wants to penalize oil companies with unused leases: President Biden called on Congress to pass legislation enacting "use it or lose it" fines on wells that oil companies have leased from the federal government but have not used in years and "on acres of public lands that they are hoarding without producing... Companies that are producing from their leased acres and existing wells will not face higher fees." The extra fees on federal leased land are on top of rents that the oil companies pay to hold the leases, "bonus bids" paid by the winning bidder at lease sales and the fact that 66 percent of federal leases are currently producing oil. This is simply a deflection from the Biden administration's war on affordable North American energy supplies.
- 80. Biden's Budget Contain More Anti-Oil Proposals: President Biden's budget for fiscal year 2023 is \$5.8 trillion. It contains large amounts of climate spending and anti-oil and gas policies that did not get passed in his Build Back Better bill last year.
- 81. Biden is seeking \$50 billion for programs to address climate change,
- 82. including \$18 billion to build the U.S. government's resilience to climate change,
- 83. \$3.3 billion in funding for clean energy projects and at least \$20 million for a new "Civilian Climate Corps."
- 84. To help pay for the increased climate spending, Biden is asking Congress to eliminate tax provisions that aid domestic energy production,
- 85. including tax deductions for intangible drilling costs and low-production wells that enable small producers in the United States to produce oil. Removing these

deductions will lower domestic output while further raising already high oil and gasoline prices.

April 5, 2022,

86. Biden's Department of Energy Office of Fossil Energy and Carbon Management releases a "Strategic Vision" with no discussion of increasing domestic fossil energy production: The Department of Energy is statutorily required to carry out research and development with "the goal of improving the efficiency, effectiveness, and environmental performance of fossil energy production, upgrading, conversion, and consumption." (42 USC 16291) However, the Biden Department of Energy has no interest in increasing fossil energy production. Despite the requirements of the law, the Strategic Vision is only about "Advancing Justice, Labor, and Engagement; Advancing Carbon Management Approaches toward Deep Decarbonization; and Advancing Technologies that Lead to Sustainable Energy Resources."

April 12, 2022,

87. Biden extended the availability of higher biofuels-blended gasoline during the summer to lower gasoline costs and to reduce reliance on foreign energy sources. The measure will allow Americans to buy E15, a gasoline blend that contains 15 percent ethanol from June 1 to September 15. Oil refiners are required to blend some ethanol into gasoline under a pair of laws, passed in 2005 and 2007, known as the Renewable Fuels Program, intended to lower the use of oil and greenhouse gas emissions and reduce dependency on foreign oil by mandating increased levels of ethanol in the nation's fuel mix every year. However, since passage of the 2007 law, the mandate has been met with criticism that it has contributed to increased fuel prices and has done little to lower greenhouse gas emissions. With looming food shortages already acknowledged by President Biden, turning his back on domestic energy production while dedicating even more food to make energy inefficiently is not wise.

April 15, 2022,

- 88. Biden announced 144,000 acres of the federal mineral estate opened for oil and gas leasing just 0.00589 percent of the 2.46 billion acres the American people own. <u>White House Press Secretary Jen Psaki said</u>, "Today's action…was the result of a court injunction that we continue to appeal, and it's not in line with the president's policy, which is to ban additional leasing."
- 89. The administration announced it would resume leasing, but <u>with a royalty rate</u> <u>almost 50 percent higher</u>.
- 90. Withdrawal of M-37046 and
- 91. reinstatement of M37039: "The Bureau of Land Management's Authority to Address Impacts of its Land Use Authorizations Through Mitigation" The Interior Department reversed a Trump administration decision which limited the scope of

"compensatory mitigation" the Department could force upon projects on federal land as a condition of receiving a permit, which will hit energy and mining projects especially hard. Under the new guidance, opponents in the federal government could require mitigation located far from the project with little relevance, effectively giving bureaucrats a blank check to request whatever they wish of a permit seeker with little controls. This decision was made less than a week after the <u>DOI Inspector</u> <u>General reported</u> that there were no controls or apparent records justifying previous versions of this program, and warned they may have to review the overall program again. This is a "3rd world" approach giving government officials the latitude to effectively deny a project by assessing "compensatory mitigation" so expensive as to make it uneconomic, or to fund their pet projects by extorting additional funds from a permit-seeker.

April 19, 2022,

92. Biden Restores Climate to NEPA: The Biden administration completed reforms on how agencies implement the National Environmental Policy Act, effectively undoing one of the Trump administration's most important environmental regulatory rollbacks. This opens the door for officials to cook up whatever justification they desire to impede energy development under the guise of NEPA.

April 20, 2022,

93. <u>White House Climate Advisor Gina McCarthy states on MSNBC</u> that "President Biden remains absolutely committed to not moving forward with additional drilling on public lands."

April 21, 2022,

94. <u>U.S. Climate Envoy John Kerry said the world's reliance on natural gas should be</u> <u>limited to a decade</u>. He said, "We have to put the industry on notice: You've got six years, eight years, no more than 10 years or so, within which you've got to come up with a means by which you're going to capture, and if you're not capturing, then we have to deploy alternative sources of energy." Repeated statements like this from administration officials tell investors not to sponsor energy investments in the U.S., since it implies the use of those energy sources will be limited by the government.

April 25, 2022,

95. Biden reverses Trump's alaska oil plan: The Biden administration released a management plan for the National Petroleum Reserve Alaska, an Indiana-sized area reserved for oil and gas leasing. The final decision reverses a Trump-era plan that had opened most of the reserve to oil and gas leasing and withdraws some of the most prospective oil and gas areas from consideration.

On April 28, 2022,

96. The Biden administration admitted to using faulty modeling which overestimated wildlife effects, <u>delaying permitting on existing leases</u>.

On May 18, 2022,

- 97. The Biden administration announced they <u>were cancelling a lease sale</u> of over one million acres in the Cook Inlet in Alaska.
- 98. At the same time, the Biden administration announced they were cancelling <u>a lease</u> <u>sale</u> in the Gulf of Mexico.

On May 19, 2022,

- 99. <u>HR. 7688</u> is named the "Consumer Fuel Price Gouging Prevention Act," and it would give the President vast powers to set price controls by executive fiat. If passed, this legislation will cause even more harm to American energy consumers. Price controls don't work, and our experience during the gas lines of the 1970s should remind us that price controls will lead to shortages
- 100. <u>S.4214</u> is a similar "price gouging" bill taken up in the Senate.