

Energy Industry & Policy: Need for Outreach & Dialogue

Andrew Browning, Vice President
CONSUMER ENERGY ALLIANCE
OCTOBER 1, 2009



What is Consumer Energy Alliance?

- Non-Profit, non-partisan organization
- Committed to working with elected leaders, affected stakeholders and consumers to help create balanced energy policy and maintain stable energy supplies & prices



CEA's Mission

- Expand dialogue between the energy producing & delivery and consuming sectors
- Our goals:
 - Improve overall understanding of energy issues
 - Give a voice to American consumers & the private energy sector
 - Educate Congress & policy-makers regarding development & utilization of the nation's energy resources
 - Promote a balanced energy policy for America



Why Did We Create CEA?

- Lack of voice for real consumers and customers in energy debate
 - Public debate too polarized
- Opportunity for consensus-based balanced energy policy
- Often information is incomplete, one-sided
- Create mechanisms for broad public input/comments on crucial energy issues
- Platform to share Facts
- Move debate outside the Beltway



Who joins CEA?

- Horizontal approach with 120-plus affiliated organizations
- 200,000-plus consumer-advocates nationwide
 - Energy Industry (Upstream & Downstream)
 - Alternative Energy
 - Small Business
 - Retirees
 - Military
 - Travel & Tourism
 - Highway Users
 - Manufacturing
 - Trucking & Food Distribution
 - Home Builders
 - Restaurants
 - Geology
 - Publishing
 - Academia
 - Elected Officials



CEA Communications Meetings & Energy 101 Series

- Monthly communications meetings bring Affiliates together
 - Engaging in dialogue about balanced energy policy & outreach
- Presentations by our Affiliates to our Affiliates
 - Educating ourselves so we can better educate others

Key Issues for NPRA

- **Greenhouse Gas Control Programs** (Cap-and-Trade, Carbon Tax, "Hybrid")
 - Allowance Allocation, LCFS
- **Taxes**
 - The President's proposed budget would impose billions of dollars of additional taxes on the refining and petrochemical sector
 - Sec 199 repea
- **Renewable M**
 - Challenges wit
- **Petrochemic**
 - Chemical Faci
 - TSCA reform
- **Access**



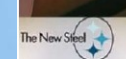
Grocery Manufacturers Association U.S. Food Processing Facilities



Energy and the Steel Industry

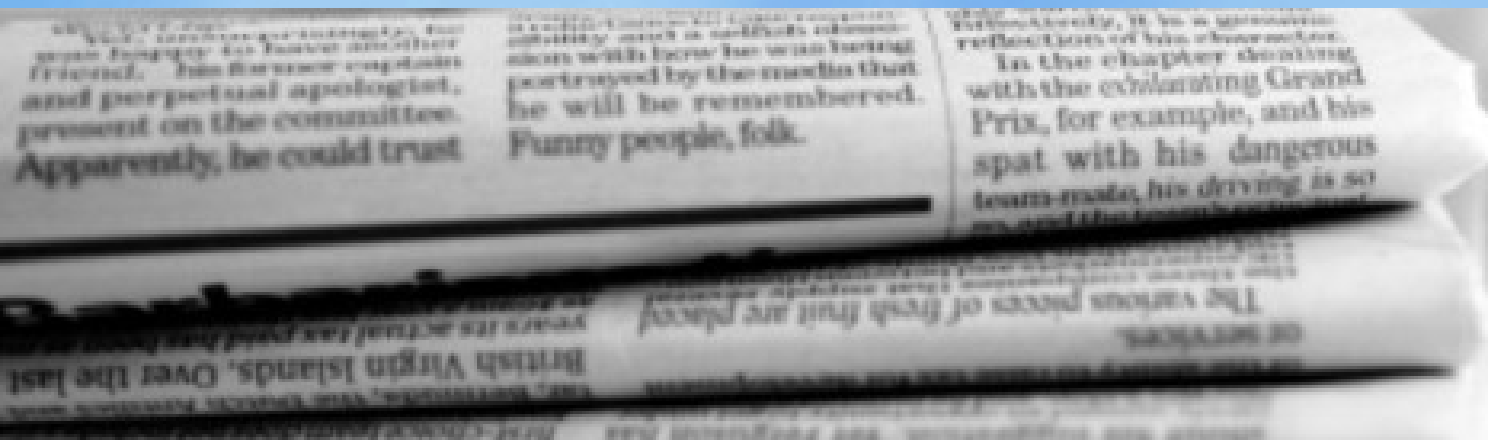
Presented to the Consumer Energy Alliance

Jennifer Diggins
Vice President, Government Relations
February 19, 2009



CEA Priorities & Initiatives

- Continuing to build a nationwide network of supporters through increased educational outreach for balanced energy policy:
 - Placing editorials through news outlets nationwide
 - Talk Radio & TV
 - Expanding social media, including CEA Blog
 - Increasing bipartisan Congressional outreach



CEA Priorities & Initiatives: 2010

- Greatly expanding policy & outreach activities during 2010:
 - Supporting a balanced energy policy & stable supply & prices
 - Energy Development = Job Creation
 - Continuing push to increase access for offshore & onshore development
 - Production/Supply Focus (e.g. LIHEAP Offset; burden on low income consumers)
 - Targeting state & national campaigns against Low Carbon Fuel Standard
 - Initiating Oceans Policy Campaign for balanced oceans governance
 - Promoting hydraulic fracturing to maintain stable energy supply & prices
 - Working with Regulatory Utility Commissioners through NARUC (Access; CEA Luncheons; HF Resolution; etc..)



CEA Approach: Strength In Numbers

- Open dialogue on balanced energy policy needs to begin HERE
 - Increased Oil & Gas Supply
 - Expanded Use of Alternative Energy
 - Improved Conservation & Energy Efficiency
 - Energy Education: What energy means in the daily lives of consumers
- Consumer groups welcome the energy industry's message
- Energy/consumer dialogues help introduce some groups to the equation
- National campaigns bring energy industry & stakeholders together
- Take messaging to your customers & consumers
 - Unified, coherent messaging
 - Industry/consumer coalition & message-building
 - Effective dialogue among interested stakeholders
 - Long-term comprehensive grassroots & grasstops campaign



CEA – How does this relate to you?

Trucking - 1st half of 2008 – 1,900 trucking cos. with at least 5 trucks failed

Airlines – shutdown of 10 airlines and 36,000 job cuts – significant air service cuts nationally

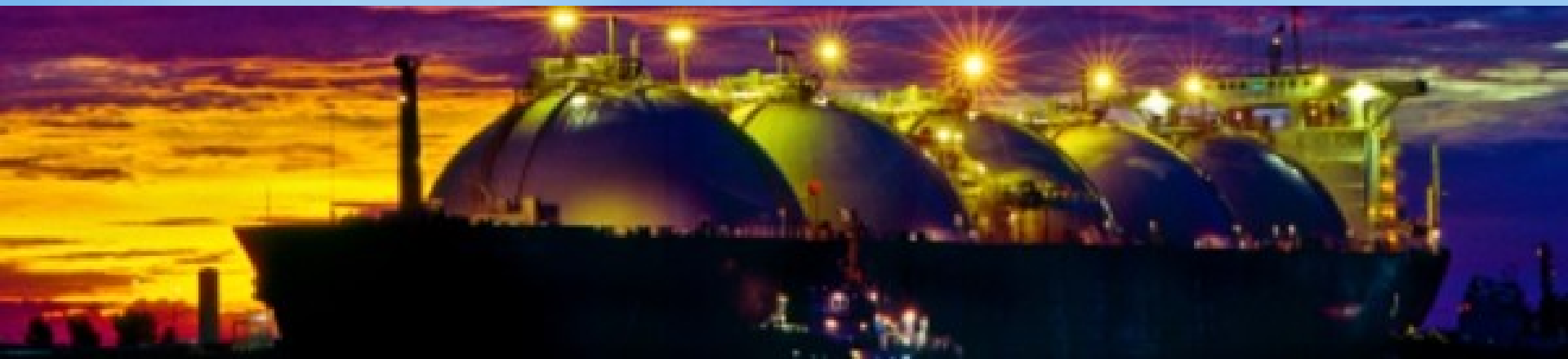
Manufacturing – U.S. has lost more than 3.7 million high-wage jobs since 200

Chemistry – since 1990s, the US chemical industry has gone from a trade surplus of \$20.3 billion to a trade deficit of \$9 billion



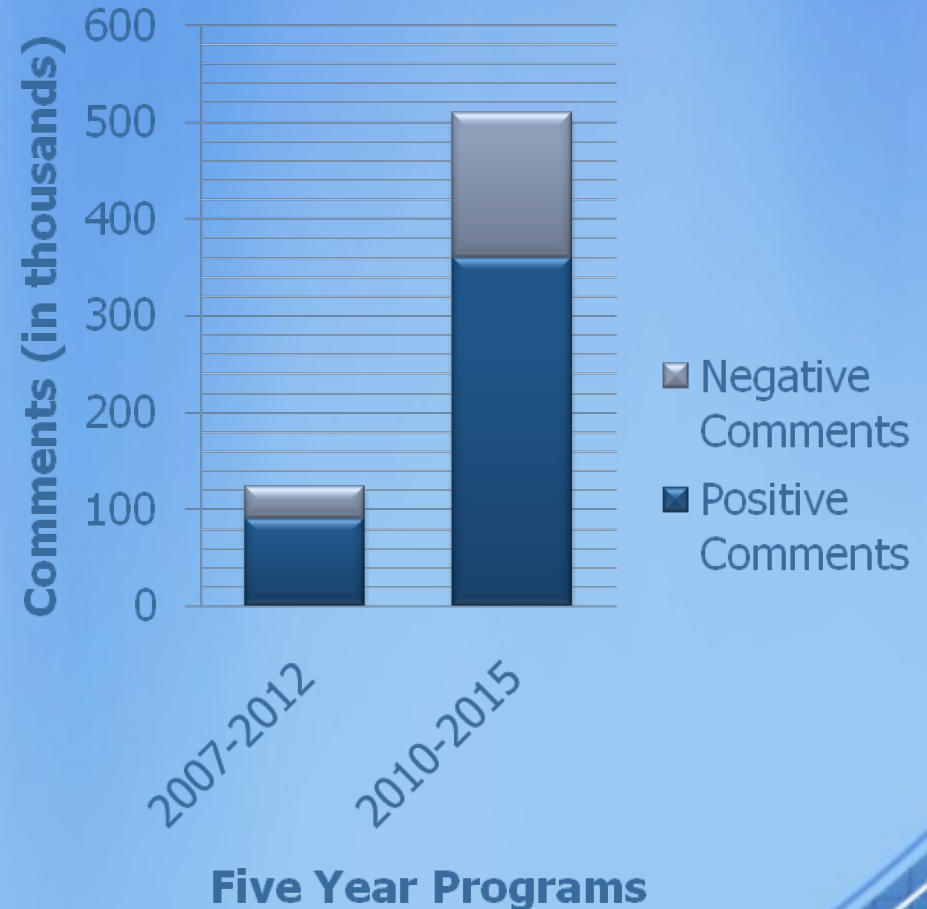
Access & the Five-Year Program

- Every five years, U.S. Minerals Management Service (MMS), responsible for U.S. offshore oil & gas leasing, develops a program
- Program determines where & how often oil & gas lease sales will occur over the five year period
- MMS accepts comments regarding public's interests and concerns over offshore oil and gas development
- CEA Five-Year Program campaigns
 - Push to maximize offshore access & build support for robust programs
 - Enhance dialogue with government & stakeholders
 - Balance the record for U.S. access



Access & the Five-Year Program

- Robust external outreach campaign garnered more than 350,000 comments in support of offshore energy
 - Our industry & coalition efforts accounted for more than 71% of the 530,000+ comments received by MMS
- Strong efforts by CEA Affiliates, were primarily responsible for such a significant positive response – almost four times the response from the 2007-2012 comment period



Low Carbon Fuel Standard

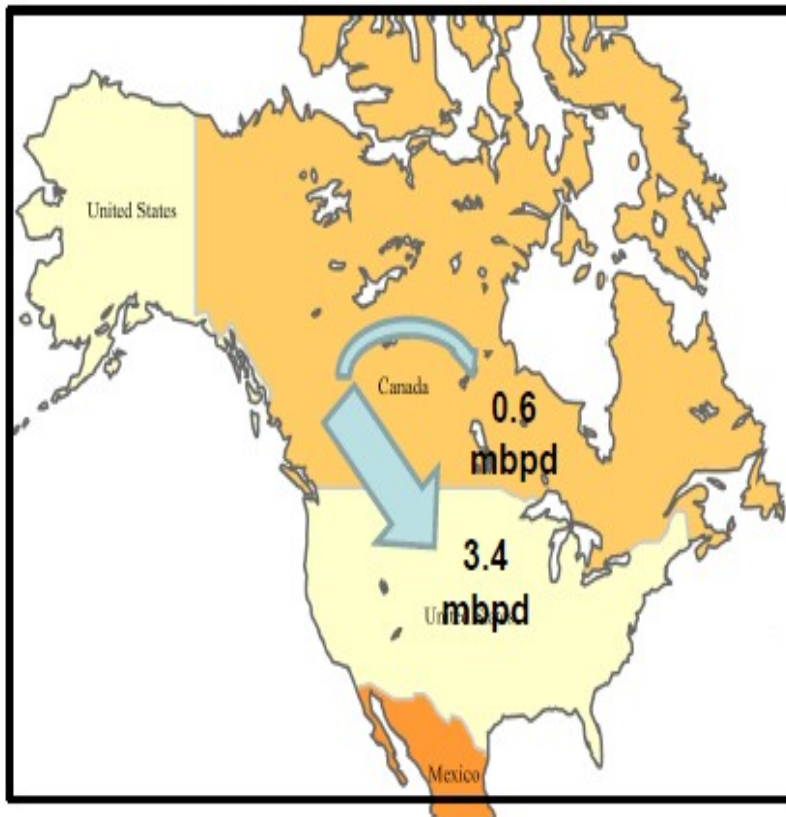
- CEA has initiated targeted campaigns & created www.secureourfuels.org to educate consumers:
 - LCFS means **higher prices** at the pump, **fewer good-paying jobs** for Americans, **complicated trading** schemes and **expanded dependence** on dangerous, unstable energy.
 - As currently proposed, LCFS means:
 - Less Competition for Foreign Suppliers
 - Lots of Confusion, Few Savings, Few Real Opportunities



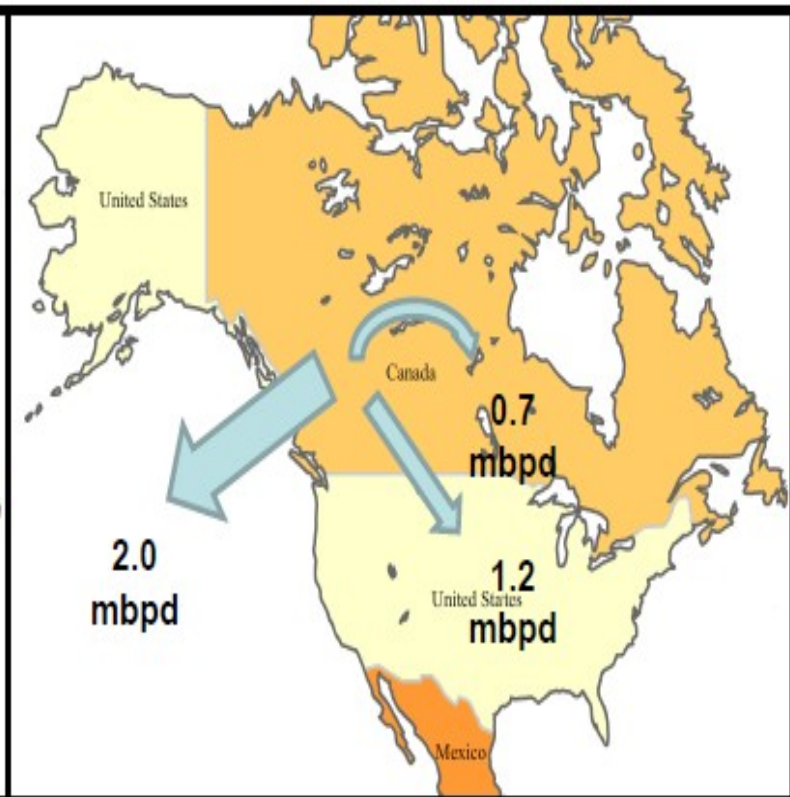
Energy Prices Surge

CEA – Low Carbon Fuel Standard

Reference case 2025

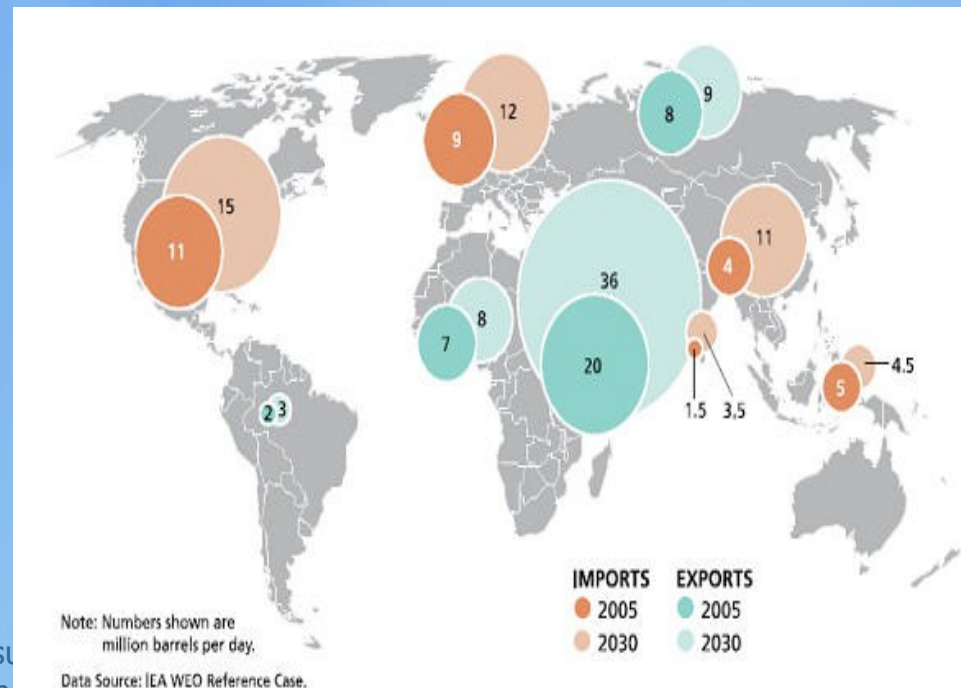


LCFS case 2025



CEA – Low Carbon Fuel Standard

- IEA Estimates 85 Mmbd in 2007 to 106 in 2030
- Most of the consumption increase will come from non-OECD countries



Questions?

- Contact Information:

Consumer Energy Alliance

2211 Norfolk, Suite 614

Houston, Texas 77098

PH: 713-337-8800

abrowning@consumerenergyalliance.org

www.consumerenergyalliance.org

