



CROSS: What's Next for our Energy Future?

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By Edward Cross

Kansas Independent Oil & Gas Association

Debate continues across the country on our nation's energy future. The competing visions, however, are not just philosophical arguments. There are real differences between these two visions and their outcomes on our economy, on consumers, and on our way of life.

On one hand, we have the energy reality that the U.S. can lead the world in production of oil and natural gas and consumers enjoy almost unprecedented energy security. As recent as 2019 gasoline prices averaged \$2.60 per gallon. This pro-energy vision means energy from all sources, including oil and natural gas, generate economic growth and reduce carbon emissions.

On the other hand, extreme environmental activists work to obstruct energy development and infrastructure projects, reducing our energy options under a false belief that oil and natural gas production and use are incompatible with environmental progress. Their vision is one of constrained energy choices, with less certainty and reliability, less assurance on affordable power and higher energy costs.

Fact is the U.S. leads the world in reduction of carbon emissions. From 2005 to 2018, total U.S. energy-related CO₂ emissions fell 12% while global energy-related emissions increased nearly 24%. Since 2005, national greenhouse gas emissions fell by 10%, and power sector emissions fell by 27% - as the U.S. economy grew by 25%.

The oil and natural gas industry has proven that over the long-term it is possible to lead in energy production AND in environmental stewardship. Those are the facts.



**Edward Cross is
president of the
Kansas
Independent Oil &
Gas Association**

Cutting American oil and natural gas production would take us back to last century's era of energy dependency. The U.S. economy would lose a projected 5.9 million jobs. But the vision of extreme environmental activists would take us there again, plunging the economy into persistent recession-level unemployment through 2040. Lower U.S. energy production and higher energy prices could reduce cumulative GDP by \$11.8 trillion.

Those who oppose American energy development at the state and national level are using environmental and regulatory issues to disrupt orderly oil and natural gas development and influence policymakers. They use these issues not to make energy development better, but to impede or stop oil and natural gas development. They have shown a propensity to align themselves rhetorically with public sentiment for more American energy development even as they espouse policies that would put that goal farther and farther out of reach.

History has shown that increasing taxes on oil and natural gas development negatively affects consumers, businesses, and the economy. Imposing new duplicative federal regulations when the industry is already well-regulated by the states will not put America on a path of preparing for its real energy future.

Contrary to claims from environmental activists, cutting U.S. oil and natural gas production would not magically reduce world energy demand. But it could raise costs significantly for American families and manufacturers, profoundly damage the U.S. economy, diminish our geopolitical influence, and severely weaken our energy security. That's where Biden's energy policies lead, and it is not a path most Americans want to take.

The most pressing risks facing U.S. companies in the foreseeable future are unlikely to be those arising from climate change or an energy transition. Rather, the factors to watch are more apt to be inflation, rising energy costs, and national security threats. The Biden Administration is too focused on climate change to anticipate or deter these significant real threats.

Today's sky-high gasoline prices were a policy choice, not an unavoidable accident. No matter how many misleading statistics White House officials and congressional liberals try to throw at the people, the blame for high energy costs rests with them.

While claiming to fight to bring energy prices down, President Biden has made the wrong move at every turn. It is time for President Biden to recognize the strategic importance of American energy production. He should abandon his quixotic energy strategy immediately. Nothing less than total reversal of his approach is necessary.

President Biden and all federal and state policymakers should prioritize advancing American energy leadership with policies that encourage development of responsibly produced energy here at home. These policies should recognize the volatile world we live in and the long-term impacts of returning to the days of foreign energy dependency.