We stand at a critical juncture in the life of our nation and our state. We face what could be a very consequential election cycle that could have profound impact on our industry. American energy policy is not a Republican issue or a Democrat issue. It is an American prosperity and leadership issue.

The American people want, expect, and deserve elected leaders who will place what’s best for our state and nation’s economy and energy future above partisan ideology and political posturing.

I strongly believe that the American people need and want moral, intellectual, and strategic clarity and courage from our policymakers.

Republican/Democrat Energy Platforms

<table>
<thead>
<tr>
<th>Energy Policy</th>
<th>Republican Platform</th>
<th>Democrat Platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change and Energy Sources</td>
<td>“We encourage the cost-effective development of renewable energy sources - wind, solar, biomass, biofuel, geothermal, and tidal energy - by private capital.”</td>
<td>Net-zero emissions by 2050. To achieve this timeline, the DNC has set a goal of eliminating carbon emissions from power plants by 2035, which would involve a major reset of the electrical grid and acceleration of renewable energy and nuclear power. The DNC platform has a 5-year goal of 500 million solar panels, including 8 million solar roofs &amp; community solar energy systems, and 60,000 wind turbines. The new platform sets a national goal of achieving net-zero greenhouse gas emissions for all new buildings by 2030.</td>
</tr>
<tr>
<td>Carbon Taxes</td>
<td>“We oppose any carbon tax. It would increase energy prices across the board, hitting hardest at the families who are already struggling to pay their bills in the Democrats’ no-growth economy. We urge the private sector to focus its resources on the development of carbon capture and sequestration technology still in its early stages here and overseas.”</td>
<td>During the primary Biden stated he was in favor of a tax on carbon emissions. By the convention Biden stated said he would not pursue a carbon tax. The major shift in the campaign position on this issue comes as a result of the recession caused by the coronavirus pandemic.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Energy Subsidies</td>
<td>“We support the development of all forms of energy that are marketable in a free economy without subsidies, including coal, oil, natural gas, nuclear power, and hydropower.”</td>
<td>Language added to the party platform in July said “Democrats support eliminating tax breaks and subsidies for fossil fuels, and will fight to defend and extend tax incentives for energy efficiency and clean energy.” Biden and the Party almost seem at odds on this. In a sudden reversal, the language was removed. A spokesperson said the language was a “procedural error.” Biden’s platform calls for a “worldwide ban on fossil fuel subsidies” because there is “simply no excuse for subsidizing fossil fuel, either in the United States or around the world.”</td>
</tr>
</tbody>
</table>

**A Consequential Moment is at Hand**

Over the last four years, President Trump has repeatedly emphasized his commitment to making America a dominant player in the world energy markets. This rhetoric has underpinned a set of policies designed to deregulate and encourage oil and gas activity.

The Trump administration has dismantled many of the failed energy policies of the previous administration and unleash America’s oil, natural gas, and coal producers from crippling federal regulations. The Trump administration eliminated 22 unnecessary regulations for every new one it created. This regulatory rollback has saved Americans from more than $8 billion in lifetime costs from wasteful, expensive regulations.
The Trump Administration has proposed a number of revised regulations that favors President Trump’s energy dominance agenda over duplicative and punishing regulations. The Administration said that in order to achieve energy dominance through responsible energy production, we need smart regulations, not punitive regulations.

**Federal Elections** - The nation’s energy future is at a crossroad in the 2020 elections. In the U.S. Senate, 35 seats are up for election which includes 23 seats held by Republicans and 12 held by Democrats. In the U.S. House, all 435 seats are up for election. Democrats currently hold 232 seats and Republicans hold 198 seats. The current assumption is that Democrats will hold their majority in the House.

**Political/Public Policy Landscape for 2020**

In an ordinary general election year, the July 4th recess signals the start of ceaseless campaigning to the first Tuesday in November. The Administration would shift focus to rulemaking. Congress is reduced to one session over a September omnibus spending bill as together they would stage one last show in September against the backdrop of a government shutdown. After a series of votes, Tweets and fundraisers aimed at mobilizing the base and inflicting whatever partisan political damage possible, Congress would pass a Continuing Resolution (CR) and limp out of town. In doing so our political leaders would defer any final spending and policy decisions until after the election. This is our ordinary reality.

However, these are no ordinary times. Make no mistake the American political process is shifting into high gear. However, this time around they have some serious issues that carry serious consequences. With the flip of a switch, governments across the planet shut down the global economy. In a matter of weeks, the American economy went from historically low unemployment rates across every demographic to huge job losses. Having inflicted this massive economic wound on businesses and workers, the healthcare system, schools, colleges and universities the federal government responded to the consequences of its own action with profligate spending – essentially replacing business with government to the tune of more than $6 trillion and counting. This brings us to the serious consequences.

Key COVID aid programs such as paycheck assistance which provides direct aid to unemployed workers and funding for main street lending programs are set to expire soon. The U.S. economy is showing signs of life as governors gradually ease restrictions in the delicate effort to balance the urgent need to restart the economy and get kids back in schools while protecting the elderly and those whose underlying health conditions make them uniquely vulnerable to COVID19. However, it remains clear Congress and the Administration will have to pass at least one more COVID relief package before the September CR-showdown.
Making things more complicated the debate on COVID spending will unfold in the midst of growing nation-wide social unrest increasingly fueled by larger socio-economic unease as COVID economic crisis persists. Early signs are that as businesses reopen workers are returning – preferring work to enhanced government assistance. What is less clear is how displaced workers in urban, coastal and liberal states respond as they are increasingly left behind as midwestern, southern and politically conservative states push forward – opening businesses and schools and getting people back to work.

Despite all the political posturing, the parameters of the upcoming COVID aid debate have been set since May. First, ignore the noise. There is no meaningful difference between Republicans and Democrats on providing additional relief to displaced workers. The same goes for whatever is necessary to help struggling businesses. The real fight will occur around aid to state and local governments (including schools) and COVID-related liability protection for Hospitals, schools and businesses. Democrats and teacher unions are demanding broad-based and unrestricted funding for state and local aid while Republicans argue aid should be limited to only helping fill the gap for COVID-related costs and revenue shortfalls. On liability, Republicans are asking for limited federal pre-emption so that hospitals, schools and businesses are not subjected to frivolous class action lawsuits. Democrats argue there is no need for such protections. This will be the fight. Everything else will be noise.

The other thing to pay attention to is how both parties are positioning themselves going into their conventions and the general election. While President Trump and Congressional Republicans are doubling down on U.S. energy independence House Congressional Democrats and Joe Biden are going all-in on the anti-fossil fuel – Green New Deal agenda. Keep in mind that if Biden wins the White House, Democrats only need to net 3 Republican seats to take effective control of the Senate. Given that Democrat Leader Schumer is signaling openness to eliminating the filibuster for ordinary legislation that means if Democrats run the table, we should anticipate they will jam through the progressive agenda in the same way they did in the first two years of the Obama Administration when Democrats controlled the White House and Congress. That means the Green New Deal would most likely become reality. This is the stated and demonstrated position of the Democrat leadership and rank and file members. Biden has signed off on a joint policy platform that commits to Green New Deal objectives. House Democrats have introduced transportation, energy, tax and spending legislation that would implement Green New Deal policy, tax and spending objectives.

This doesn’t have to be reality. Every stakeholder in the U.S. economy must mobilize in defense of energy, technology and manufacturing independence. American energy makes it all possible. How effectively we mobilize between now
and the election will largely determine whether the U.S. and our allies are a beacon for energy independence and wealth or are relegated to energy dependence and poverty.

**Biden Campaign Releases Energy Plan** - On July 14th, former Vice President Joe Biden’s campaign released an updated energy and environment plan that included an enormously damaging and historically large tax increase. The plan calls for setting a 100% clean-electricity standard by 2035 and investing $2 trillion over four years on clean energy. The Biden plan would cost $16 trillion – or about $55,000 for every American. A nationwide survey conducted in May 2020 indicated voters don’t place a high priority on climate change. Moreover, when asked how much they are willing to pay to address climate change, the median response was consistently between $25 and $50 a year.

Democratic presidential nominee Joe Biden’s new plan marks a clear shift toward liberal’s climate change priorities and cutting the use of fossil fuels. Biden said his plan would create 10 million jobs. But even the New York Times noted that the plan’s job-creation claims were “rosy” and “vague”. The U.S. oil and gas industry currently supports 10 million good-paying American jobs, provides $714 billion in labor income and contributes more than $1 trillion to our GDP.

To be clear, parts of Biden’s energy plan are sensible. It does not include a ban on hydraulic fracturing, the process used to extract oil and natural gas from dense rock formations. But it’s also clear that a massive increase in renewable energy is a central part of Biden’s plan.

Biden’s blueprint also calls for the creation of a climate conservation corps modeled after the work relief program President Franklin D. Roosevelt created during the Great Depression. The plan also embraces Senator Chuck Schumer’s (D-NY) plan to rapidly turn over the nation’s automobile fleet, with taxpayers enticed by cash vouchers to trade in their gas-powered cars for plug-in electric, hybrid, or hydrogen fuel cell cars. The initiative also would steer tens of billions toward building charging infrastructure.

“I. Am. Shook! Look, like, honestly, gardening – food, that comes out of dirt. Like, it’s magic.” – Alexandria Ocasio-Cortez, Biden Climate Advisor
Inexpensive energy is necessary for economic advancement by the world’s poor and for recovery from the staggering economic effects of COVID-19. Ideological opposition to fossil fuels is an anti-human stance that views ordinary people not as problem-solving sources of ingenuity but as only mouths to feed, producing environmental damage.

Americans who have observed stay-at-home orders or quarantined themselves at home this year need to look around and think about what their lives would be like if they no longer had ample and affordable power, or natural gas to use to cook their meals. Because, make no mistake about it, that is what Biden is really proposing.

**What Harris brings to the Biden Campaign** – In picking Senator Kamala Harris as his running mate for his third run for the White House, Joe Biden elevated the California Democrat as a potential leader on climate policy. The selection also positions her as the de facto front-runner to succeed Biden, 77, who would become the nation’s oldest president if he were to be elected. Harris brings a record that has pleased most climate activists, though her vision gets more praise than her accomplishments. She is a far-left extremist whom Democrats are trying to redefine as a moderate. In the Senate Harris was an original co-sponsor of the Green new Deal. She recently introduced environmental justice legislation. During her presidential campaign, Harris vowed to ban fracking, spend $10 trillion on climate programs, reach carbon neutrality for electricity by 2030 and eliminate transportation emissions by 2035, all positions to Biden’s left. But Harris also vacillated on health care. She supported “Medicare for All” before advocating a role for commercial health insurance. That flip/flop fueled suspicions among some liberals that her policies were borne of expediency rather than ideological commitment.

**Democrat Party Energy Platform** – The Democrat Party Energy Platform calls for an end to fossil fuel production and use. These attacks on the oil and gas industry are not only impractical, but also reckless. It appears the Democrat party is out-of-touch with working people and the economy. Many scientists, policymakers from both parties, and common sense have discredited the ideas proposed by the candidates.

The Democrat party energy policy baseline includes restoring Obama-era policies that President Donald Trump has rolled back and re-orienting federal taxes and spending toward renewable energy and away from fossil fuels.

Democrats have seven proposals that represent the common ground among liberals on fighting climate change. The seven Democratic ideas for fighting climate change include:

- **Rejoin the Paris Climate Accord** - The Paris climate agreement is a non-binding resolution signed by 195 countries to reduce greenhouse gas emissions. In 2017, Trump announced that he would withdraw from the accord, effective November 2020. Democratic candidates have universally agreed that the U.S. should rejoin the Paris climate deal.
• **End Fossil Fuel Tax Provisions** – Federal government tax provisions for fossil-fuel exploration and production (like percentage depletion and intangible drilling costs) are estimated to be worth about $4.6 billion. While these provisions are cost-recovery mechanisms used mostly by small businesses, Democratic candidates largely support scrapping the fossil fuel tax provisions.

• **Halt New Drilling on Federal Land** - The Trump administration attempted unsuccessfully to overturn an Obama administration moratorium on new coal mining leases on federal land. Most Democratic candidates support extending it to new oil & natural gas leases.

• **Reinstate the Clean Power Plan** - Unveiled in 2015, the Obama administration’s Clean Power Plan sought to cut carbon pollution from power plants by setting unattainable standards that individual states then have to meet. This year, the Trump administration replaced it with a much more reasonable Affordable Clean Energy rule. Most Democratic candidates have called for reinstating the Obama standards.

• **Pay Farmers to Reduce Emissions** – Most Democratic candidates have suggested paying farmers to change farming practices to reduce carbon footprints.

• **Set a Goal of Net-Zero Emissions by 2050** - The Trump Administration has rolled back many burdensome and overreaching Obama regulations to reduce greenhouse gases. Several Democratic contenders have proposed setting a far-reaching goal of net-zero emissions by 2050 or earlier.

• **Boost Spending on Clean Energy Research** – President Trump recognized the importance of energy policy as a driver of the American economy & national security. The Trump administration’s forward-looking energy policies are market-based and refrain from picking winners and losers in the nation’s future energy profile. Several Democratic candidates want to dramatically expand renewable energy subsidies and mandates.

**President Trump’s Energy Accomplishments** - President Trump, more than any other President in the last 35 years, deserves re-election and another four years. His accomplishments in his first term are more impressive, extensive, and material than most Presidents who have served two terms. His achievements with respect to energy, the environment, and regulations are especially noteworthy. These accomplishments include:

• Announcing the United States’ intent to withdraw from the United Nations’ Paris Agreement on climate change

• Finalizing the Affordable Clean Energy (ACE) rule, which replaces the Obama administration’s Clean Power Plan (CPP)
• Implementing the Safer Affordable Fuel Efficient (SAFE) Vehicles Rule
• Revoking the Obama administration’s move to “allow California to set fuel mandates and environmental policy” for the rest of the country
• Approving the Keystone XL pipeline
• Signing an executive order expediting construction permits for pipelines and other infrastructure projects
• Overhauling the Waters of the United States rule
• Making the Clean Water Act certification process more transparent and efficient for pipeline infrastructure projects
• Leading efforts to modernize the National Environmental Policy Act (NEPA)
• Establishing the “one in, two out” directive requiring federal agencies to identify at least two regulations to repeal when proposing new rules.
• Rollback of the flawed Obama-era methane emission regulations.

**Trump’s 2nd Term Energy Plan** – Fossil fuels remain a big deal for President Trump saying he would continue to enthusiastically support his America-first agenda. Trump’s first term focused on trashing Obama-era regulations. The next four years will likely focus on defending policy changes and regulatory overhauls in court. He would continue his push to get the U.S. out of the Paris climate change accord. Energy Secretary Dan Brouilette said the U.S. under Trump would seek to “maintain our posture as the number 1 producer of oil and gas.”

**Voters Support Oil & Natural Gas** – A new poll released in late August 2020 shows that voters across the country are ready to back candidates who support oil and natural gas development and that they believe this American-made energy has been vital in the economic recovery from the COVID-19 pandemic.

The poll released by the American Petroleum Institute and conducted by Morning Consult, a non-partisan survey firm - found that 64% of respondents are "much more likely" or "somewhat more likely" to vote for a candidate who "supports policies that ensure consumers continue to have access to natural gas and oil produced in the U.S."

This strong support for oil and natural gas is the big takeaway heading into November as the poll surveyed voters in 12 different swing states including Colorado, New Mexico, Ohio, Pennsylvania, and Texas. Those energy-producing states will help decide whether Donald Trump or Joe Biden wins the White House and if Republicans or Democrats take control of Congress.
In addition to supporting pro-oil and natural gas candidates, several questions revealed just how important these fuels are to American consumers and workers. Nearly 60% of respondents said it was "very" or "extremely important" that the U.S. continues to improve how to get oil and natural gas to make it more efficient and 82% said that oil and natural gas provides "a great deal of value" or "some value" to their lives. Another 75% said they "strongly agree" or "somewhat agree" that oil and natural gas are "essential to a modern lifestyle."

A majority of respondents also stated they value the contribution of oil and natural gas in helping the economy bounce back from the COVID-19 pandemic with 63% saying it has a "very important" or "somewhat important" role, while 66% agreed that oil and natural gas products byproducts "help make medical devices and protective equipment that are critical to healthcare providers and patients."

Looking ahead, respondents see a major role for oil and natural gas in America's future energy mix. Seventy-three percent said the fuels will play "a very significant role" or "somewhat" significant role" in meeting energy needs 20 years from now.

**Nation’s Energy Future at Cross Road**

As we look ahead to November’s elections and beyond, we need energy policy focused on facts and reality, not political ideology and hyperbole. We need a national energy policy based on science, the free market, and entrepreneurial spirit. Those who act on our behalf at all levels of government should use those principles as the foundation for the energy policy decisions. We must make it clear to our elected leaders that energy policy should not be a partisan talking point because it is too important and fundamental to our way of life.

“We stand at a crossroads for the nation’s energy future and the choices policymakers make in 2020 and beyond will determine whether we build on America’s energy progress or shift to foreign energy sources with lower environmental standards,” said KIOGA President Edward Cross. “You can’t address the risks of climate change without America’s oil and natural gas industry, which continues to lead the world in emissions reductions while delivering affordable, reliable, and cleaner energy to all American.”

Edward P. Cross, President
Kansas Independent Oil & Gas Association