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United States Senate

COMMITTEE ON
ENERGY AND NATURAL RESOURCES
WASHINGTON, DC 20510-6150

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October 11, 2022

President Joseph R. Biden, Jr.
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear President Biden,

The reckless steps OPEC+ has recently announced to cut production and fuel Vladimir Putin's war machine have made it clearer than ever that the United States must step up and increase our energy production, both for our own domestic use and also to support our friends and allies. It is unconscionable for America, with our abundant natural resources that can be produced cleaner than anywhere else in the world, to continue relying or consider increasing reliance on authoritarian regimes to do for us what we can do for ourselves. I urge you to take all actions within your authority to increase all types of U.S. energy production and signal to the free world that they should do the same. I stand ready to continue working with you to ensure America is energy independent and secure, our energy is affordable and reliable, and it is produced and used in the cleanest way possible.

Clear evidence demonstrates that energy-producing countries who do not share our values or interests are willing to weaponize energy markets to achieve their military and geopolitical objectives. Vladimir Putin appears to have resorted to sabotaging Russia's natural gas infrastructure in a desperate attempt to shift the tide of his illegal war in Ukraine. At the same time, OPEC+, led by Saudi Arabia, announced it would remove up to 2 million barrels per day of crude oil off of the global market, seemingly coming to Putin's rescue by impeding the G-7's efforts to cap the oil profits fueling his invasion. This is a stark reversal of the production increases that the cartel announced this summer before you traveled to Saudi Arabia. Such a large curtailment is unprecedented when Brent crude prices exceed \$90 per barrel.

I am disheartened by reporting which suggests OPEC+'s actions may drive your administration to seek to unlock sanctioned oil production from Iran or Venezuela. These nations have no qualms about wrongfully detaining Americans, and these dictatorships are just as likely as Putin

to use their energy production to hold global markets hostage. Furthermore, these are the last places we should turn to for energy if we are concerned about reducing greenhouse gas emissions to combat climate change. Iran emits more than twice as much methane per barrel of oil produced than the U.S., and Venezuela emits a staggering six times as much.

Rather than turning to Saudi Arabia, Iran, or Venezuela to bring oil and gas supplies online to meet demand, we should support our producers in the Marcellus and Utica, the Permian, Alaska, our neighbors in Alberta, and in the many other producing regions that Americans and our allies can rely on. At the same time, we must continue to invest in and deploy clean energy technologies—including solar and wind, nuclear, hydrogen, carbon capture, and energy storage—because all of our energy resources can play a key role in energy security and decarbonization.

America's average monthly domestic crude oil production remains below 12 million barrels per day, more than 1 million barrels per day short of our peak production of 13 million barrels per day in November 2019. The Energy Information Administration forecasts that our country can produce a record amount of crude oil next year, helping to rein in energy prices both for our country and for our allies who benefit from U.S. energy exports. But this requires our energy producers to commit themselves to significant investments in support of our country's interests. Your administration must demonstrate support for those efforts not only with words but with swift actions.

The Inflation Reduction Act sets the stage for increased certainty and, therefore, an opportunity for increased production, beginning with the reinstatement last month of the Gulf of Mexico's offshore oil and gas Lease Sale 257, which makes 1.7 million acres available for production. This was followed by progress by the Department of the Interior on three additional offshore lease sales in Alaska and the Gulf of Mexico, and setting up additional onshore lease sales in New Mexico and Wyoming, all of which was required by the IRA. Your administration must follow through on issuing drilling permits and rights-of-way for these leases, and other existing leases, to realize the IRA's benefits at the pump. Although these lease sales are essential steps, there is much more we can do to unlock domestic energy production.

First and foremost, we need comprehensive reforms to our energy permitting processes that accelerate permitting decisions without bypassing environmental protections or community input. Thank you for supporting the Energy Independence and Security Act of 2022, and I look forward to continuing to work with you to sign permitting reform into law this year. In the meantime, I urge you to take steps within your power to increase responsible energy production here in the U.S., both for the immediate term and long-run. Recent actions by Russia and OPEC+ should clarify that our strategy cannot only be focused on a short-term crisis.

For these reasons, I call on you to take the following actions within your authority immediately:

- **Identify any projects pending federal review that can bring new energy production online within the next year and expedite reviews for those projects.** For example, the Mountain Valley Pipeline has been awaiting action from the Forest Service, Bureau of Land Management, and Army Corps of Engineers since a court decision in February 2022. This project is more than 90% constructed and can be completed within 6 months of receiving the necessary permits. This will create capacity for an additional 2 billion cubic feet per day of natural gas production at a time when our natural gas prices are the highest in decades.
- **Direct federal agencies to prioritize the review of energy projects.** In addition to agency action, order the Department of Justice to defend energy and mineral projects when they are challenged in court, rather than asking for courts to grant voluntary remand or entering into voluntary settlement agreements—leading to more delay.
- **Ensure permitting agencies are staffed appropriately.** For example, the Fish and Wildlife Service’s West Virginia field office has become a significant bottleneck for energy projects in our State. Endangered Species Act consultations which used to take a matter of weeks, are now taking 4–6 months or longer, in part because of a significant increase in submissions due to the favorable market conditions for energy production and significant investments resulting from the Infrastructure Investment and Jobs Act and the IRA. Staffing must keep pace with the workload to ensure quality reviews are completed on time.
- **Finalize and implement the next offshore oil and gas leasing Five-Year Program as soon as possible,** including the proposed program of 11 offshore oil and gas lease sales under consideration in the July draft. Including the typical schedule of both Fall and Spring Gulf of Mexico lease sales will encourage continued investment in oil production that is among the lowest greenhouse gas emitting in the world while offsetting dirty imports shipped across oceans by unreliable foreign actors.
- **Address the permitting backlog at the National Marine Fisheries Service (NMFS) that is delaying seismic surveys and production on current Federal leases.** Despite admitting that an agency error is prolonging these permits, the delayed Letters of Authorization are unacceptably postponing new offshore production on current leases that would produce hundreds of thousands of barrels per day in the near future.
- **Ensure that NEPA implementing regulations require efficient, legally-compliant reviews** that sufficiently evaluate the environmental impacts of projects but do not require extra process for process’s sake or create more litigation over needed projects.

- **Ensure Clean Water Act implementing regulations are focused on compliance with water quality standards** and do not create an opportunity to deny needed projects for reasons unrelated to water quality.
- **Promptly process State applications to EPA for Class VI well primacy.** Our States are well-equipped to administer Class VI well-permitting for geologic sequestration of carbon dioxide within their States. The IIJA provided additional resources to States to apply for and implement primacy from EPA. EPA should work promptly to process any applications so that we can increase production while also decarbonizing through carbon sequestration.
- **Encourage States to encourage responsible energy production.** For example, in testimony before the Senate Committee on Energy and Natural Resources in March 2022, a Senior Vice President of Shell testified that if California lifted its moratorium on oil and gas permits, 50,000 barrels per day could come online within a matter of months, if not weeks.

Thank you for considering these recommendations. I look forward to continuing to work with you on an energy policy that makes our country and our allies truly energy secure while ensuring that our environment and communities thrive.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Manchin III". The signature is fluid and cursive, with a long horizontal stroke at the end.

U.S. Senator Joe Manchin III

CC: Jennifer Granholm, Secretary, United States Department of Energy