API’S GERARD RELEASES NEW STUDY ON IMPACTS OF RESTRICTING FOSSIL FUEL PRODUCTION

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WASHINGTON, April 5, 2017 – API President and CEO Jack Gerard stressed the need for forward-looking energy policies that embrace the U.S. energy renaissance as API released a new study (http://www.api.org/~/media/Files/Policy/American-Energy/Impacts-of-Restricting-Fossil-Fuels-Report.pdf) examining the negative impacts of policies that restrict the production of fossil fuels.

“U.S. energy leadership is generating major economic benefits for American families and businesses,” said API President and CEO Jack Gerard. “Increased energy production and infrastructure investment could create hundreds of thousands of additional jobs. Restrictive policies would take the United States back to an era of energy dependence – all based on the false idea that we must choose between energy self-sufficiency and environmental progress.”
API’s study assumes a scenario including no new private, State, or Federal oil and natural gas leases; a complete ban on hydraulic fracturing; no new coal mines or expansion of existing mines; and no new energy infrastructure including pipelines.

Key findings of the study include (http://www.api.org/~/media/Files/Policy/American-Energy/Impacts-of-Restricting-Fossil-Fuels-Report.pdf):

- Loss of 5.9 million jobs
- Loss of $11.8 trillion in cumulative GDP
- Potential increase of $4,552 annual energy expenditures per household
- Potential increase of $40 in the price of a barrel of crude oil (WTI)
- Potential increase of $21 in the cost of natural gas (MMbtu)
- Potential increase of 56.4 percent in retail electricity prices

“Cutting U.S. oil and natural gas production wouldn’t magically reduce world energy demand,” said Gerard. “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. With forward-thinking energy policies, we can ensure the U.S. energy renaissance continues to provide benefits for American consumers, workers and the environment.”


API is the only national trade association representing all facets of the oil and natural gas industry, which supports 9.8 million U.S. jobs and 8 percent of the U.S. economy. API’s more than 625 members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. They provide most of the nation’s energy and are backed by a growing grassroots movement of more than 30 million Americans.