



Republican Study Committee Energy Working Group

May 3, 2011

The RSC has formed an energy working group, Chaired by Rep. Bob Latta (R-OH), to allow RSC Members and staff to create conservative solutions that will provide the tools necessary to open the doors for a stable, independent, and rewarding energy future for the nation. In the first action, the RSC Energy Working Group has introduced legislation to help provide some immediate relief for consumers facing the possibility of paying upwards of \$5 a gallon for gas.

Conservative Principles to Get Gas Prices Down Immediately and Stabilize Them For the Future:

- Repealing restrictive energy development policies enacted under President Obama.
- Repealing mandates and prohibitions that cause the price of gasoline to be artificially high.
- Achieving energy security by utilizing our own natural resources, including oil shale.
- Ending frivolous litigation that unfairly delays energy production for consumers.
- Reducing regulatory and bureaucratic delays that hinder the refining and permitting process.

Background:

- The Obama Administration has spent the last two years artificially increasing the cost of traditional forms of energy and gasoline, driving up their prices in order to make “green” alternatives cost-competitive to consumers. This undermines fair market competition by picking winners and losers in the energy industry.
- The President believes nothing can be done about the current cost of gas and has stated the “truth is the only real solution...is clean energy.” Unfortunately, current mandates that exist in the marketplace in the name of “clean energy” are part of what makes the cost of gasoline more expensive for consumers. Conservatives understand immediate reforms can be made to repeal these mandates that allow government to unfairly influence the marketplace by raising the cost of producing and refining gasoline.
- Since Democrats began implementing restrictive energy policies in 2007, the price of gasoline has grown increasingly erratic. In January of 2007, the average price for a gallon of gasoline was \$2.24. By the summer of 2008 the price had risen to \$4.06. When President Obama took office in January of 2009 the price was \$1.79. Uncertainty about gasoline prices is unhealthy and affects every sector of the economy – especially families that have to budget monthly expenditures.
- America has had abundant, affordable sources of energy, which have been an integral part of our economic advantage over other nations. Conservatives believe we must increase domestic output in order to stabilize the erratic price of gasoline, create jobs, and reduce our vulnerability to OPEC’s influence on the petroleum market and our way of life.
- Conservatives believe Congress must reverse Administration policies that have made the cost of gasoline artificially more expensive and have made accessing domestic energy sources more prohibitive and difficult. We should embrace solutions that encourage innovation for more effective use of gasoline, as well as new technologies to produce more petroleum more efficiently from our vast domestic supply.

Consumer Relief for Pain at the Pump Act

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Short Summary: The following conservative solutions will not only drive down the cost of gas in the short-term, but also create a more stable marketplace for gasoline for decades to come.

Title I: Repeal of Presidential “Permatorium” on America’s Outer Continental Shelf Resources

- Repeals the Obama Permatorium on the OCS by creating deadlines to approve leases in the Gulf of Mexico currently stalled by the Department of Interior.
- Permanently opens the Outer Continental Shelf (including areas of Alabama and Florida) and the Arctic Coastal Plain (ANWR) for energy exploration and development.
- Ensures that lease sales will happen offshore by guaranteeing the planned lease sales established by the former Mineral Management Service 2007-2012 five-year plan. The bill establishes a revenue sharing program to encourage leasing on state waters and distribute revenues to state treasuries.

Title II: Revocation of Energy Restricting Bureau of Land Management Land Lockup

- Repeals “Wild Lands Policy” that permits the DOI to restrict hundreds of thousands of acres from energy development.
- Streamlines the bureaucratic process for approving offshore oil and gas leases and increases access to the existing shale reserves within the U.S.
- Establishes a judicial review process to limit frivolous environmental litigation, in order to ensure existing leases and new reserves can actually be developed.

Title III: Immediate EPA Regulatory Relief

- Repeals the Environmental Protection Agency greenhouse gas (GHG) regulation and prevents the EPA from using Clean Air Act, Clean Water Act, National Environmental Policy Act, or Endangered Species Act from imposing regulations in the name of climate change.
- The bill reduces the regulatory burden that has prevented badly needed increases in U.S. refinery capacity.
- Finally, the bill provides immediate relief from government mandates that cause artificial price inflation by repealing the federal ban on synthetic fuels purchasing.

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