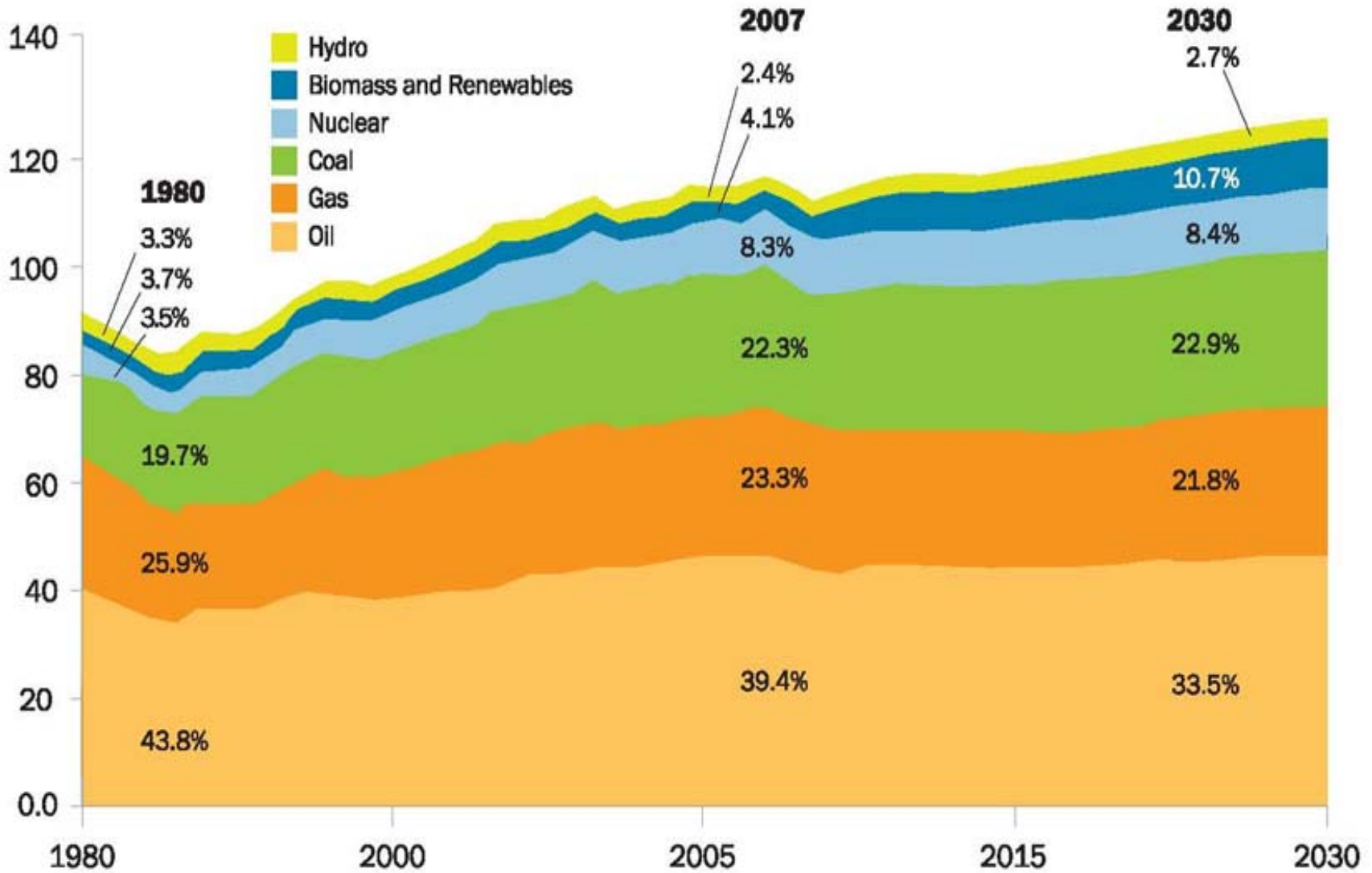


America's Oil and Natural Gas Industry  
Energizing America:  
Facts for Addressing Energy Policy  
August, 2009  
John Felmy

## Future U.S. Energy Demand

The U.S. will require 9 percent more energy in 2030 than in 2007.



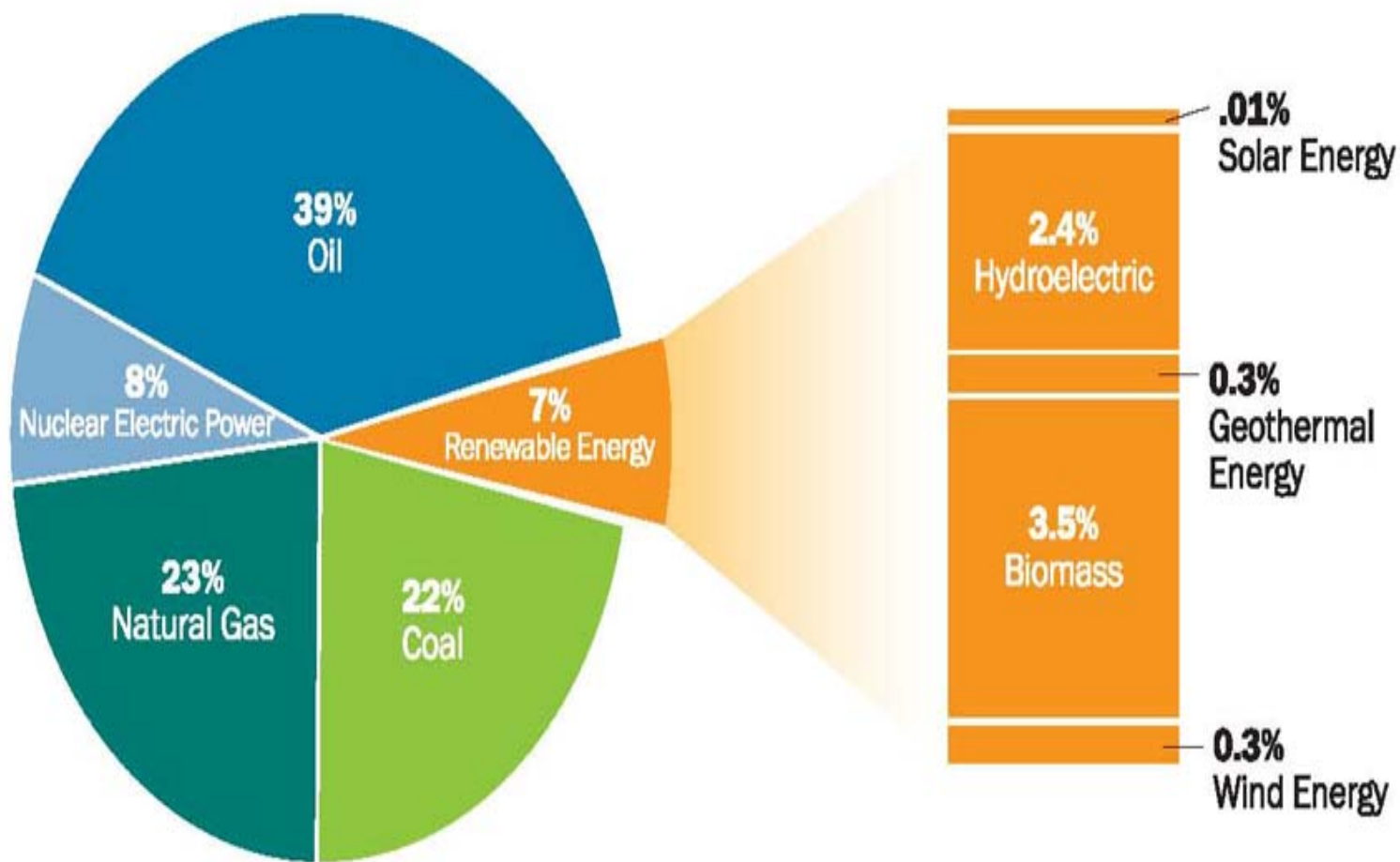
Source: EIA, Revised AEO 2009 Tables A1 and A17

<b>Consumption</b>	<b>2007</b>		<b>2030</b>		<b>% Change</b>
	<b>Quads</b>	<b>% Share</b>	<b>Quads</b>	<b>% Share</b>	
Liquid Fuels and Other Petroleum	<b>40.75</b>	<b>40.0%</b>	<b>40.30</b>	<b>36.3%</b>	<b>-1.1%</b>
Oil	40.11	39.4%	37.13	33.5%	-7.4%
Ethanol and Biodiesel	0.64	0.6%	3.17	2.9%	395.3%
Natural Gas	<b>23.70</b>	<b>23.3%</b>	<b>24.15</b>	<b>21.8%</b>	<b>1.9%</b>
Coal	<b>22.74</b>	<b>22.3%</b>	<b>25.42</b>	<b>22.9%</b>	<b>11.8%</b>
Nuclear Power	<b>8.41</b>	<b>8.3%</b>	<b>9.29</b>	<b>8.4%</b>	<b>10.5%</b>
Hydropower	<b>2.46</b>	<b>2.4%</b>	<b>2.96</b>	<b>2.7%</b>	<b>20.3%</b>
Biomass & Renewables	<b>3.59</b>	<b>3.5%</b>	<b>8.68</b>	<b>7.8%</b>	<b>141.8%</b>
Other*	0.23	0.2%	0.16	0.1%	-30.4%
<b>Total</b>	<b>101.90</b>	<b>100.0%</b>	<b>110.96</b>	<b>100.0%</b>	<b>8.9%</b>
<b>Oil and Natural Gas</b>	<b>63.81</b>	<b>62.6%</b>	<b>61.28</b>	<b>55.2%</b>	<b>-4.0%</b>
<b>Oil, Natural Gas and Coal</b>	<b>86.55</b>	<b>84.9%</b>	<b>86.7</b>	<b>78.1%</b>	<b>0.2%</b>

## The Role of Renewable Energy Consumption in the Nation's Energy Supply, 2007

Total = 101.90 Quadrillion Btu

Total = 6.69 Quadrillion Btu\*

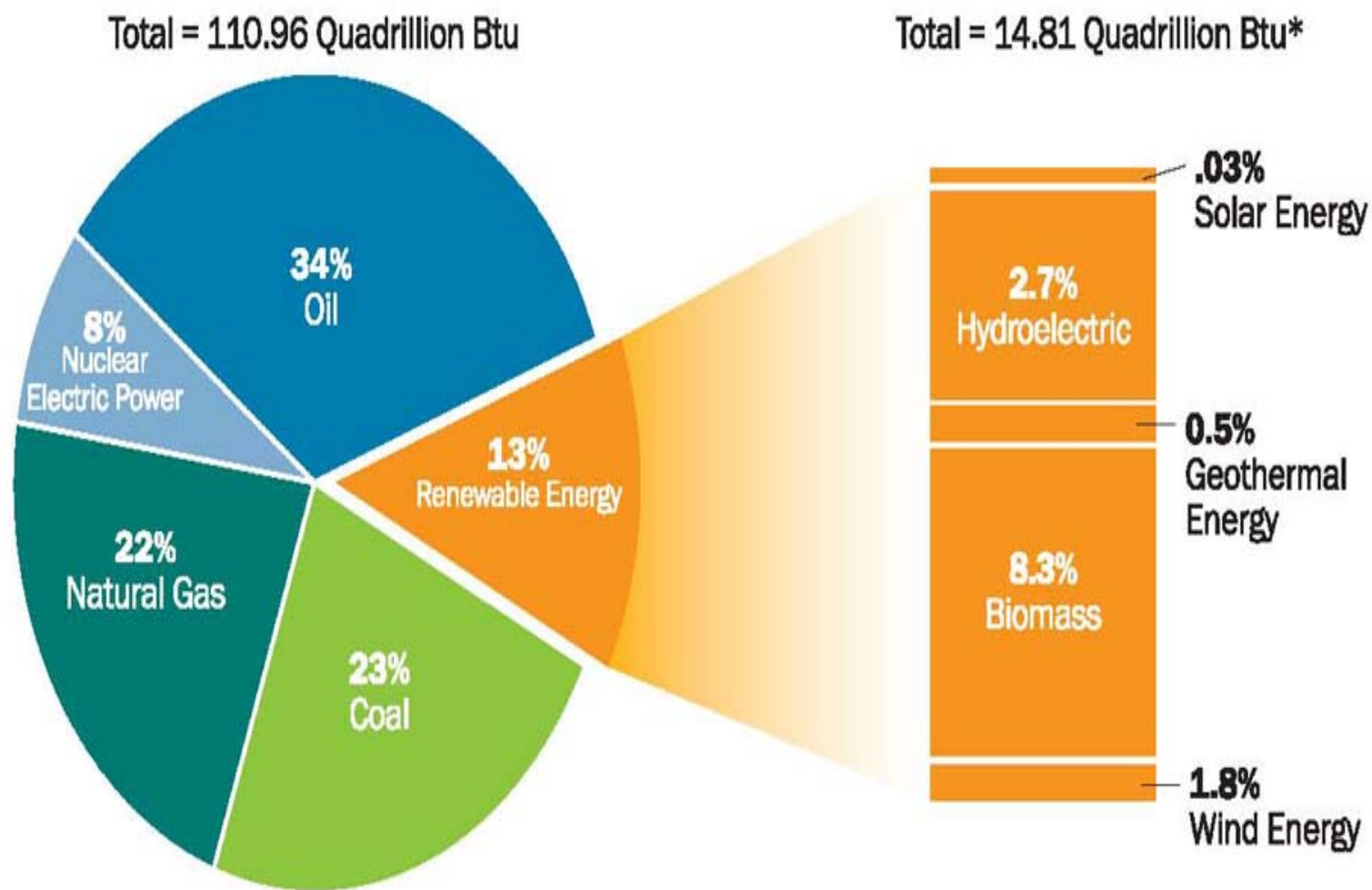


Note: Sum of components may not add exactly to 100 percent due to rounding.

\*Includes non-marketed renewable energy from residential and commercial sectors.

Source: EIA, Revised AEO 2009 Tables A1 and A17

## The Role of Renewable Energy Consumption in the Nation's Energy Supply, 2030

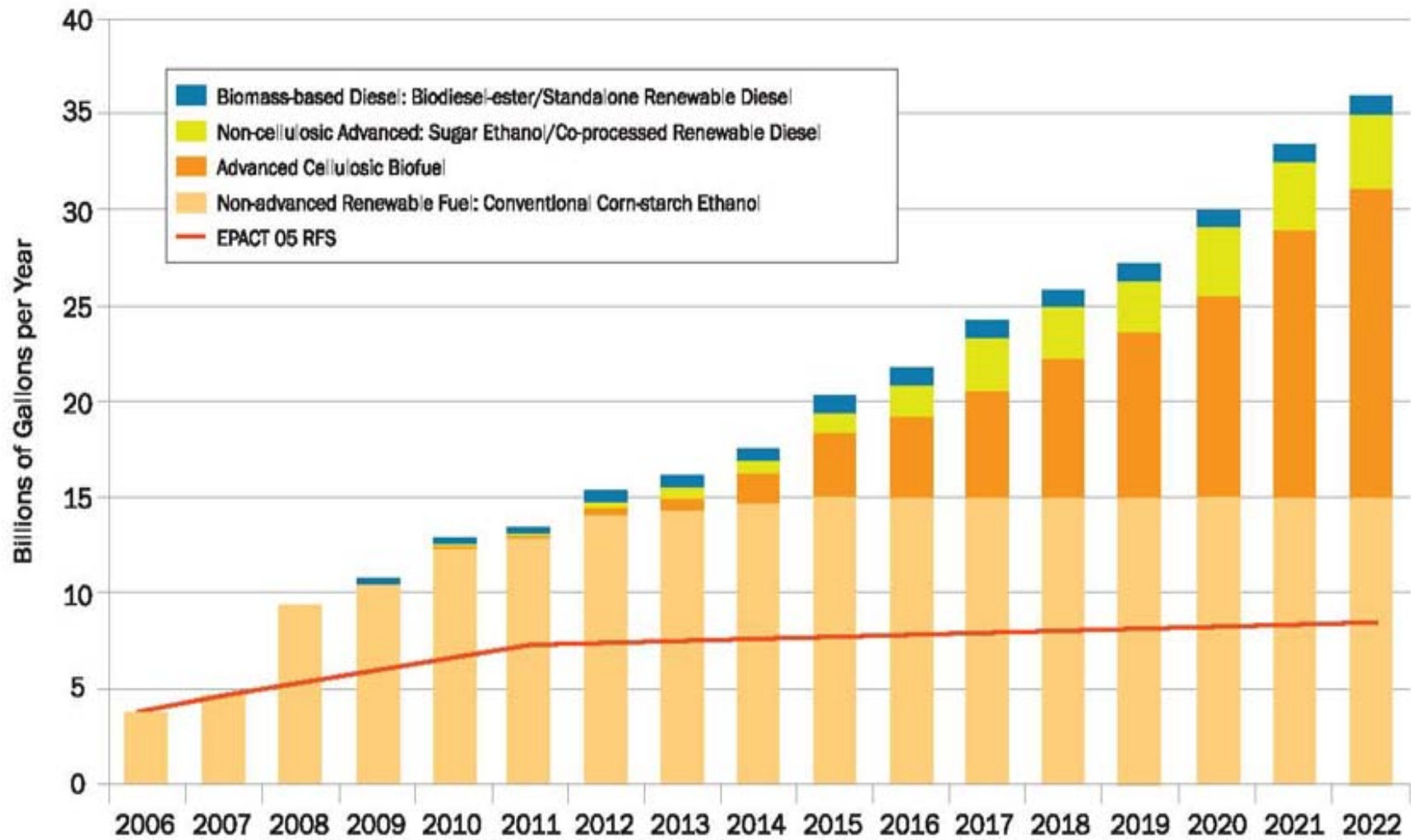


Note: Sum of components may not add exactly to 100 percent due to rounding.

\*Includes non-marketed renewable energy from residential and commercial sectors.

Source: EIA, Revised AEO 2009 Tables A1 and A17

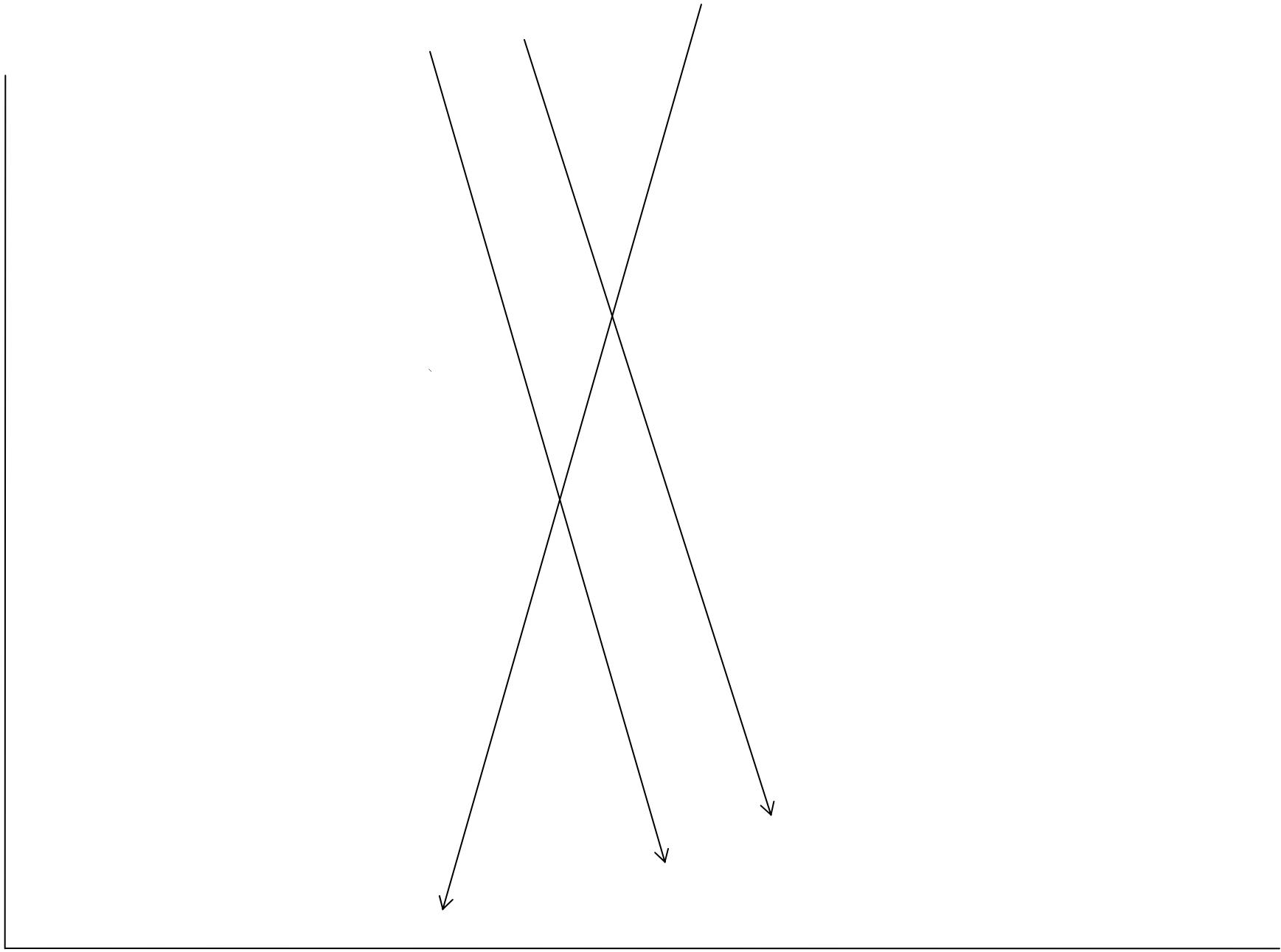
## Expanding Alternative Fuels for Transportation: Current Laws

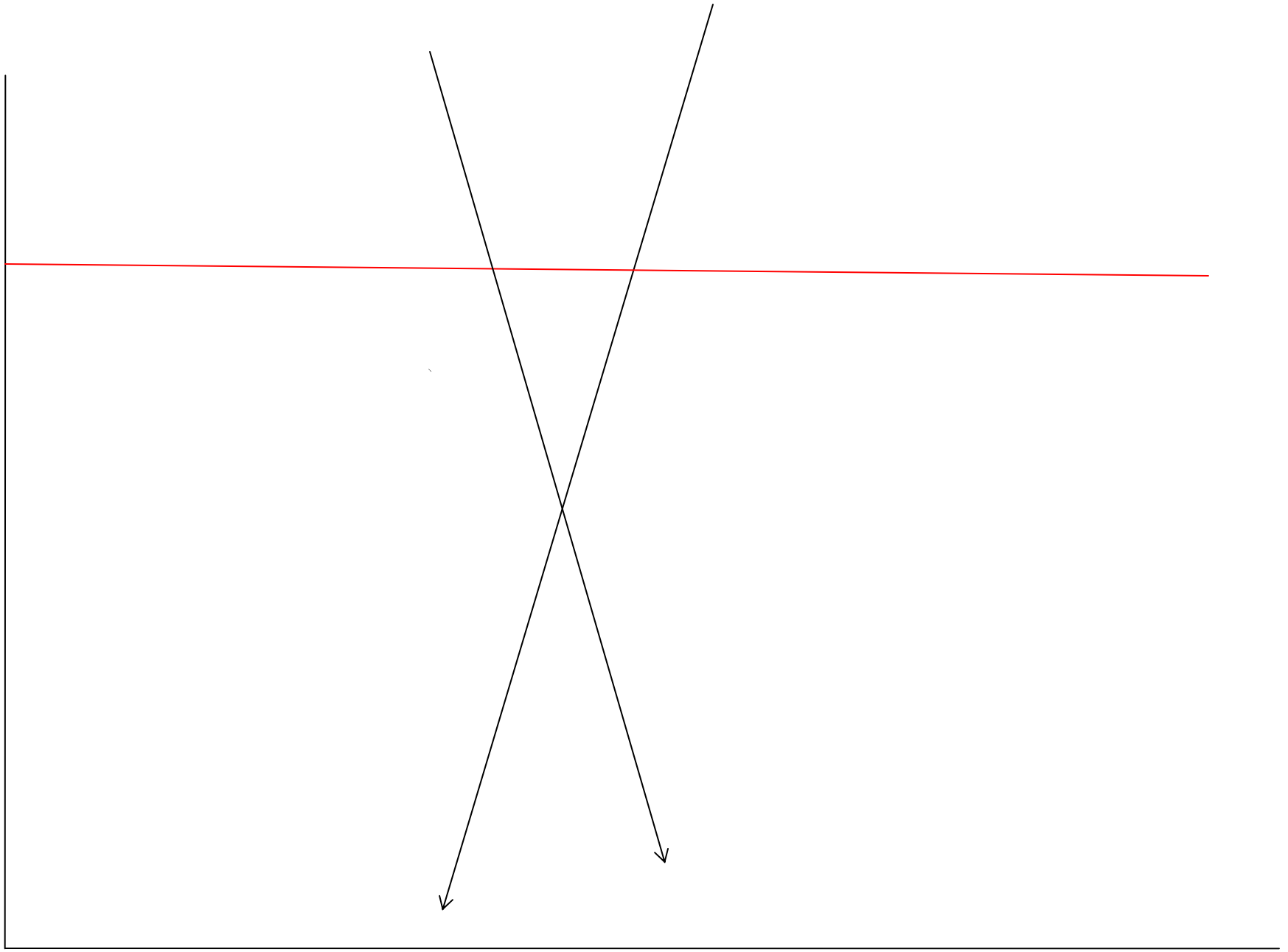


Source: EIA and Energy Independence Security Act of 2007

# API Biofuels Overview

- **Given the current and projected worldwide energy demand, The U.S. needs *all* sources of commercially viable energy, as well as a greater commitment to energy efficiency and energy conservation**
  - **Biofuels, including ethanol are an important resource**
- **Almost 74% of all gasoline now produced in the U.S. includes ethanol**
  - **Despite logistical and infrastructure-related impediments, the industry used 9.7 billion gallons of ethanol in 2008 exceeding the RFS mandate of 9 billion gallons.**
- **API supports a realistic and workable renewable fuels standard (RFS)**
  - **Our industry will strive to implement these challenging new mandates**
- **The RFS under EISA has been designed to result in significant reductions in greenhouse gas emissions. Therefore, government should avoid the duplicative requirements of overlaying a low carbon fuel standard on top of the existing RFS.**
- **A patchwork of state-by-state biofuels mandates or low-carbon fuel standards beyond the national RFS create additional boutique fuels that will likely interfere with the flexibility that Congress provided in the national RFS program**
  - **State ethanol blending legislation also interferes with RFS compliance**
- **Regarding the Growth Energy E15 waiver petition, While the studies included in the petition generally do not show significant adverse effects of E15, we do not believe that they provide sufficient credible scientific and technical support for the granting of the waiver in whole or in part. It is our judgment that EPA should reject the current Growth Energy E15 waiver application because the technical justification is inadequate.**
- **Our companies have long been pioneers in developing alternatives and expanding our utilization of existing sources of energy**





— OECD Stocks — ARACM

