





- ### Challenges Facing the Refining Industry
- Meeting fuel specifications under ether bans
 - Capital investments in uncertain financial environment to meet
 - Tier II Gasoline
 - Ultra-low sulfur diesel
 - Mobil Source Air Toxics requirements
 - Making refinery changes under regulatory uncertainty
 - New Source Review
 - Yet to be determined fuel specification changes
 - Oxygenates
 - Other fuel Specifications other than sulfur (e.g., DI)
 - Declining refinery and system flexibility
 - Tight fuel specifications limiting response to unit outages
 - Boutique fuels
 - High capacity utilizations – both refinery and distribution system

- ### Challenges Facing the Natural Gas Industry
- Supply development in a “boom and bust” environment
 - Effect on drilling investment, qualified personnel, technology development/application.
 - Infrastructure development to avoid bottlenecks
 - Increase flexibility to support a changing market
 - Regulatory delays and uncertainty
 - Federal
 - State - retail markets
 - Availability of market information to support competition

- ### Solutions
- Fuel diversity
 - Increased refinery capacity
 - Improved distribution infrastructure
 - Improved energy efficiency
 - Conservation
 - Access to broader resources