

PROJECT BRIEF

The purpose of ProjectBRIEF is as simple as it is straightforward: Bringing Real Information on Energy Forward. What follows are the bottom-line conclusions of a recent set of studies commissioned by IPAA – a snapshot of what we can expect if Congress moves to revise federal laws and regulations to override the current, effective federal-state regulatory partnership.

A Long History of State Regulation

- Since the 1930s, the Texas Railroad Commission has been a leader in the regulation of oil and gas.
- The Oklahoma Corporation Commission began regulating oil and gas in 1914
- In Pennsylvania, early regulation of the oil and gas industry dates back to the late 1880s
- In New York, state efforts to regulate oil, gas, and mining industries began in the late 1800s.
- These regulations have been incorporated into the current, balanced federal-state partnership designed to meet the unique challenges of American energy production.

By the Numbers: New Federal Regulations Will Cost Americans Their Energy

- U.S. oil wells shut in: 204,272
- U.S. natural gas wells shut in: 150,202
- Lost oil production: 67 million barrels (183,000/day)
- Lost natural gas production: 245 billion cubic feet (670 million cubic feet/day)

By the Numbers: New Federal Regulations Will Cost Americans Their Jobs, Revenue

- \$602 million in foregone royalties U.S. natural gas wells shut in: 150,202
- \$285 million in foregone state severance taxes
- \$505 million in foregone state income taxes
- \$1.2 billion in foregone federal income taxes
- Industry compliance costs, first year alone: \$10 billion

Mistaken Identity: Sacrificing a Sound Federal-State Regulatory Partnership without Reason

- 1974: Safe Drinking Water Act (SDWA) – set standards for public water supply
- 1976: Resource Conservation and Recovery Act (RCRA) – set standards for disposable waste management
- 1980: Superfund – provides federal authority to clean up hazardous substances releases
- 1986: Toxic Release Inventory (TRI) – authorized federal emergency planning response for chemical accidents and reporting emissions from manufacturers
- 1987: amendments to Clean Water Act (CWA) – improving our nation's water
- 1990: amendments to Clean Air Act (CAA) – improving our nation's air