



CENTER FOR ENERGY INDEPENDENCE

Why U.S. Energy Policy Must Promote American Energy Dominance

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Energy is vital to every aspect of modern life: from the vehicles you use for transportation, the tires on your road bike, the asphalt you jog on, the home you heat, or the gloves you wear when you volunteer at the hospital. Energy policy has far-reaching effects domestically and internationally. The Center for Energy Independence promotes policies that strengthen the American economy and energy sector, make the best use of our natural resources, and protect our Nation's land, water, and air.

The transformative energy policies of 2017 to 2020 boosted domestic energy production, allowing the United States to become energy independent for the first time in nearly 70 years. Supply-side, pro-growth policies of tax cuts and sensible deregulation have limited barriers to growth across industries and unleashed the vast potential of the American private sector to propel the United States to an unprecedented level of energy dominance. As the current Administration's policy priorities threaten to reverse this progress in favor of a top-down approach to energy development, however, Americans must demand policies that allow free-market competition and innovation to drive growth and reject burdensome regulations and subsidies for favored groups.

This is especially important for lower-income Americans who suffer the effects of misguided energy policy the most. Our mission at the American First Policy Institute (AFPI) is to implement policies that leverage American innovation and the next era of energy production technology to reduce our reliance on foreign fuel, lower consumer energy and fuel costs, and promote and power a growing and prosperous economy. As political forces gather to crush American energy in the name of misguided ideologies and apocalyptic fantasies, AFPI is on the front lines—telling the truth about American energy.



WHERE IS AMERICA NOW

The Trump Administration adopted an energy agenda to protect the national interest of the U.S. by eliminating harmful regulations and barriers to growth across industries, allowing for investment in crucial infrastructure and jobs, reducing dependence on unstable foreign energy sources, and protecting the environment. This agenda was grounded in sound principles of free-market economics and transparent governance—unleashing the innovative power of the U.S. private sector and pushing us to new heights of economic growth and international strength.

America First energy policies drove the United States to an unprecedented era of energy dominance. In 2019, the United States became a net energy exporter for the first time in nearly 70 years, reaching an all-time high for energy exports of 23.6 quadrillion British thermal units and reducing our energy imports to their lowest point since 1995 ([EIA, 2020b](#)). The strategic approach to right-sized regulation and free-market driven energy policies opened the door for energy advancement across industries: the United States became the number one global producer of oil and maintained our position as the number one producer of natural gas ([EIA, 2019](#)); it increased nuclear power generation to the highest level on record ([EIA, 2020a](#)) and approved the design for the Nation's first small modular reactor ([U.S. Office of Nuclear Energy, 2020](#)); it reached record renewable energy production and consumption ([EIA, 2020c, 2020d](#)); it doubled the amount of solar-generated electricity ([EIA, 2021a](#)); and by 2020, the country increased wind production by 48.6 percent from 2016 levels ([EIA, 2021a](#)). This incredible energy growth across industries was accompanied by environmental progress. The United States continued to be a global leader in reducing greenhouse gas emissions, with energy-related carbon dioxide emissions declining by an estimated 2.9 percent in 2019—the largest absolute decline in such emissions of any country in the world ([International Energy Agency, 2020](#)).

Despite this success, however, the current administration is gambling with America's energy independence by repealing and replacing President Trump's successful energy agenda. By overregulating our domestic energy industry, limiting our American energy exploration and production, and canceling pipeline and energy infrastructure projects, the current Administration is weakening American energy security, influence, and independence.

WHY AFPI IS ESSENTIAL

Many powerful voices are currently advocating for a top-down approach where government officials and bureaucrats pick winners and losers by giving subsidies to political favorites and attacking their competitors with burdensome regulations. This stifles innovation, limits competition, and increases costs for consumers. The real victims in this equation are lower-income workers, who spend more of their income on energy and fixed costs.

AFPI policy experts will work on behalf of the American people to further rational policies that are not driven by political insiders and special interests using fear or apocalyptic rhetoric. Our team will ensure that energy policies are reasonable, cost-competitive, and in the best interest of the American people. AFPI will fight to protect competition, incentives for innovation, and the American family.



BUILDING ON A TRANSFORMATIVE AGENDA

Over the course of the prior Administration, pro-growth policies propelled the United States to record economic growth and prosperity levels. Pursuing American energy independence and energy dominance as a key pillar of this economic strategy was foundational to the unprecedented success achieved during the Trump Administration. The Trump Administration implemented a strategic approach to energy policy by creating the conditions for infrastructure investment and job growth in all forms of energy, encouraging innovation and competition guided by free-market principles, and removing the heavy hand of government to advance the interest of American businesses, workers, and communities.

- The America First policy agenda unleashed American energy potential and innovation, driving growth across industries, fueling investment in infrastructure and job creation.
- Energy independence allowed American foreign policy to be directed by our priorities and principles, rather than reliance on unstable and often hostile foreign energy sources.
- The Trump Administration created a transparent and fair regulatory environment in which the American energy sector could thrive. It was centered on the understanding that innovation, competition, and government transparency enable us to make the best use of our Nation's natural resources while protecting our land, water, and air. The United States achieved record energy growth while achieving positive progress on environmental measures across the board.

POLICY PRIORITIES

As the U.S. economy and energy sector emerges from a period of crisis amidst the pandemic, it is time to look to the future and return to the pre-pandemic path of prosperity. Policies that continue to put the American worker and their families first, encourage innovation and entrepreneurship, and build the foundation for a prosperous nation will be crucial in this endeavor. The AFPI Center for Energy Independence will work to advance these, among other, policy priorities:

- **U.S. energy independence:** Thanks to the shale revolution with its roots in 2005, the lifting of the crude oil export ban in 2015, and the deregulation of the prior administration, the United States became a net exporter of energy for the first time in nearly 70 years. Yet this progress and all the benefits it has brought America—from lower prices to more latitude to engage on policies relevant to national security abroad—is being threatened by activists and the actions of the current administration. AFPI will educate on the benefits of energy independence and the policies that make it possible.
- **A secure and resilient U.S. energy sector:** Federal and state policies that have intervened in the energy sector over the past decades, especially related to electricity and power generation, in conjunction with certain market trends, have created a looming reliability crisis. The blackouts in California and Texas—two states with very different policies—are but two examples of what could become a reality for Americans across the country. AFPI will promote policies that support affordable and reliable



energy supplies for all Americans by pushing back on government intervention that aims to shut down important baseload generation resources and threatens the reliability and resilience of the U.S. energy grid.

- **A predictable and efficient permitting process:** One of the biggest problems in the U.S. economy is that it is very difficult to get a permit to build anything. From a road to housing to energy projects of any kind, the process is too lengthy and unpredictable, which leads to stranded capital and crumbling infrastructure. Activists oppose development, period, and the current administration seems beholden to this group that opposes building anything. The Biden Administration's own White House Environmental Justice Advisory Council expressed opposition to infrastructure activity as basic as "road improvements" even as they support "electric charging stations" that will presumably power electric vehicles to run on those same roads ([WHEJAC, 2021](#)). This is the kind of contradiction that threatens to undermine not only the Biden Administration's ambitious energy agenda, which proposes incredibly rapid and large-scale expansion of U.S. renewable energy infrastructure with the goal of halving emissions by 2030 and reaching net zero by 2050, but any form of American infrastructure development.

The historic reforms of the National Environmental Policy Act (NEPA) and Section 401 of the Clean Water Act regulations, which streamlined the permitting process without sacrificing any environmental protections, were a gamechanger for U.S. infrastructure projects writ large in the United States. In fact, before the modernizing reforms, the Council on Environmental Quality found that the average environmental impact statement required for a single project was over 600 pages and took agencies 4 and a half years to complete ([CEQ, 2020](#)). This broken process means that all infrastructure projects, even proposed "green" infrastructure projects, are slowed and threatened, creating a significant drag on the entire U.S. economy. Despite the Biden Administration's stated commitment to infrastructure and expansive energy ambitions, they have already begun to delay and reverse critical reforms, including NEPA and Section 401 reforms. We must build, not backtrack, on critical reforms for the future of American infrastructure and prosperity. AFPI will advocate for additional permitting reform so that critical infrastructure can be built.

- **A level playing field for all sources of energy to compete:** Subsidies for various sources of energy have distorted the marketplace for decades and have led to the misallocation of capital with many negative consequences. AFPI will work at the federal and state level for free-market policies that allow the best technologies and businesses to succeed so that consumers do not have to pay higher prices or endure blackouts because of failed central planning.
- **Increased energy exports and international energy dominance:** Thanks to the shale revolution, the removal of the crude oil export ban, and the pro-Liquefied Natural Gas (LNG) export policies of the prior administration years, the U.S. has become a major player in the international energy market. In fact, in LNG alone, the U.S. has increased exports nearly six-fold since January 2017, and the U.S. is now one of the top three exporters in the world ([EIA, 2021b](#), [International Gas Union, 2020](#)). Across the board, U.S. products have undercut Russia and other adversarial countries and provided additional energy security to our allies. In addition to fighting to restore and maintain the domestic policies that make this possible, it is imperative that the United States



pushes back on efforts by other countries to limit market access for U.S. products. AFPI will promote policies that support market access for all U.S. energy products and technologies abroad and will help provide information and education so that U.S. policymakers can make strong arguments abroad.

- **Realistic, fact-based, and economically viable solutions for complex environmental problems:** As has come to be true of many subjects of discourse in the United States, energy and environmental policies engender passion such that fact-based debates are nearly impossible. Yet, these policies and issue areas are complex and merit serious research and proposals that address tough issues in a rational and honest way. AFPI will work to contribute to this function.
- **Energy policies that help America's most vulnerable and end energy poverty—ensuring that every American has access to affordable, reliable energy:** Often lost in discussions surrounding energy issues is a consideration of the effects they have on those most in need. Low-income households spend a larger portion of their income on energy and fixed costs; this means that energy policy has a profound impact on the Nation's most vulnerable. Thus, positive improvements like the shale revolution have disproportionately benefitted low-income households, with the poorest fifth of households experiencing five times the savings as a portion of income as the richest fifth of households and the average family of four saving \$2,500 annually. ([CEA, 2019](#)). This also means misguided energy policies disproportionately harm low-income families. Access to affordable, reliable energy is necessary in modern society, yet many American families still struggle with energy poverty. In 2015, almost 50 percent of those among the bottom fifth in terms of household income reported having experienced some form of energy insecurity. Nearly 40 percent reported reducing or foregoing food or medicine to pay energy costs. Energy poverty also disproportionately affects minorities, with 52 percent of black households reporting some type of energy insecurity, compared to 28 percent of white households ([EIA, 2018](#)). AFPI will advocate for policies that keep consumers' costs low and ensure reliable energy supplies across the country so that all Americans have the opportunity to succeed.

STRATEGIC APPROACH

- **ENGAGE WITH FEDERAL OFFICIALS:** AFPI will engage with federal officials to provide information and lay the groundwork for enacting good energy policies.
- **IDENTIFY WASTEFUL REGULATIONS AND OPPORTUNITIES FOR REGULATORY REFORM:** Bureaucratic overregulation and red tape have bogged down American innovation for nearly a century. AFPI should identify wasteful rules and advocate for their repeal. AFPI will also look to support opportunities for meaningful reform to modernize and right-size necessary, effective regulations to ensure a transparent, predictable regulatory environment.
- **ENGAGE WITH STATE AND LOCAL GOVERNMENTS:** AFPI will engage with states and local governments to promote a strong middle class and build a coalition that protects American energy independence.



- **RELATE ENERGY POLICY TO THE PEOPLE:** Media, government, and academia have oversimplified the energy economy to just “gas prices” and have neglected the vast effect of energy on our everyday life. AFPI will expand the foundation of common energy understanding so that all Americans can better advocate for themselves and the future of their country.

WHAT THIS MEANS FOR AMERICANS

It would be difficult to overstate the importance of a sound energy policy to the success of a nation. Energy policy profoundly impacts all aspects of American life—beyond the obvious daily effects of gas or energy prices, energy is crucial to pharmaceuticals, plastics, tech products, chemicals, and beyond. Energy powers our homes, our schools, our businesses, and our military. Energy infrastructure and access are foundational to economic growth and opportunity, and America’s energy stance defines our position internationally. Put simply, energy is central to all economic enterprises and the lives and well-being of all Americans.

All Americans benefit from rational, transparent energy policy grounded in the best economics and science, not punitive political agendas or apocalyptic rhetoric. American energy policy that relies on free-market principles to drive energy growth unleashes the vast potential of the private sector to drive innovative, competitive advancements that make the most efficient use of our resources and benefit businesses and consumers alike. Importantly, a fair, streamlined, and predictable regulatory environment encourages investment and allows small businesses—with fewer resources to dedicate to excessive government red tape—to enter the market and thrive, spurring innovation and competitive solutions. Further, as high energy costs disproportionately harm lower- and middle-income Americans, our Nation’s most vulnerable stand to benefit the most from sound energy policy.

LONG TERM VISION

The Center for Energy Independence recognizes that the central aim of American energy policy must be American energy independence, resilience, and dominance. Energy policy is essential to economic and national security, and we are invested in the future of American energy policy that promotes American prosperity, supports our international priorities, and protects our environment.

We believe this is best achieved by energy policies grounded in free-market principles and allow the U.S. private sector to drive innovation and growth. The United States must embrace the “all of the above” approach to policies that drove record growth in American energy across the board—from coal, natural gas, and oil to nuclear, wind, solar, and hydropower. A transparent, predictable regulatory environment will allow the market to determine commercial success and encourage competition, investment, and innovation. This will provide the foundation for better technology, better infrastructure, a thriving U.S. economy, and a better life for all Americans.



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