## **EPSC Announces New Leadership**



During its recent Austin, TX meeting, the Energy Producing States Coalition (EPSC) announced Utah Representative Roger Barrus as its new Chairman and Alaska Senator Cathy Giessel as its new Chairman elect.

Chairman Barrus presented his goals for the group for his term. They included:

- Formalizing collaboration with elected officials through organizations like the Western States Caucus;
- Determining the appropriate messaging so that those opposed to states development of energy resources aren't the ones defining the debate;
- Increasing the collaboration amongst members on legislation to ensure that when there is a problem, it get's tackled and solutions are found;
- Create working groups within EPSC to focus on particular issues so that there is on-going work on issues of relevance to the group; and
- Growing the membership and influence of the group.

EPSC appreciates the leadership of Wyoming Speaker-elect Tom Lubnau over the past two years and his continued support of EPSC.

#### Austin, TX Meeting, Sunday December 2, 2012

EPSC members met in Austin, TX on Sunday, December 2, 2012 as part of the Council of State Governments Annual Conference. The meeting agenda included:

- A summary of energy related issues facing EPSC states,
- A panel discussion on the Opportunities and Challenges 2013-2014 with business and trade association representatives,
- A discussion on Public Land issues led by Utah Representative Rob Bishop (R, UT 1),
- A presentation on how the state of Texas is approaching natural resource development from <u>Texas Railroad Commission Chairman Barry Smitherman</u>,
- A group discussion on ways to collaborate on potential legislation across states focusing on draft legislation proposed by <u>Wyoming Speaker-elect Tom Lubnau</u> dealing with how states should respond to challenges and lawsuits related to valid state issued permits and
- Wrapped up with the announcement of Utah Representative Roger Barrus as the <u>new EPSC</u> <u>Chairman</u> and Alaska Senator Cathy Giessel as the new Chairman-Elect.

### **Calls to Action**

At the Austin meeting, a draft comment letter to the Nebraska Department of Environmental Quality in support of the revised route for the Keystone XL pipeline was presented and approved. The draft letter

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was emailed to each participant following the meeting. Numerous EPSC members submitted <u>comment</u> <u>letters</u>.

EPSC Chairman-Elect, Alaska Senator Cathy Giessel brought up another issue, Emission Control Area (ECA) during the discussion that impacts coastal communities across the country. EPA has imposed an ECA within a 200-mile limit around North America.

Under this regulation, marine vessels, including freight ships, cruise ships and oil tankers, are restricted to use fuel with 1% sulfur content as of August 1, 2012. Beginning January 1, 2015, the limit will be further reduced to .01%. Low sulfur fuel is much more costly than projected. On August 1, 2012, ECA compliant fuel prices increased from \$656 per metric ton to \$930 per metric ton, representing a 46% increase in fuel costs. Today's prices for .1% sulfur fuel (required on January 1, 2015) is \$1,130 per metric ton, or 72% fuel increase from pre-ECA prices.

This proposal would have devastating economic consequences on coastal areas. A <u>draft comment letter</u> was drafted to Alaska Senator Mark Begich, Chairman of the Senate Commerce Subcommittee on Oceans, Atmosphere, Fisheries and Coast Guard to encourage language to be inserted in the Coast Guard authorization bill that would include the ECA Pilot Project. <u>Senator Giessel</u> has already submitted her comment letter and encourages other EPSC members to do the same.

#### Recruiting

EPSC has been adding new states and members to the coalition. There are currently members representing eight states. Those states are: Alaska, Colorado, Mississippi, North Dakota, Ohio, Texas, Utah and Wyoming. The newest members include: Representative <u>Craig Johnson</u> (AK), Representative <u>Steve Handy</u> (UT) and Representative <u>Angela Cockerham</u> (MS).

As a reminder, EPSC membership is open to any state legislator or legislature that is serious about energy production and that supports the Mission Statement of the EPSC. Currently, membership is neither time consuming nor expensive. Members do not pay dues to EPSC. If you know of colleagues that might be interested in joining, all that is needed is to fill out this <u>form</u>.

#### Website

EPSC's new <u>website</u> is up and running. If you have suggestions for issues, content or event updates, please let Bo Ollison know. Bo can be reached at <u>BOllison@HBWResources.com</u>.