



## Update from Western Energy Alliance

May 3, 2022

- SEC should extend public comment to 180 days on the climate disclosure rule
- Interior's lease sales announcement is too little, too late
- Alliance president Kathleen Sgamma appears twice in Senate hearings on high prices.

### SEC Climate Disclosure Rule is a Rush Job

This week, the Alliance submitted a [joint trades letter](#) signed by a coalition of 36 trade and industry associations asking for a full 180-day comment period for the SEC's climate change disclosure rule. SEC has given the public just 39 days to weigh in, with a deadline of May 20<sup>th</sup>. The associations represent thousands of upstream, midstream, downstream, and service companies. The millions of workers we represent are specifically targeted by the SEC rule.

If your organization would like to send a similar letter requesting that the SEC extend the comment period, we have [position paper](#) that provides some useful background that may be useful.

The key message we focused on was that 39 days might be great for a simple rule, but are woefully inadequate for the magnitude of this rule. The SEC climate rule runs 506 pages, contains 1,068 footnotes, references 194 dense academic and governmental reports, imposes a \$10.235 billion cost on society, and seeks answers to 196 discrete questions. The public requires ample time to consider all the materials SEC has laid out in this rule in order to thoughtfully and thoroughly respond. Likewise, SEC has a statutory obligation to provide the public with a meaningful opportunity to comment.



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#### Prices at the Pump



Alliance President Kathleen Sgamma [appeared on FOX & Friends](#) to explain why the Biden Administration should reverse course on anti-oil and natural gas policies in order to help bring down high gas prices.

At a time of high gasoline prices when the world needs more, not less, American oil and natural gas production, this rule is uniquely ill-timed.



### Interior’s Lease Sale is Too Little, Too Late

As with any administration wishing to bury “bad” news, the Department of the Interior’s lease sale announcement at 4pm on the Friday before the Passover/Easter holiday weekend was true to form. Dragged kicking and screaming by a federal judge from Louisiana, the Interior Department offered the most [begrudging lease sale announcement](#) we’ve ever seen.

While we’re glad to see the Bureau of Land Management (BLM) is finally going to hold sales in June, the extreme reduction of acreage by 80% is unwarranted and does nothing to show that the administration takes high energy prices seriously. The parcels announced had already been fully analyzed at the end of the Trump Administration and were ready to go before the Biden Administration decided to redo the analysis. Career employees at BLM—not political appointees—had done that analysis and determined it was protective. And holding a sale after five quarters without a single one doesn’t erase the fact that BLM violated the law.

We would like to know how Interior’s lack of lease sales may be impacting your business or community. If there are any details you can provide on the downturn of business or reduction in shared revenues from the sale, [please let us know](#).

We have a hearing on May 13<sup>th</sup> in the U.S. District Court of Wyoming in the leasing ban lawsuit we filed in January 2021, and hope the judge will rule that indeed, [BLM violated the law](#) and needs to move forward with regular leasing. We’ll be arguing that the judge should compel BLM to meet its legal obligations to hold quarterly lease sales and rule that bureaucratic foot-dragging is not an excuse.

State	Parcels Nominated	Acreage Nominated	Parcels Offered	Acreage Offered
Colorado	119	141,675	9	5,276
Montana/Dakotas	29	6,849	23	3,406
Nevada	10	10,673	5	2,560
New Mexico/Oklahoma	6	536	6	536
Oklahoma	1	15	1	15
Utah	6	6,645	1	160
Wyoming	459	560,231	129	132,771
<b>Total</b>	<b>629</b>	<b>726,609</b>	<b>173</b>	<b>144,709</b>

## Everybody is Getting Into the Act

As Congress has focused on what’s causing high prices at the gas pump, Alliance President Kathleen Sgamma has appeared before two Senate Committees in the past month. On both occasions, she’s helped explain the need for the president to reverse course to enable American producers to increase supply and bring down energy prices.



Chairwoman Maria Cantwell (D-WA) of the Senate Commerce Committee first looked at the issue of price gouging at the gas pump. But an [interesting thing happened](#) as the committee focused on making the case that “Big Oil” is manipulating markets: the chair’s witness ended up being a proponent of the small, independents that the Alliance represents. He agreed that the Administration should reassure investors and argued for the need to capitalize our industry.


Most recently, Kathleen testified before the Senate Banking Committee’s Subcommittee on Economic Policy. Chairwoman Elizabeth Warren (D-MA) focused on the high costs of child care and inflation. Kathleen explained that the president could [help ease inflation](#) by backing off anti-oil and natural gas policies and efforts to restrict capital lending, such as the Securities and Exchange Commission’s (SEC) climate change disclosure rule.

Unfortunately, we have seen few meaningful signs that a policy reversal is in the cards. The administration continues to show it is not serious about increasing production, reducing energy prices, and controlling inflation.

Western Energy Alliance is always available to answer any questions you may have about western oil and natural gas development. Feel free to contact me or [Tripp Parks](#), Vice President of Government Affairs, for questions about our advocacy efforts.

Sincerely,

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