

## **Supporting an All-of-the-Above Approach to American Energy and Protecting Consumers at the Pump**

During the State of the Union Address, the President laid out a blueprint for a new era of American energy – an economy fueled by homegrown and alternative energy sources that will be designed in America and produced by American workers. While there's no silver bullet to address rising gas prices in the short term, the Obama Administration will continue to take every possible step to enhance energy security and protect consumers against rising gas prices in the long term. We are committed to an all-of-the-above strategy that expands production of American energy resources, like oil and natural gas; increases energy efficiency to save families and businesses money at the pump; and develops cleaner, alternative fuels to reduce our dependence on oil. President Obama has also called on Congress to eliminate subsidies for oil and gas companies that cost American taxpayers \$4 billion every year and taken aggressive steps to root out fraud and manipulation in the oil and gas markets.

### **Expanding Domestic Production of Oil and Gas and Reducing Imports**

***Production by the Numbers:*** Since 2008, U.S. oil and natural gas production has *increased each year*, while imports of foreign oil have *decreased*.

- In 2011, U.S. crude oil production reached its highest level in 8 years, increasing by an estimated 110,000 barrels per day over 2010 levels to 5.59 million barrels per day.
- U.S. natural gas production grew in 2011 – the largest year-over-year volumetric increase in history – and easily eclipsed the previous all-time production record set in 1973.
- Overall, oil imports have been falling since 2005, and net imports as a share of total consumption declined from 57 percent in 2008 to 45 percent in 2011 – the lowest level since 1995.
- The Administration has announced the 2012-2017 Offshore Oil and Gas Development Program, which will open more than 75 percent of our potential offshore oil and gas resources.

### **Establishing Historic Fuel Economy Standards**

***New Standards for Passenger Vehicles:*** Taken together, the Obama Administration's standards for cars and light-duty trucks span model years 2011 to 2025 and represent the first meaningful update in over three decades. Under this program, average fuel efficiency will reach a performance equivalent of 54.5 miles per gallon by 2025 and will:

- Save consumers \$1.7 trillion at the pump – or roughly \$8,200 per vehicle;
- Slash oil consumption by 2.2 million barrels a day; that's half of the oil we import from OPEC every day;

***The First-Ever Standards for Heavy-Duty Vehicles:*** The Administration has also finalized the first-ever national fuel efficiency and greenhouse gas (GHG) emission standards for heavy-duty trucks, vans, and buses spanning model years 2014-2018, which will reduce oil consumption by over 500 million barrels, and save truck owners and operators more than \$50 billion in fuel costs.

### **Protecting American Consumers and Energy Security**

***Ending Wasteful Fossil Fuel Subsidies:*** The President's FY 2013 Budget eliminates subsidies for oil and gas companies that cost American taxpayers \$4 billion annually and impede investments in cleaner sources of energy.

***The Oil and Gas Fraud Working Group:*** In March 2011, President Obama asked the Attorney General to work with Federal and state agencies to monitor oil and gas markets for potential wrongdoing. As a result, the Oil and Gas Fraud Working Group was established at the Department of Justice to enforce state and federal law and safeguard against manipulation of oil and gas prices, collusion, fraud, or misrepresentations at the retail or wholesale levels that violates state or federal laws.

***Help Middle Class Families:*** In February 2012, Congress extended the payroll tax cut that will benefit over 160 Americans. As a result of this agreement, the typical American family will still see an extra \$40 in every paycheck, keeping about \$1,000 of their hard-earned money this year. President Obama fought for this tax cut which will strengthen the economy and help middle class families confronting higher gas prices. That's also why he's pushing Congress to implement other policies, like a housing plan to help responsible homeowners refinance and save about \$3,000 a year, and fair tax policies to ensure that everyone gets a fair shot, everyone does their fair share, and everyone plays by the same rules.