

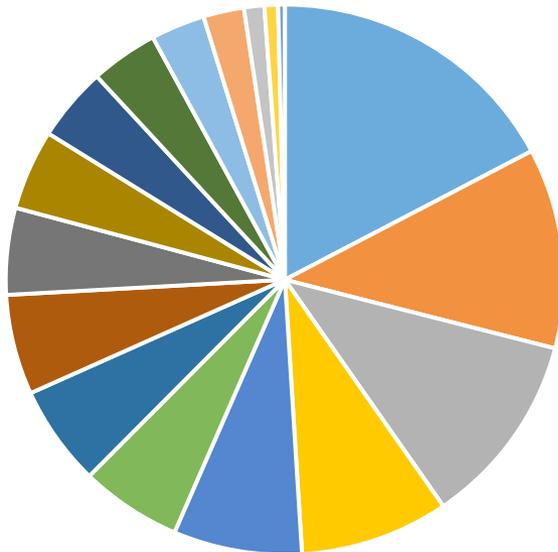


**Arctic OCS:  
Examining the Clear & Critical  
Opportunity for Alaska & America**

**Resource Development Conference  
November 16, 2017**

*The mission of CEA is to improve consumer understanding of our nation's energy security, including the need to reduce reliance on imported oil and natural gas, maintain reasonable energy prices for consumers, and continue efforts to diversify our energy resources.*

## Membership Makeup by Industry



- Oil, Gas & Nuclear Association
- Chamber of Commerce
- Consumer Discretionary Services
- Trucking/Transportation/Logistics
- Manufacturing/Chemicals
- Independent Oil & Gas/Support & Services
- Engineering/Machinery/Construction
- Other
- Agriculture/Food & Beverage
- Power Generation/Utility
- Oil & Gas/Fossil Fuel Producer
- Energy-focused Consumer Associations
- Renewable Producer/Association
- Education
- Insurance/Healthcare
- Technology
- Nuclear Producer

## CEA Approach

- Unique Voice – Consumer Advocate for Energy Industry
  - Families, Households, Business, Labor, Farmers, Builders, Medicine, etc
- Campaign Organization
  - Issue oriented campaign approach
  - Media, Digital/Social, Elected Officials, Moving target demographics, thinking Long-term
- Focusing outside DC and State Capitals
  - Fighting where the issues are and working to create a proactive, positive energy narrative

## CEA-AK

- ~700,000 public comments in favor of AK energy since 2009
- Pipeline Pioneers with The Alliance
- OCS/Arctic letter to Obama signed by 107 businesses sent Nov 2016

- Potentially the most historic change election since Reagan
- Repudiation of Obama's tenure by large swaths of the country
- 50%+ of Union workers voted for Trump & working class voted overwhelmingly for Trump
- Hispanics voted at same % as last election (~70/30); not showing that Trump message turned off Hispanics
- Elites, media, Hollywood utterly rejected.... In fact, evidence that their outright support of Hillary moved people to Trump
- Globalism kicked again



- After the shock wears off, anti-energy activists **WILL** come back more aggressively with smarter and strident tactics – especially at the state/local level to prep the landscape for 2020. Already seeing evidence of this!

## **NOTE:**

- There are ~1,500+ anti-energy organizations in U.S.
- Well Funded & Coordinated
- Spent ~\$200M to \$500M in 2016. Post Trump Election, we expect this spend to increase significantly with eye toward 2020.
- Professional Agitators
  - E.g., of the 416 arrests related to the Dakota Access Pipeline, only 8.4% have actually been from ND. 92% have been bused in from out of state!



## **Putting the Energy Debate In Context**

**19,400,000**

**Average # of Barrels of Oil Consumed Each Day  
36% of the Energy Mix**



27.31

Avg TcF of Natural Gas Consumed Each Day  
26% of the Energy Mix



~5.25%

Percent of US Oil Supplied by Alaska



1.9%

Percent of US power supplied by Wind (2015)

**Context**



**BINGO!!**

**~<1.0%**

**Percent of US power supplied by Solar  
(2015)**



## Putting the Energy Debate and Arctic Energy In Context

1,000,000+

# of Wind Turbines Needed to meet O&G equivalent that Alaska supplied in August 2016

5X size of Seattle

1/3 surface area of Rhode Island

Larger than Seattle, Portland & Denver combined

252K For Oil

766K for Natural Gas



# Putting the Energy Debate and Arctic Energy In Context

115,813,866,000

# of Solar Panels Needed to Replace Alaska Oil produced August 2016

1/3 size of Dallas



## Even More Context....

3,000,000

# of Data Centers in the US

2%+ of Total US Energy Consumption & Growing  
Doubled consumption b/w 2001 and 2007



## Even More Context....

~30%

% of US oil & natural gas used for manufacturing & industrial sector

Growth Opportunities for US!

US Govt Workers now outnumber manufacturing workers by 9.9M



**More....**

**3,950,000,000**

Vehicle Miles Traveled (2014)

21,000 Trips to the Moon and Back



**More....**

**4.9%**

% US energy oil & natural gas that goes into production of plastics for food and beverage packaging



**Even More....**

**~0.03%**

US energy consumed by SmartPhones, which is **MORE** than Energy Star Refrigerators on an annual basis



- 1995: Desktop Computer & a Game System
- 2000: Maybe a Laptop and a Cell Phone
- 2009: Laptop and Wireless SmartPhone
- 2016: Laptop, SmartPhone, Tablet, Streaming Digital on TV, Game System, FitBit Tracker, GPS Watch
- Energy Demand is *INCREASING!*

- Inconsistent Application of - & Improper Execution of Regulations
- Fundamental Disconnect on the Energy Narrative
- Organized Opposition focused at the National, State & Local Level
  - Looking long-term; multi-election cycles to move key demographics
  - Unified voice – well-orchestrated, similar language (“Keep-It-In-The-Ground”)
  - Grassroots savvy - hundreds of grassroots, anti-development groups are building local resistance campaigns practicing:
  - Early adoption of social media to inspire and foster a sense of community
  - Civil disobedience, antagonizing, and violence

- **Proactive:** First movers create first impressions. Early communications telling positive stories resonate better than reactions to negative attacks
- **External & Integrated:** Building and maintaining external relationships is critical; coordinating campaign tools and stakeholders in an integrated manner provides credibility and creates the most effective campaigns
- **Utilize Third Party Messengers:** Third party messengers show that energy production is important to the entire economy
- **Changing the Narrative:** Industry will always lose debates featuring *Big Oil* against *Communities*; and *Energy versus Environment*
- **Show Pride; Do Not Apologize for Energy:** Rather than defending oil and gas production, support industry with facts about how energy benefits Americans



- Focusing on our members who are “families, households and small businesses”
  - These groups are underrepresented in the discussion and are the most impacted by failed energy policies
- “Mirror, Mimick and Confront” anti-energy organizations
  - They offer **NO SOLUTIONS!**
- Focusing **OUTSIDE** state capitals and DC.. where the long-term fights are occurring

**RDC**



**THANK YOU**

# QUESTIONS?

**David Holt**

**President**

**Consumer Energy Alliance**

**[dholt@consumerenergyalliance.org](mailto:dholt@consumerenergyalliance.org)**

**713-524-2622**