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National Petroleum Council

North American Natural Gas and Oil Resources Study

***Integrated Study Plan***

**IOGCC Annual Meeting  
Tucson, AZ**

**November 16, 2010**

# National Petroleum Council (NPC)

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- Origins: Continuation of WWII government / industry cooperation.
- Purpose: Sole purpose to advise U.S. Secretary of Energy and Executive Branch by conducting studies at their request.
- Organization: A Federally chartered, self-funded Advisory Committee. Not an advocacy group, does not lobby.
- Membership: Broad and balanced. Approximately 200 members from all segments of the oil and gas industries and many outside interests.
- Study Participants: Diverse interests and expertise relating to the topic being addressed.
- Study Reports: All NPC advice is provided in reports approved by its members and available to the public. They can be viewed and downloaded at no cost from the NPC website – [www.npc.org](http://www.npc.org)

# NPC Study Requests from Energy Secretary Chu

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- September 19, 2009 letter requesting the NPC to conduct two new studies:
  - Future Transportation Fuels
  - Prudent Development of North American Natural Gas and Oil Resources.
- April 30, 2010 supplemental letter amplifying on technology and policy goals for the two studies.

Both letters are available on the NPC website:

[www.npc.org](http://www.npc.org)

# Proposed Resource Study Objectives

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- Assess the North American natural gas and oil conventional and unconventional resource base.
- Assess the productive capacity of the resource base through 2035; and provide views to 2050.
- Explain the role of technology in making this resource producible.
- Describe demand for natural gas in the U.S. through 2035; and provide views to 2050.
- Identify how increased use of natural gas could result in lower GHG emissions in all sectors of the economy, including power generation and transportation.
- Describe the operating practices of the industry and the technology used to minimize impacts on the environment.
- Develop policy options that will allow for the prudent development of these resources with the objectives of:
  - Protecting the environment
  - Sustaining economic growth and competitiveness
  - Promoting energy security.

# Guiding Principles

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- Scope, then execute
  - Develop a detailed scope of work for each study group before commencing work
- Encourage diversity of thought
  - Involve a diverse set of participants to maximize input and acceptance
- Promote consensus-based leadership
- Maximize the use of prior studies
  - Provide a broad review of current research
  - Conduct new studies only as needed
- Ensure clarity of assumptions

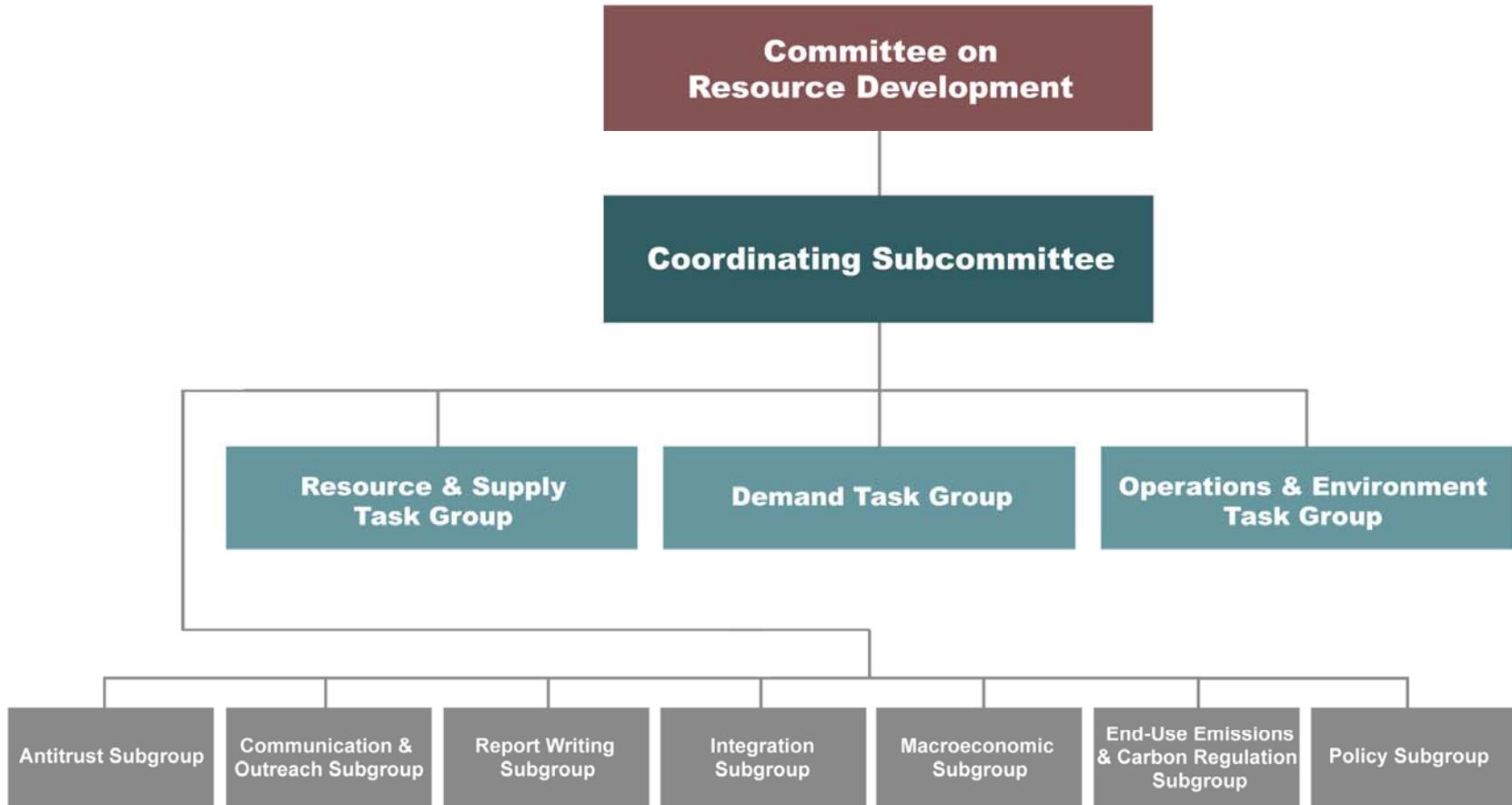
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# Guiding Principles (continued)

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- Examine the facts then address policy
  - Advance basic analytical work to reach consensus on the facts
  - Assess policy through three lenses
    - Environmental
    - Economic
    - Security
- Conduct communications and outreach throughout the study
- Coordinate with NPC Future Transportation Fuels study

# Resource Study Structure



# Resource Study Leadership

## Study Committee Leadership

Chair	Jim Hackett (Anadarko)
Government Cochair	Dan Poneman (DOE)
Alternate Gov Cochair	Kristina Johnson (DOE)
Resource & Supply Vice Chair	Marvin Odum (Shell)
Demand Vice Chair	Dan Yergin (IHS CERA)
Operations & Environment Vice Chair	Aubrey McClendon (Chesapeake)
Policy Vice Chair	Phil Sharp (RFF)
Secretary	Marshall Nichols (NPC)

## Coordinating Subcommittee

Chair	Clay Bretches (Anadarko)
Government Cochair	Jim Markowsky (DOE)
Alternate Government Cochair	Chris Smith (DOE)
Assistant Chair	Scott Moore (Anadarko)
Secretary	John Guy (NPC)

### **Members**

Bob Anthony (NARUC)	Matt Letourneau (US Chamber)
Porter Bennett (Bentek)	Steve London (Halliburton)
Randy Broiles (ExxonMobil)	Jan Mares (RFF)
Mark Brownstein (EDF)	Doug May (Dow)
Chris Conoscenti (JP Morgan)	Phil Moeller (FERC)
Scott Davis (Chevron)	Frank Prager (Xcel Energy)
Jonathan Elkind (DOE)	Kyle Sawyer (El Paso)
Ned Farquhar (DOI)	Andrew Slaughter (Shell)
Fiji George (El Paso)	Sue Tierney (Analysis Group)
Paul Hagemeyer (Chesapeake)	Frank Verrastro (CSIS)
Steve Layton (E&B Resources)	Ken Yeasting (IHS CERA)

# Resource Study Leadership (Continued)

## Task Groups

### Resources & Supply Task Group

Chair	Slaughter (Shell)
Govt. Cochair	Freitas (DOE)
Alt. Govt. Cochair	Duda (DOE)
Asst. Chair	O'Donovan (Shell)
Secretary	Guy (NPC)

### Ops & Environment Task Group

Chair	Hagemeier (CHK)
Govt. Cochair	Harvey (DOE)
Govt. Cochair	Hummel (DOE)
Asst. Chair	Fowler (CHK)
Secretary	Slaughter (NPC)

### Demand Task Group

Chair	Yeasting (CERA)
Govt. Cochair	Kendell (DOE)
Alt. Govt. Cochair	Braitsch (DOE)
Asst. Chair	Osten (CERA)
Asst. Chair	Curry (Chevron)
Secretary	Guy (NPC)

## Coordinating Subcommittee Subgroups

### End-Use Emission & Carbon Regulation Subgroup

Chair	George (El Paso)
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### Macroeconomic Subgroup

Chair	Conoscenti (JP Morgan)
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### Policy Subgroup

Chair	Tierney (Analysis Group)
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### Integration Subgroup

Chair	Bennett (Bentek)
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### Report Writing Subgroup

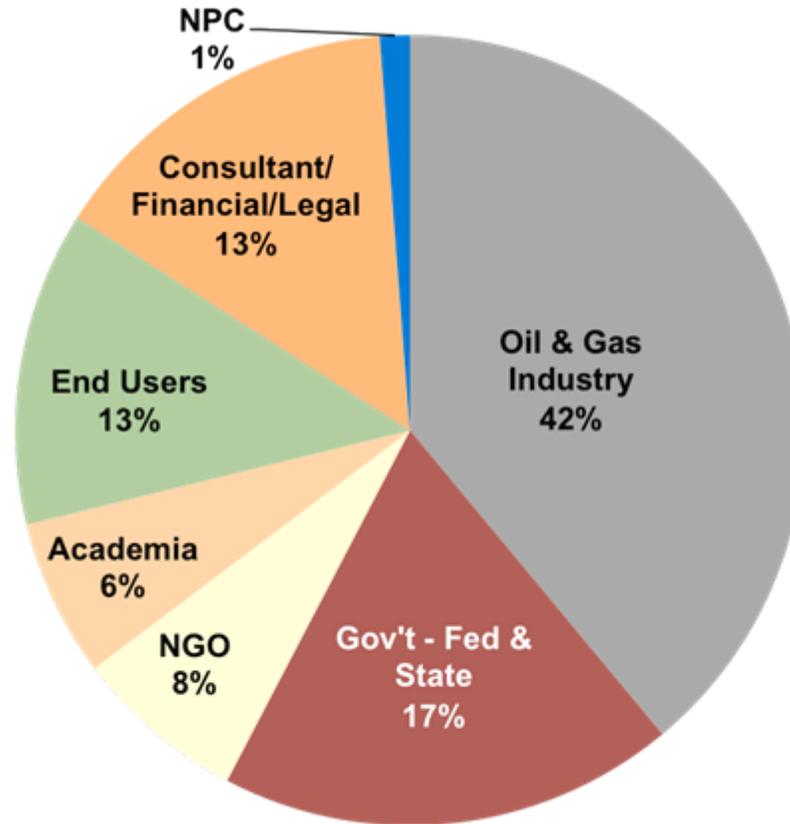
Chair	Sawyer (El Paso)
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### Communications & Outreach Subgroup

Chair	Letourneau (US Chamber)
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# Resource Study Demographics

Total Study Participation  
(Committee, CSC, Task Groups, Subgroups)



400Participants

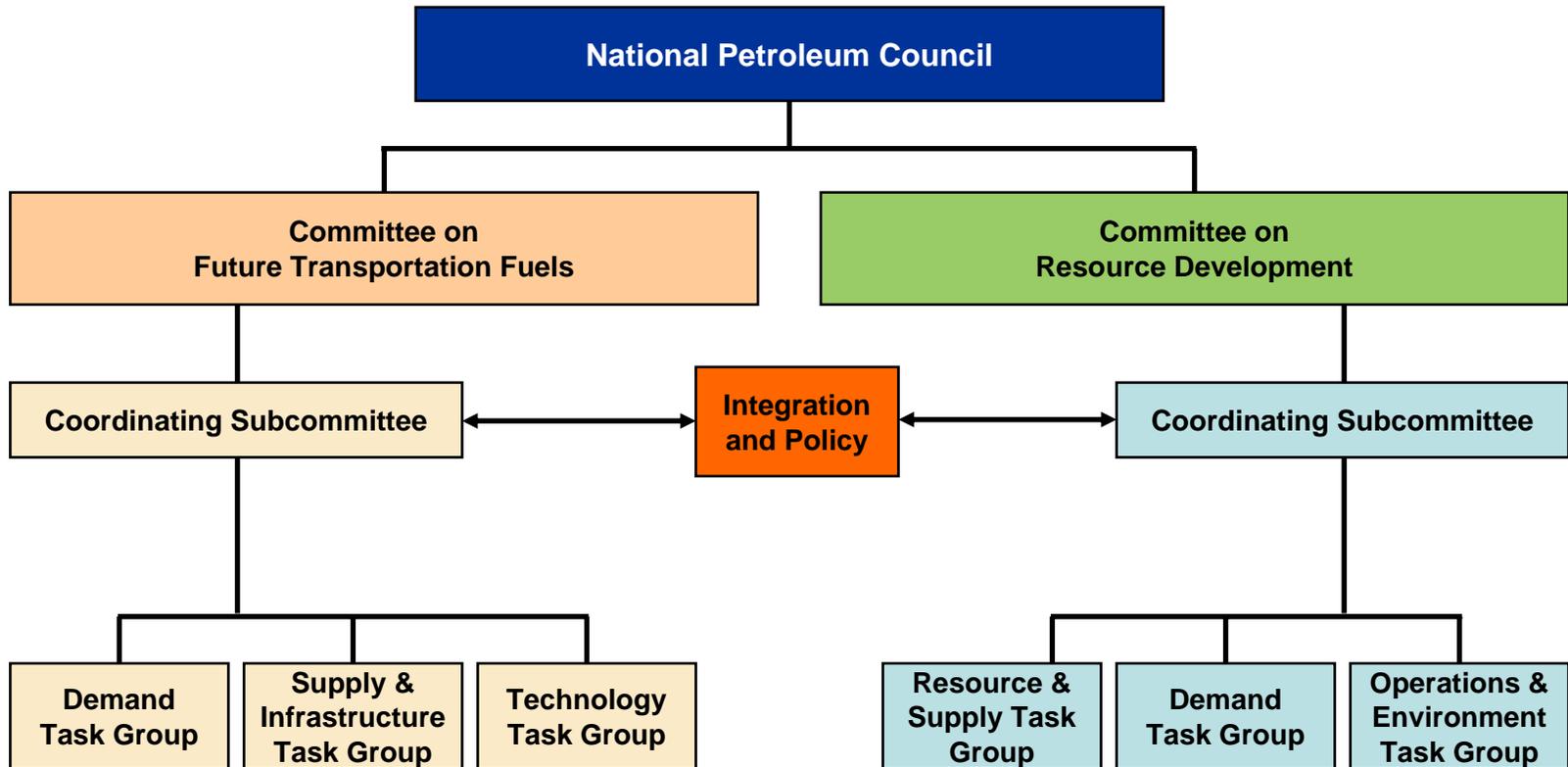
# Study Diversity

Oil & Gas Industry	Government	Non Governmental Organization	Academia	End Users	Consultants/ Financial/ Legal
Integrated (8)	DOE	EDF	Colorado – Mines	Industrial (7)	Consultants (16)
Independent (13)	DOI	NRDC	Harvard	Power (11)	Financial (2)
Service Cos (4)	EPA	Nature Conservancy	MIT	LDC (7)	Legal (5)
Pipelines (5)	FERC	Pew Center	Penn State	Trade Assoc (3)	
Trade Assoc (2)	EIA	RFF	Rice		
	MMS/BOEMRE/BLM	Sierra Club	U. Texas		
	State (6)	Other (3)	Other (7)		

( ) represents number of companies, agencies & institutions

***... over 100 Companies, Agencies & Institutions participating in the study***

# Structure and Integration of Two New Studies



# Reminder: Request to NPC from Energy Secretary Chu

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- Study Future Transportation Fuels prospects through 2035/2050 for auto, truck, air, rail and waterborne transport
- Address fuel demand, supply, infrastructure, and technology
- Advise on policy options and pathways for integrating new fuels and vehicles into the marketplace, including infrastructure development
- Address the following question: (Supplemental Letter Apr 30, 2010)
  - **What actions could industry and government take to stimulate the technological advances and market conditions needed to reduce life-cycle greenhouse gas emissions in the US transportation sector by 50 percent by 2050 relative to 2005 levels while enhancing the Nation's energy security and economic prosperity?**

# Communications and Outreach

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- Purpose: broadly communicate (1) the purpose and process of the study upon approval of the study plan and (2) the findings and recommendations of the completed and approved study.
- Target Organization Types
  - Government – federal executive, federal legislative, federal and state regulatory
  - Associations – petroleum, electric utility, industrial, consumer, professional, regulatory
  - Public policy – think tanks, academia, conferences
  - Environmental NGO's – national and regional
  - Media – general, industry, public policy
- Time Frame
  - Initial outreach – 4Q and early 1Q 2010
  - Findings and recommendations – 3Q 2011
- Coordination with Fuels Study
  - Initial study outreach will be conducted jointly with the fuels study.
  - Resource study findings and conclusions will be completed prior to the Fuels study and thus will be presented independently.

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# National Petroleum Council

## North American Natural Gas and Oil Resources Study

**Information on the NPC and its current and past studies is available on the NPC website:**

**[www.npc.org](http://www.npc.org)**