



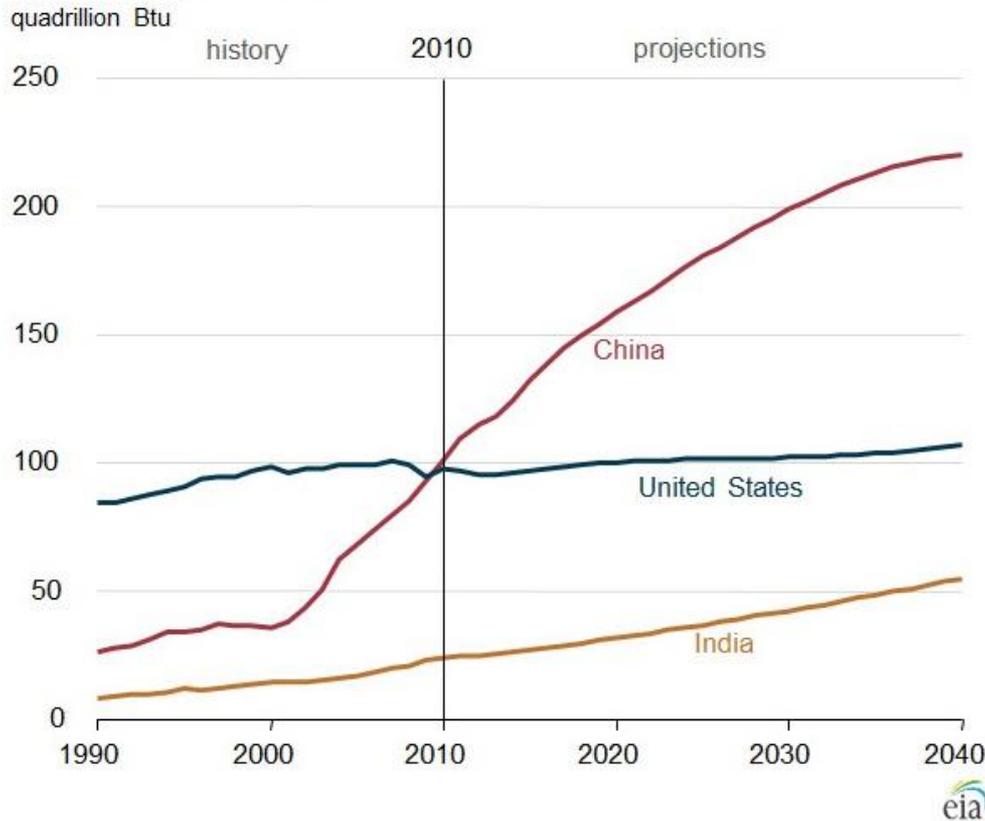
2014 IOGCC Annual Conference



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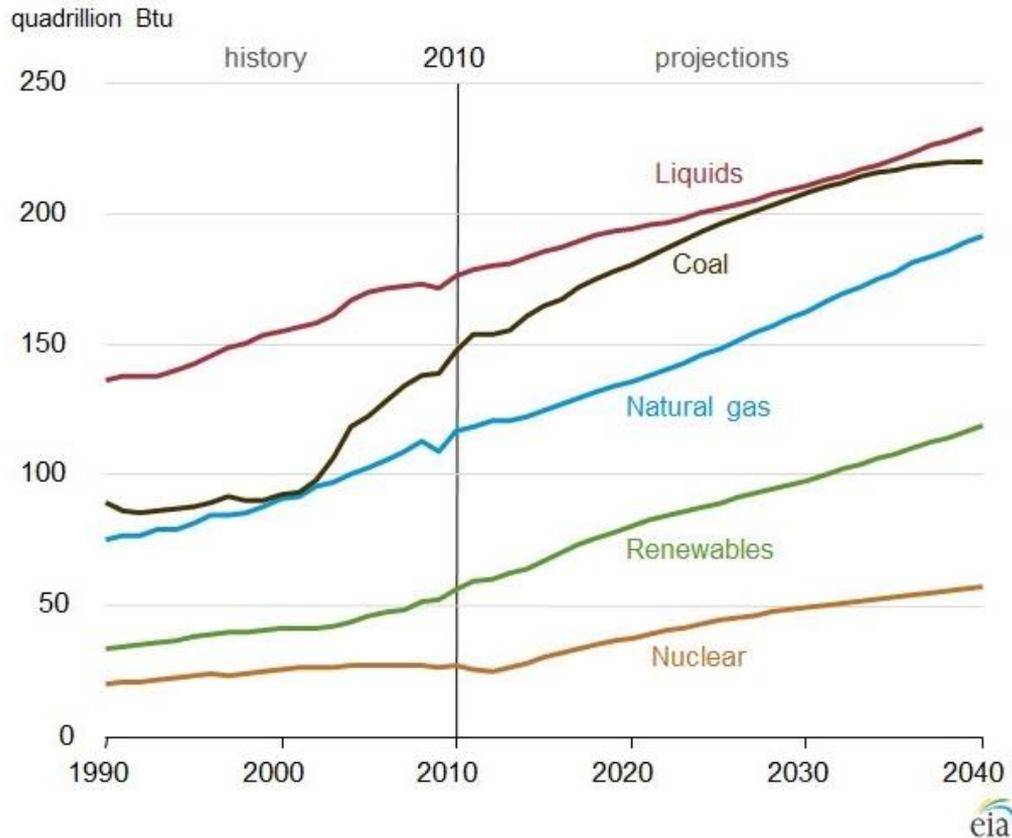
“Energy is the lifeblood of our country
and the soul of our economic
development.”

Energy consumption in the United States, China, and India, 1990-2040



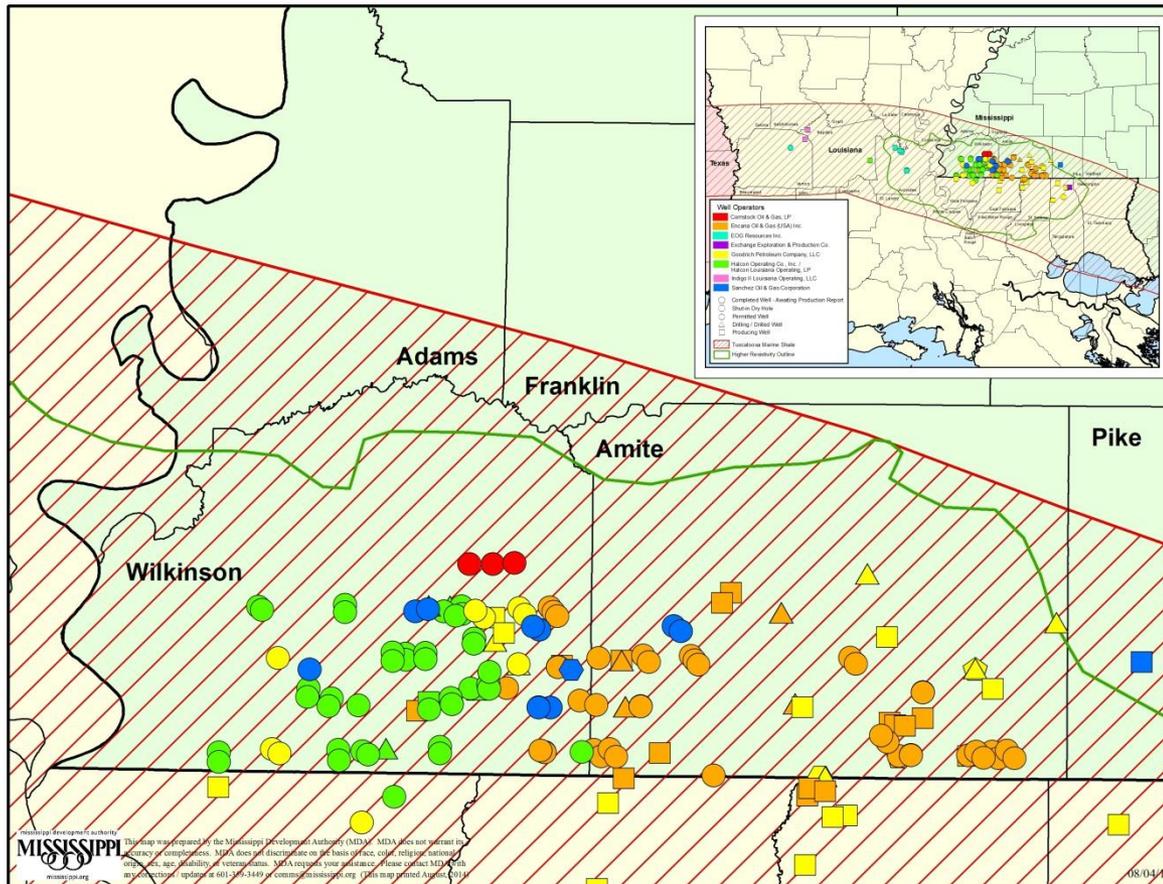
- Between now and 2040, energy consumption will rise over 56% across the world
- China and India will be the leading consumers of energy growth
- Led by an expanding middle class and long term economic growth

World energy consumption by fuel type, 1990-2040



- Fossil fuels account for over 80% of world energy use by 2040
- Petroleum and coal will remain the largest sources of fuel for energy consumption
- Natural gas most rapidly growing fossil fuel at almost 2% per year

Tuscaloosa Marine Shale in Mississippi



- Over 1.4 million barrels of oil have been produced from Mississippi TMS through July 2014
- Severance Tax Legislation passed in 2013 helped make Mississippi attractive to investors
- Severance tax went from 6% to 1.3% for 30 months, or until payout of the well

Activity Continues to Grow

- There are 24 producing wells reporting in the Mississippi TMS
- There are 20 wells currently drilling
- Total of 216 permitted wells for future drilling



www.statesfirstinitiative.org

States First Main Ideas:

- Regulations are best set by states
- States are Incubators of Regulatory Innovation
- State Permitting is Safe, Effective, and Timely (MS is #2 for permitting speed)
- Businesses can choose which states best suit their needs
- States have been leaders since 1930s

Empowering states to create solutions through:

- Ensuring transparency in regulatory development and implementation
- Engaging in collaboration and inclusion with all stakeholders
- Developing all resources in order to create jobs at home and energy stability for future generations
- Evolving regulations to meet technological innovation
- Setting world standards for compliance and enforcement in environmental regulation

EPA 111(d)

- Proposed rule to require states to reduce CO₂ emissions from existing power plants
- Mississippi Energy Institute (MEI) estimates cost to Mississippi ratepayers of complying with the proposed rule at \$14.2 billion
- Estimated Mississippi land requirements for new renewable generation
 - 21,000 acres of solar panels
 - 48,000 acres of wind mills

Waters of the United States (WOTUS)

- Proposed rule would put Clean Water Act jurisdiction over all areas that have any connection to downstream navigable waters.
- The change would give federal regulators substantial discretion to claim jurisdiction over most any water or wet area.
- The result would be more confusion and uncertainty for the regulated community, including farmers, private business, and local governments.
- The increased costs in agriculture and forestry alone could have a detrimental effect on Mississippi's economic vitality.

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#1

MISSISSIPPI RANKS
#2 IN THE
WORLD
FOR
OIL & GAS
DEVELOPMENT

Fraser Institute, 2013

#3

ONE MISSISSIPPI. TWO MISSISSIPPI. THREE MISSISSIPPI.

Mississippi Development Authority Marketing



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