

News Release



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Date: January 26, 2011
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Western Energy Alliance Applauds State of Union Pledge to ‘fix unnecessary burdens’ on industry *Hails executive order as first step to job growth and increased domestic production*

(Denver) – Western Energy Alliance today joined other pro-businesses organizations in welcoming President Obama’s executive order initiating a review of redundant and excessive regulations on industry, as well as his State of the Union pledge to “reduce barriers to growth and investment.” Western energy producers view these words and action as a positive sign that the Obama administration will begin to ease some of the burdens it has placed on western energy producers in recent months.

“The President’s executive order, coupled with last night’s pledge to ‘fix unnecessary burdens,’ give hope to an industry that over the past two years has been shackled with redundant and unnecessary regulations that make developing American energy even more expensive and costly,” said Marc Smith, Western Energy Alliance’s Executive Director. “We certainly hope that the President and his Administration will back up this action with real regulatory reform that lifts the burdens on western producers that are driving investment and jobs from our region.”

Western Energy Alliance has documented \$3.9 billion in investment that was diverted from the West in 2010 because of red tape and over regulation by the Department of Interior. This lost investment could have helped create upwards of 16,000 jobs in the West.

To assist federal policymakers in allowing job growth and increased domestic energy production, Western Energy Alliance recommends that the following areas of concern be addressed immediately:

- **EPA Overreach:** Recent EPA regulatory expansions impose excessive burdens on US industries, lack consistent and clear application, have unrealistic implementation timelines, introduce high levels of uncertainty into business decisions, and often lack a clear rationale for pursuing. The troubling pace and volume of regulatory action raises important questions about EPA’s capacity to effectively manage its own agenda. EPA’s overreach is having a chilling effect on economic growth and investment, and diverting precious time, energy, and resources away from job creation.
- **Redundant Interior Onshore Regulations:** The Department of the Interior created new policies in 2010 that will add three additional layers of regulation to exploration and development of oil and natural gas on America’s extensive non-park, non-wilderness public lands. These regulations are in addition to the existing five levels of regulation and analysis that for decades have made development on federal lands more time-consuming and difficult than on private lands.

- **Duplicating and Usurping State Regulation:** States have effectively regulated oil and natural gas operations for decades, with an exemplary safety and environmental record. States have the expertise in regulating all aspects of well construction and completions, including hydraulic fracturing, as well as the intimate knowledge of the unique geologic, natural resource, and local characteristics of each basin within their boundaries. Despite that expertise and record, the federal government continues to chip away at states' regulatory jurisdictions in a number of sectors. Western Energy Alliance stands with state regulators who understand the needs of the communities that they regulate much better than a far-removed federal government.

"Western energy producers look forward to working with the Obama Administration to find ways to ease regulatory burdens on American energy producers so that they can create jobs, grow the economy, and continue to responsibly develop the energy our nation increasingly needs," said Smith.

[Click here for more details on Western Energy Alliance's recommendations on cutting federal red tape.](#)

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About Western Energy Alliance

Western Energy Alliance (formerly IPAMS), founded in 1974, is a non-profit trade association representing more than 400 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. More information on Western Energy Alliance and its members is available at www.westernenergyalliance.org.