

 AAPL

72ND ANNUAL MEETING

SALT LAKE CITY

Advocating for Certainty: Politics, Policy, and Permitting

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Presentation Overview

Uncertainty is certain. Plan accordingly.

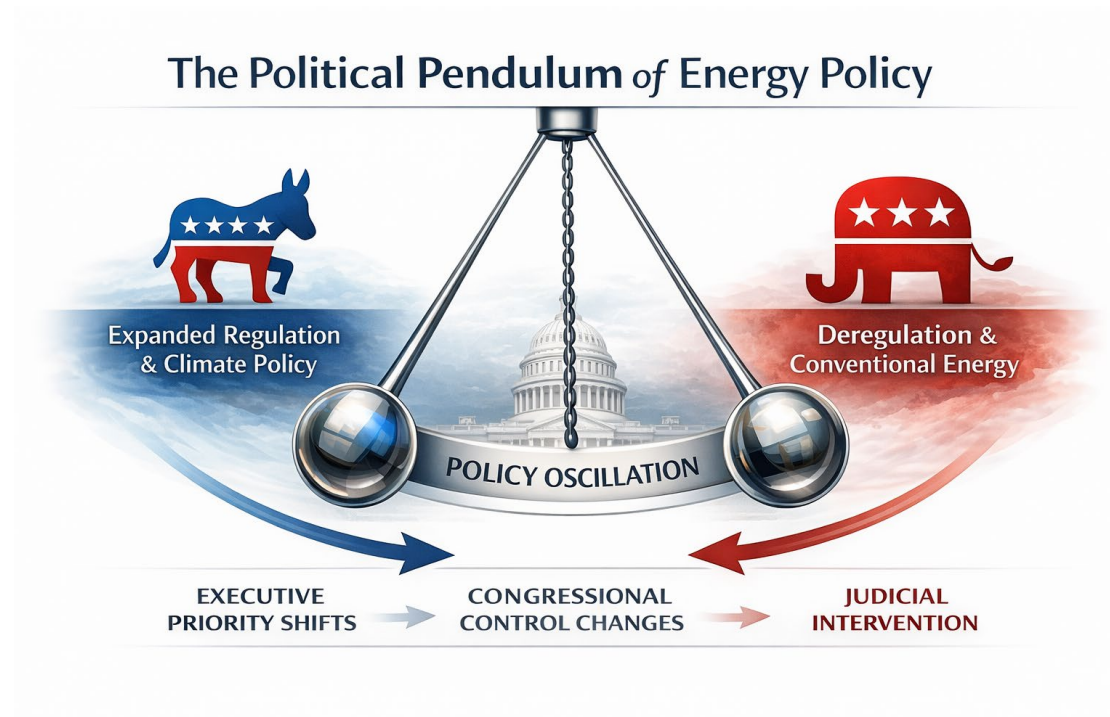
- Recent Legislation Affecting Energy Policy
- Executive Branch Pendulum Swings
- Litigation Risks and Defensibility
- Strategic Advocacy

Key Takeaways

Build a durable, defensible, credible record.

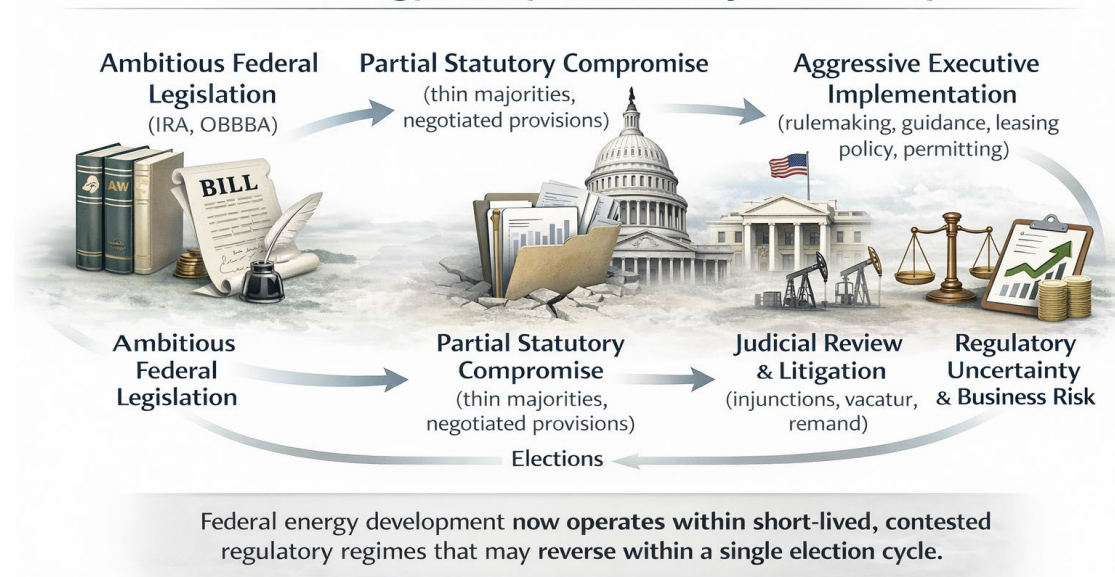
- Regulatory reversal and policy swings should be the baseline assumption when formulating risk management and permitting strategies for energy projects.
- Proactive legal advocacy is required at every stage of the administrative process.
- In Legislative and Executive Branch advocacy, provide solutions with a roadmap, not a maze.
- Make friends before you need them.

The High-Velocity Political Pendulum



Energy Legislation and Policy Lifecycle

Federal Energy Policy in an Era of Instability



A dark blue background featuring a stylized, light blue mountain range silhouette. The mountains are jagged and layered, creating a sense of depth. The overall tone is professional and serene.

Congress

Sometimes helpful. Sometimes not.

Congressional Energy Legislation

Setting the Stage:
Build Back Better and the Pre-IRA Energy Policy Reset



Failed BBB envisioned far-reaching reforms on energy leasing & fiscal policy, methane emissions, & fossil fuel taxation.

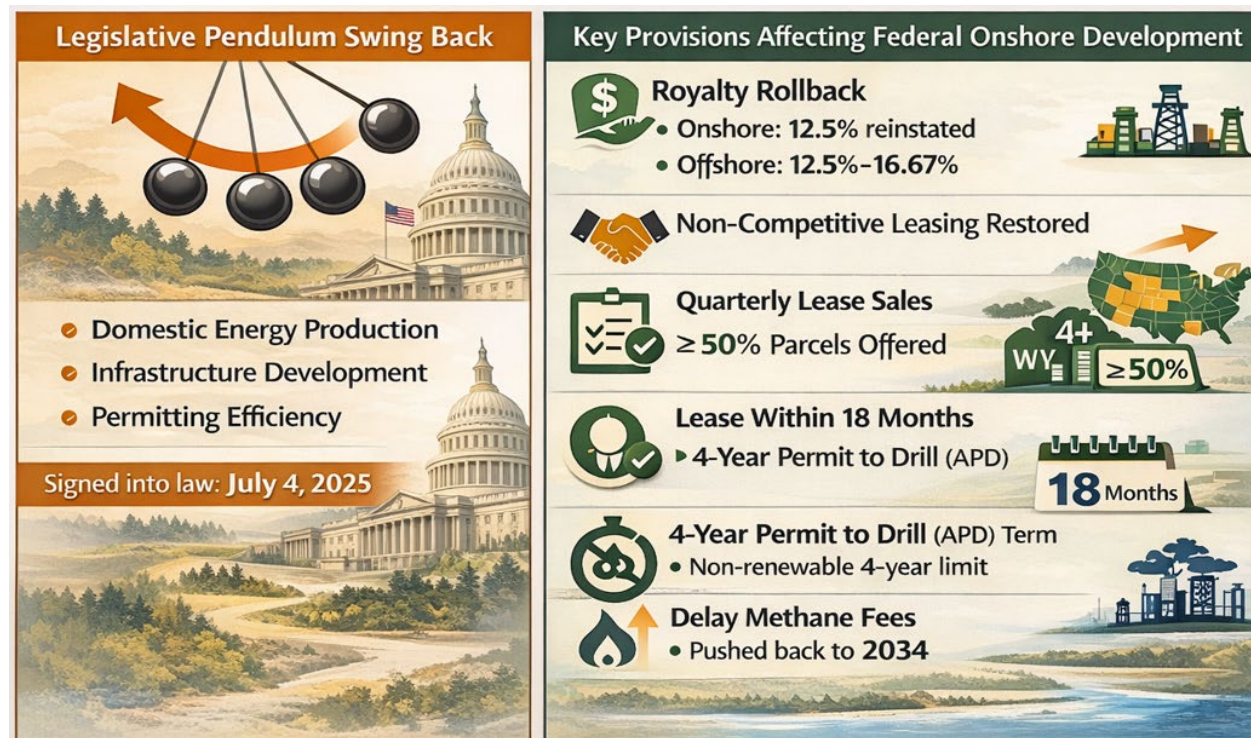
IRA: Compromise in a Divided Congress



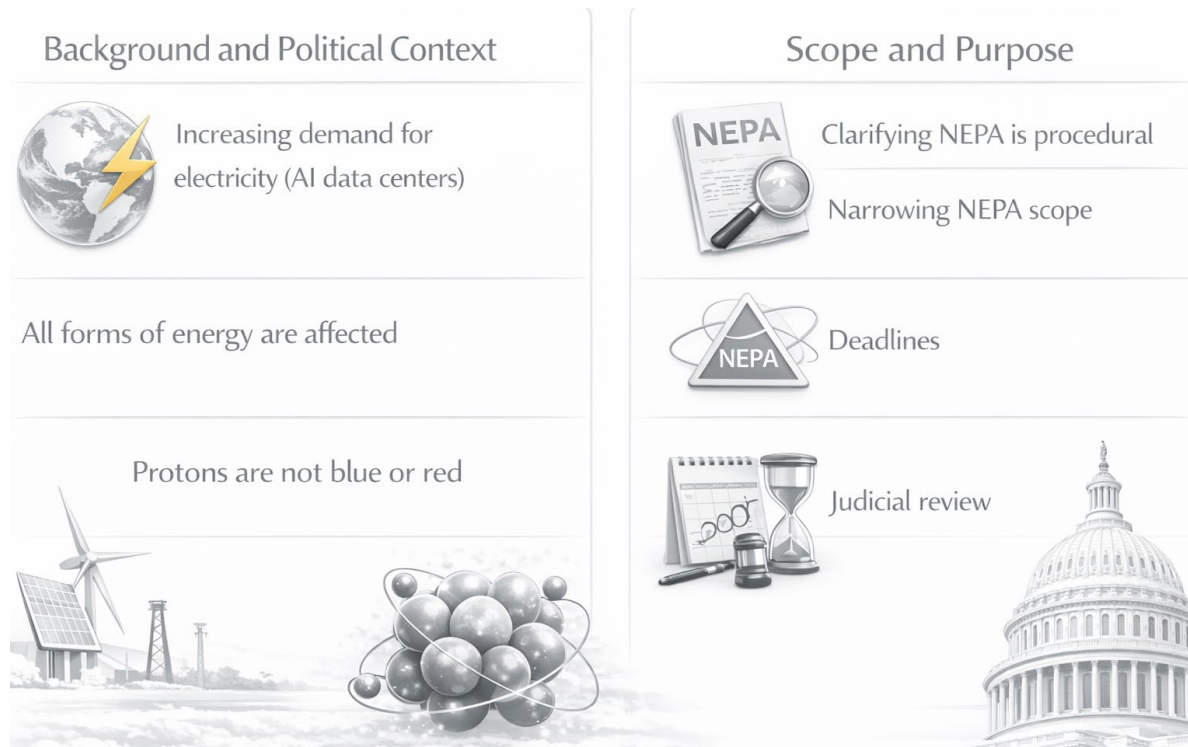
Balanced Climate Incentives with Oil & Gas Leasing Provisions

Paved the way for expanded renewable energy development while mandating continued federal oil and gas leasing

One Big Beautiful Bill Act: Congressional Course Correction



The SPEED Act: Bipartisan Permitting Reform?



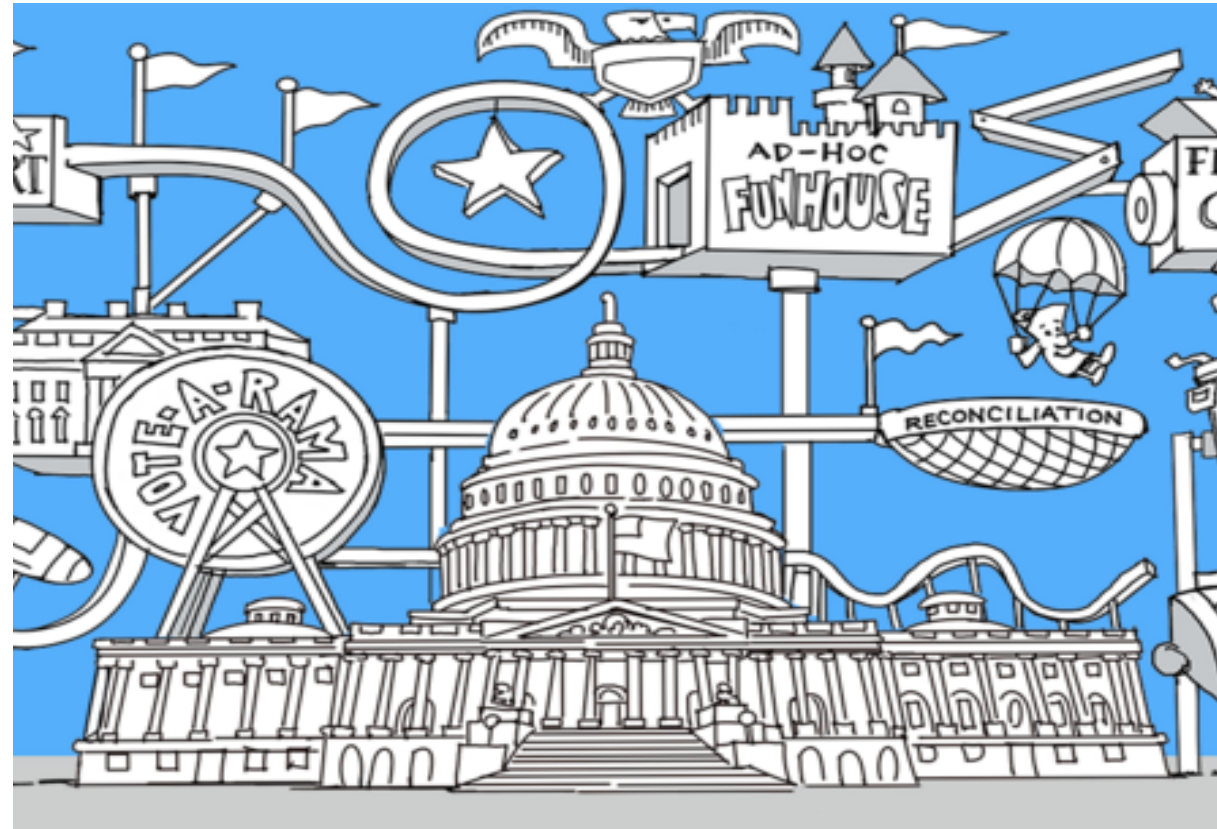
Permitting Reform Realities

House of Representatives

- 218 Republicans
- 214 Democrats
- 3 Vacancies

Senate

- 53 Republicans
- 47 Democrats
- **Need 60 Senators to Pass**



Political Risks in Project Development

Changing Administrations = Changing Priorities

The Keystone XL Pipeline Saga: National Interest Determination Studied, Approved, Cancelled



Obama Administration (2009–2017)

- Delayed and ultimately denied the presidential permit for the Keystone XL cross-border segment in 2015, *citing climate and environmental concerns.*



Trump 1.0 Administration (2017–2021)

- Revived and approved the Keystone XL project in 2017 via executive action, *seeking to expedite construction, though the project remained tied up in litigation.*



Biden Administration (2021–Present)

- Revoked the Keystone XL permit on his first day in office in 2021, *leading to the project's cancellation.*

The LNG Permitting Pause:

Public Interest Determination

Permitting uncertainty goes global.



Trump 1.0:

- Promoted rapid LNG export growth and streamlined approvals, framing LNG expansion as energy dominance and job creation.



Biden Administration:

- Announced a temporary pause on new LNG export approvals in 2024 pending climate and economic review, elevating LNG into a national election issue and intensifying debate over energy security vs. climate policy.



Trump 2.0:

- Moved to reverse the LNG permitting pause and accelerate approvals, signaling a return to export expansion as core economic and foreign policy strategy.



Geopolitical Impact:

- The LNG pause—and its reversal—directly affects U.S. leverage in global energy markets, particularly for European and Asian allies seeking alternatives to Russian and Middle Eastern gas, making U.S. LNG policy a tool of strategic competition and alliance management.

The Energy Dominance Agenda

Need Durable, Defensible, Credible Rules

Onshore Deregulation Priorities

- Revision of 2024 BLM Leasing Rules
- Repeal of the 2024 Conservation Rule
- Revision of the Biden Era Waste Prevention Rule (Venting and Flaring)
- Repeal of EPA Endangerment Finding
- EPA Methane Rules



Onshore Regulatory Priorities

- Commingling Regulations
- Fee-Fee-Fed Permitting
- BLM Field Office Training Sessions for Industry
- AFMSS Electronic Permit Fix



Implementation Example: Commingling Regulatory Reform Directed by OBBBA Legislation

Current surface footprint required under existing regulations (9 redundant facilities needed):



Multiple Source Commingling under the OBBBA (9 facilities consolidated into one facility/pad):



Energy Policy by Litigation

Someone always sues.

Court Rooms:

Primary Arena for Energy Policy Disputes



Federal Oil and Gas Litigation

- Every BLM O&G lease sale since 2015 under:
 - Legal Challenge
 - Appeal and/or
 - Settlement Agreement
- NEPA, FLPMA, ESA claims
 - Greenhouse gases
 - Permits
 - Greater Sage Grouse and ESA Species
 - Leasing Policies, Leasing Regulations



U.S. Supreme Court

Recently helpful.....

- *Loper Bright* (2024)
 - End of the *Chevron* Doctrine - agency deference
- *Seven Counties* (2025)
 - Limits a federal agency's ability to regulate climate and GHGs under NEPA



2026-2028 Legal Outlook

Hope is not a litigation strategy.

- Legal Tsunami continues
 - Lawsuits challenging APDs
 - Lease Sale Lawsuits
 - Challenges to regulatory rollbacks
- Focus on minimizing litigation risk



Litigation Risk Management

Plan for court – even if you do not have to go.

- Treat litigation risk as a core project variable, not a contingency
- Build a “litigation-grade” record to protect against APA and NEPA challenges
- Cultivate state, local and stakeholder support early
- Assume regulatory policies will continue to shift
- Design for the rules you have – and the ones you are about to get

Advocacy Strategies

Engage Early. Litigate less.

A. Strategic Participation in Rulemaking



- **Submit detailed** comments to preserve legal arguments and demonstrating statutory overreach, inadequate reasoning, or procedural flaws
- **Craft rulemaking records** to support judicial **vacatur** or remand while shaping future agency action

B. Bipartisan Legislative Engagement



- **Forge durable statutory solutions** by working with lawmakers across party lines
- **Emphasize themes of efficiency, predictability, jobs, and security** to build bipartisan consensus

C. Selective Litigation



- **File targeted cases** to correct regulatory overreach, clarify statutory limits
- **Seek remand** with narrowed instruction where possible instead of sweeping vacatur

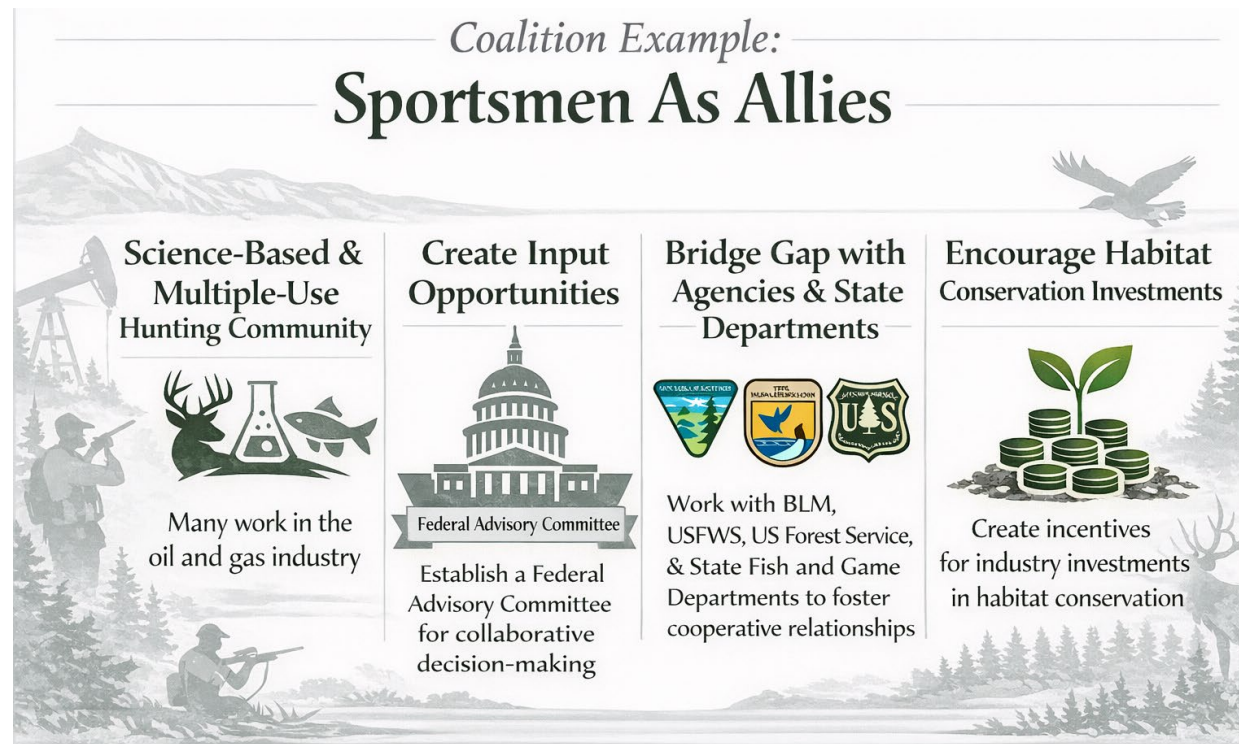
D. Strategic Cultivation of Stakeholders



- **Build broad stakeholder coalitions** emphasizing job creation, economic benefits, and energy security
- **Provide local, state, and federal allies** with consistent, data-driven messages to counter opposition narratives.

Advocacy with Stakeholder Allies

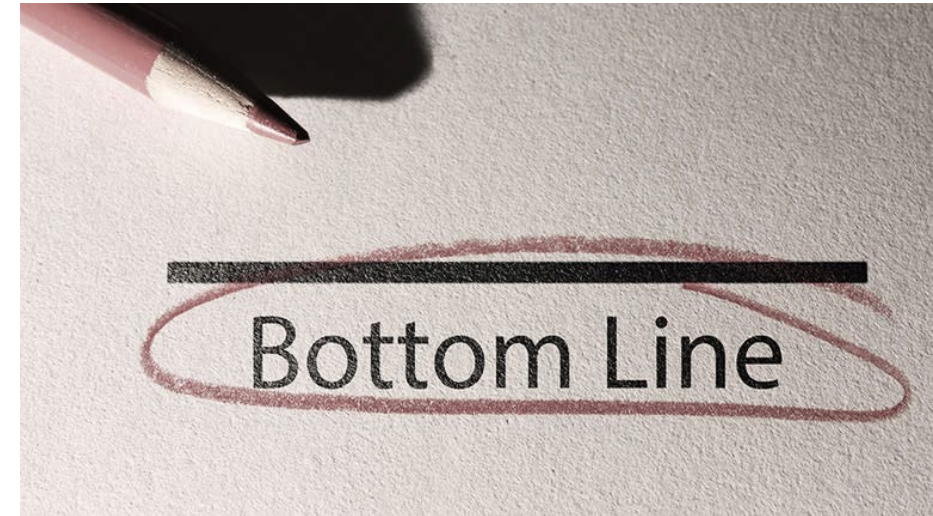
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Concluding Observations

You can't control the pendulum – but you can build projects that survive it.

- Proactive advocacy to minimize risk
- Proactive engagement with federal agencies and stakeholders
- Offer solutions, not problems (maps, not mazes)
- **Durable, Defensible, Creditable!**



Thank you!

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