
Prudent Development

**Realizing the Potential of North America's Abundant
Natural Gas and Oil Resources**

Study Update – One Year Later

**National Petroleum Council
August 1, 2012**

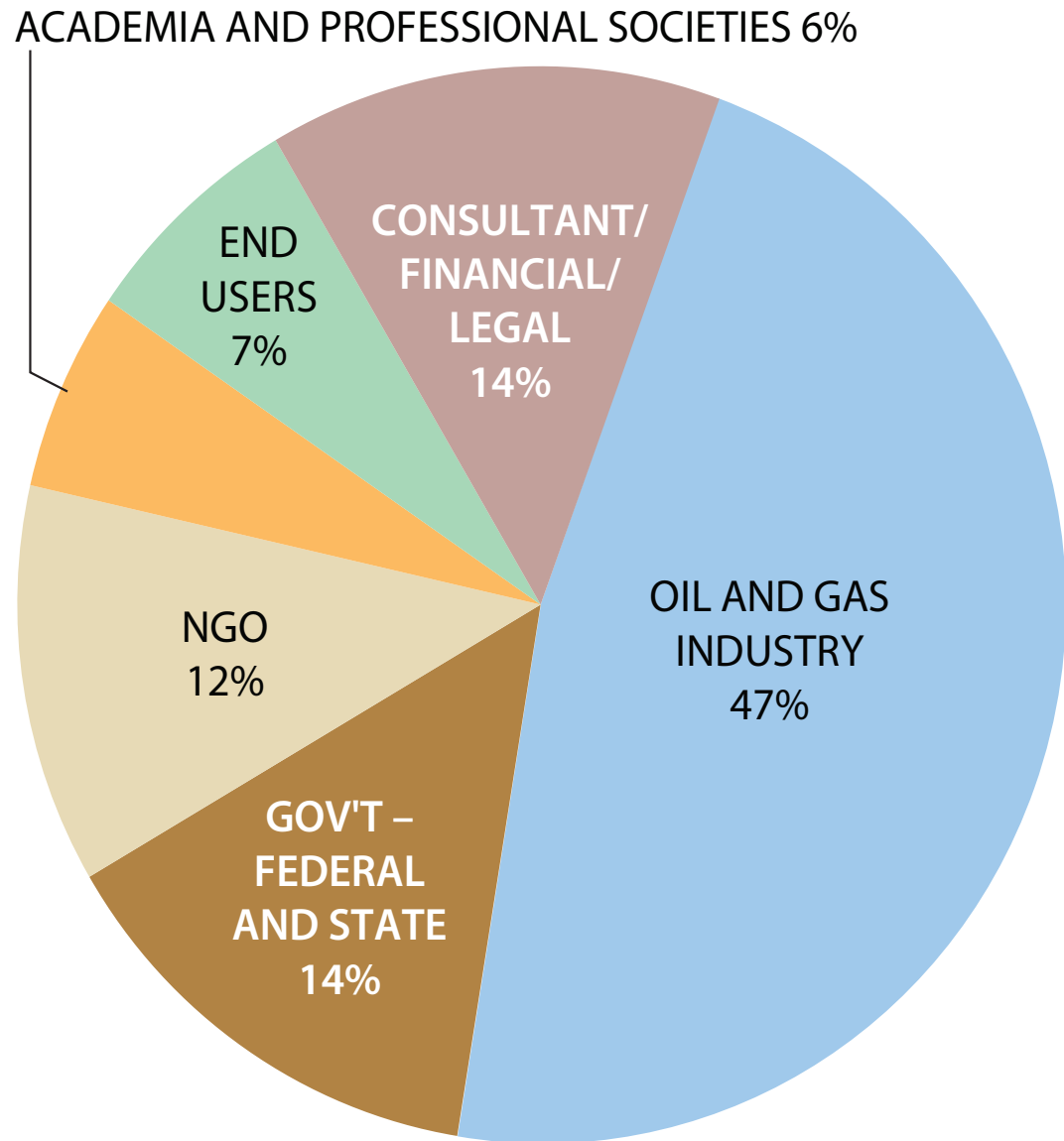
Prudent Development Study Objectives

- **Assess the N. American resource base – natural gas and oil**
 - Conventional
 - Unconventional
- **Describe the role of technology**
 - Environmental
 - Operational
- **Assess N. American supply and demand**
 - Through 2035
 - With a view to 2050
- **Identify the potential role of natural gas to lower emissions**
- **Meet national objectives: economic, environmental, security**

Diverse Study Participation

**Study Committee,
Coordinating
Subcommittee,
Task Groups, and
Subgroups**

**Over
400
Participants**



Four Major Findings

- **First, the potential supply of North American natural gas is far bigger than was thought even a few years ago**
- **Second – and perhaps surprising to many – America’s oil resources are also proving to be much larger than previously thought**
- **Third, we need these natural gas and oil resources even as efficiency reduces energy demand and alternatives become more economically available on a large scale**
- **Fourth, realizing the benefits of natural gas and oil depends on environmentally responsible development**

Core Strategies and Recommendations

- **Support prudent natural gas and oil resource development and regulation**
- **Better reflect environmental impacts in markets and fuel/technology choices**
- **Enhance the efficient use of energy**
- **Enhance the regulation of markets**
- **Support the development of intellectual capital and a skilled workforce**

Prudent Development

- **In order for the U.S. to realize the benefits of substantial resource abundance, development must be done prudently**
- **Prudent development is:**
 - Essential for public trust and confidence
 - Required for continued and expanded access
 - Fundamental for long term industry success

The NPC Report Since September

- **Publication and dissemination of report and materials**
- **Communication of study process and key messages to diverse audiences**
- **Oil and Gas Industry commitment to prudent development**
- **Growing recognition of abundance of North American oil and gas resources**
- **Increased understanding, focused debate, and actions by policymakers at various levels**

NPC Report Publication and Dissemination

- **Report volumes printed and provided to NPC members, study participants, government, press, and other interested parties**
- **Report volumes and supporting information available for public viewing and downloading from NPC website (www.npc.org):**
 - Volume I: Summary Report
 - Volume II: Full Report
 - Topic Papers
 - Slide Presentations
 - Press Releases
 - Webcasts of Report Approval and Press Conference

NPC Report Communication

- **Over 75 presentations on report process and key messages delivered to diverse audiences:**
 - NPC membership
 - U.S. Federal, State, and Local Government
 - International Governmental Bodies
 - Press
 - NGOs
 - Associations and Professional Societies
 - Academia
 - Other Interested Parties

Industry Commitment to Prudent Development

- **Oil and gas Industry continued and increased its support of prudent development practices**
 - Establishing Regional Councils of Excellence to share effective environmental, health, and safety practices
 - Encouraging adoptment of policies for more effective regulation of natural gas and oil production and operations
 - Committing to and carrying out community engagement
 - Measuring and reducing methane emissions

Recognition of North American Oil and Gas Resources

- **Growing recognition of abundance of North American oil and gas resources by numerous stakeholders**
 - Press
 - Government
 - Industries
 - Public
- **Use of NPC data, information, findings, and recommendations by analysts, officials, industries, and other stakeholders**

Understanding, Debate, and Action

- **NPC report has fostered increased understanding, focused debate, and potential actions by policymakers at various levels**
 - Administration
 - Executive Departments and Agencies
 - Congress
 - States
 - Regulatory Bodies

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Reports and other information posted on NPC website – www.npc.org