



The Secretary of Energy
Washington, DC 20585

July 29, 2022

Mr. Darren W. Woods
Chair, National Petroleum Council
Chairman and Chief Executive Officer
Exxon Mobil Corporation
5659 Las Colinas Boulevard
Irving, Texas 75039

Dear Mr. Woods:

Thank you for arranging an administrative meeting with the National Petroleum Council (NPC) at my request on July 1. In this meeting I shared my deep concern over the current crude oil and refined products supply and demand imbalance caused by multiple factors, underscoring the outsized impact from the unprecedented invasion of Ukraine. This imbalance continues to create upward pressure on oil prices, resulting in significant financial pain at the pump for the American people. President Biden is committed to alleviating this burden and taking steps to shore up supply, including calling on industry to increase private inventories to protect the American people. I appreciated your perspectives on how the NPC could help provide expert recommendation and analysis to help prepare and address this ongoing challenge.

As we focus on increasing the financial pressure on Vladimir Putin, we are dually focused on mitigating the negative impacts on the domestic economy. We recognize that U.S. refiners, producers, and the full supply chain are experiencing constraints, and as we look at the situation comprehensively, I informed you of the following areas that I am interested in receiving formal advice:

- How can we increase supply? Where is there efficiency and/or opportunity to increase current supplies of crude oil and refined products?
- What are current constraints and market hurdles to getting affordable products to U.S. consumers?
- How are companies reevaluating traditional emergency preparedness? Given the current tight market, how is industry making sure inventories are well supplied should there be a critical disruption from major and/or multiple storms, a cyber-attack, or other unforeseen events that would cause refineries or pipelines to shut down? What additional actions can the government be taking in coordination with industry to help enhance preparedness?
- Where is industry taking steps and grasping opportunities to prepare for a net-zero economy? Right now, we are seeing impacts from an unmanaged transition.



What actions are being taken by industry to move to a more managed energy transition? What actions can the government take to support a more managed transition?

I request the NPC to:

1. Provide within 30 days a written list of: (i) the ways industry is preparing to secure consistent, physical supply for the American people; and (2) near-term actionable steps the Administration can consider to help increase physical supply of oil and refined products while continuing safe, efficient operations and maintenance of production facilities.
2. Conduct analysis and issue a report within 120 days examining and providing an analysis of the changing global crude supply and how it will positively and/or negatively impact U.S.-based producers, suppliers and refiners; note expected supply challenges in the near term and medium term that should be evaluated further; and provide an update on ongoing work related to the steps the industry is taking to be an active player in a net-zero economy by 2050.

For the purposes of the study, I am designating Deputy Secretary David Turk as the official to whom the NPC reports and to represent me at NPC meetings. The Assistant Secretary for Fossil Energy and Carbon Management, Brad Crabtree, will work with Deputy Secretary Turk to provide the NPC with the information it needs to expedite the analysis and advice from the NPC.

In order to receive advice from the NPC in a time frame that will allow for consideration and action, I appreciate your written response to the near-term recommendations, and I will request the convening of a full NPC meeting following the 120 days to brief me on the results of this study.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jennifer Granholm', with a long horizontal flourish extending to the right.

Jennifer Granholm