

From: James Slutz <jslutz@npc.org>

To: John Bockmier <john_bockmier@ios.doi.gov>, Heather Swift <heather_swift@ios.doi.gov>

Cc: Carla Byrd <cbyrd@npc.org>, "MacGregor, Katharine" <katharine_macgregor@ios.doi.gov>, "Getto, Leila" <leila_getto@ios.doi.gov>

Subject: [EXTERNAL] Re: Quote from Secretary Zinke for NPC press release 12/4/18

Date: Tue, 04 Dec 2018 13:13:02 +0000

Importance: Normal

Attachments: NPC_draft_press_release_Dec_4_2018_v5.docx

John and Heather,

Attached is an initial draft press release. There are a number of people who still need to review this, but we wanted to give you something to think about. We put a placeholder quote in for the Secretary, but it is a detailed, more technical quote. Feel free to use a portion or not.

We will be working on this after the meeting, so if we could get something by early afternoon, it would be helpful.

FYI – the webcast of the meeting can be accessed at www.npc.org.

Thanks,

Jim

James Slutz

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From: James Slutz <jslutz@npc.org>

Date: Monday, December 3, 2018 at 12:22 PM

To: "Getto, Leila" <leila_getto@ios.doi.gov>

Cc: John Bockmier <john_bockmier@ios.doi.gov>, Heather Swift <heather_swift@ios.doi.gov>, Carla Byrd <cbyrd@npc.org>

Subject: Re: Quote from Secretary Zinke for NPC press release 12/6/18

Leila,

Thank you for the introduction.

John and Heather,

We are working on a draft this afternoon. I will at least send some bullet points. The focus of the press release will be the report on the Arctic update requested by DOI/DOE. We would normally pick up something from the Secretary's remarks, but thought it would be more efficient to touch base in advance. I'll send a few more details this afternoon.

Jim

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From: "Getto, Leila" <leila_getto@ios.doi.gov>
Date: Monday, December 3, 2018 at 12:15 PM
To: James Slutz <jslutz@npc.org>
Cc: John Bockmier <john_bockmier@ios.doi.gov>, Heather Swift <heather_swift@ios.doi.gov>
Subject: Quote from Secretary Zinke for NPC press release 12/6/18

Hi Jim!

I'd like to introduce you to John Bockmier (director of communications) and Heather Swift (press secretary) -- both cc'd on this email. Can you please send them the draft press release or share with them what you intend to say -- they can determine if we would like to include a quote from Secretary Zinke and what it would say.

Thank you!
Leila

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DRAFT PRESS RELEASE

December 4, 2018

Advanced Technology Makes Arctic Development Safer

The National Petroleum Council, at its 128th meeting today, received an interim supplementary report to the Council's 2015 *Arctic Potential* study. The preliminary findings suggest that new, safer and more environmentally sound practices are not adequately covered by existing regulations. The interim report recognized a need to update and coordinate regulations to accommodate new technology.

In August, Secretary of Energy Rick Perry requested that the NPC submit a supplemental assessment of recent exploration experience and technological advancements in Arctic offshore oil and gas development that could inform government decision making. The NPC was asked to provide views on whether the nation's regulatory environment could be enhanced to improve reliability, safety, efficiency, and environmental stewardship.

In today's meeting, the NPC was presented with a summary of the initial findings and proposed recommendations. The interim report identified recent technological advances that improve the safety, environmental stewardship, and economic viability of U.S. Arctic development.

In the last 4 years, there has been substantial Arctic exploration drilling, with 47 wells drilled, including 2 in the U.S. Arctic. There also has been substantial progress in demonstrating and advancing technology to prevent and respond to an oil spill in Arctic conditions. But technology alone is not enough ... regulatory reform is needed, as the current practices, adopted from other non-Arctic US regions where activity can occur year-round, are limiting exploration activity. [paragraph could be modified as a possible NPC quote]

[Secretary of Interior Ryan Zinke??] said "Some of these technological advances have not been foreseen in U.S. government regulations. Regulatory bodies have not yet caught up to the technology. Piling on layers doesn't make it safer – using better technology does. The trouble with regulations that require specific solutions is that they lead to compliance rather than risk management. Companies are forced to follow a specific set of protocols, even though actual experience and field testing have identified superior practices. Regulatory systems need to advance when technology advances." [language provided as place holder]

The NPC Arctic study is expected to be completed in February 2019, and will contain recommendations addressing safety and environmental stewardship, elimination of conflicting and contradictory regulations among various government agencies, and the need for critical infrastructure, among other things.

In other business, John Mingé, former chairman and CEO of BP America and chair of the CCUS Study Committee, presented a progress report on the Carbon Capture, Use and Storage (CCUS) study requested by Secretary Perry. The CCUS study will define potential pathways, including research and development, regulatory, and policy options, for integrating CCUS at scale into the energy and industrial market place.

The NPC also received a progress report on the U.S. Oil and Natural Gas Transportation Infrastructure study from Alan Armstrong, CEO of Williams Companies and Chair of the Study Committee. The study was requested by the Secretary of Energy, and will analyze the changing

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dynamics of the nation's oil and natural gas transportation infrastructure and evaluate technology and policy options for improving siting and the permitting process.

[QUOTE - Secretary of Energy Rick Perry]

The CCUS and Infrastructure studies are scheduled to be completed in 2019.

Finally, in administrative matters, the Council reelected Greg Armstrong, CEO of Plains All American, as NPC Chairman; and Larry Nichols of Devon Energy as vice Chairman.

The NPC is a federal advisory committee to the Secretary of Energy. The sole purpose of the Council is to advise, inform, and make recommendations to the Secretary of Energy, at his request, on matters relating to oil and natural gas, and the oil and natural gas industries. The Council membership is comprised of approximately 200 members, representing all segments of the oil and natural gas industries as well as a broad cross section of non-industry members.

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