

## Congressional Testimony March 18, 2022

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It is an honor to testify today on the life-critical topic of energy. The 4,000 employees of my company, Liberty Energy, work tirelessly every day to Better Human Lives in the US and around the world.

The current administration's myopic focus on climate change and, frankly, basic misunderstanding of climate change is having disastrous consequences. Just one aspect of these disastrous consequences is the beginning of a world food crisis.

One input is responsible for fully 50% of the world's food production: nitrogen fertilizer, synthesized from natural gas via the Haber Bosch process. We are entering a global crisis because wrongheaded regulations have stymied construction of critical infrastructure to export more natural gas from the US. The same can be said of Canada. This shortage of LNG has led to global natural gas prices today being TEN times higher globally than they are here in the United States. Tragically this has driven fertilizer, and therefore food prices up to a record high and likely headed higher.

The continued refusal to reasonably issue drilling permits on federal lands, the shameful revocation of the Keystone XL permit after years of exhaustive environmental reviews found it highly safe and beneficial, and the absurd growth of regulatory burdens from the EPA, Interior Department, FERC, SEC, and a growing number of other agencies are inexplicable. The net impact of these policies is to reduce US oil and natural gas production with many impacts. Including several that I can state with high confidence:

- Reduced investment and jobs in the United States
- Higher energy and food prices in the United States
- Reduced geopolitical security and influence of the United States
- Increased wealth, power and geopolitical leverage for Russia and OPEC, and
- Increased Greenhouse Gas (GHG) emissions, and increased global air pollution

The last point might be less obvious than the others, so let me elaborate. Reducing US oil and gas production has ZERO impact on demand or consumption of oil and gas. It simply displaces production out of the US to other countries with less stringent and modern production practices.

In fact today the share of US primary energy consumption supplied by oil and gas is at an ALL TIME high of nearly 70%. The huge surge in US natural gas production and consumption is the primary reason why US GHG emissions are at a SIXTY year low on a per capita basis. US GHG emissions have declined by far more than other country. Presumably, "climate change" policies would be about reducing GHG emissions.

Justifying the current strangulation of US oil and gas production in the name of "climate change" is disingenuous and damaging. How have we drifted so far away from sober, thoughtful government energy policies?