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DEPA REPORT ON INDUSTRY, LEADERSHIP, LEGISLATION AND ENERGY REGULATION

## WHY THE TEXAS SENATE SEAT MATTERS FOR NATIONAL OIL & GAS POLICY

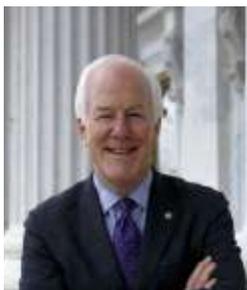
The U.S. senator representing Texas occupies a uniquely powerful position in Washington when it comes to energy policy — not simply because Texas leads the nation in oil and natural gas production, but because of how Senate authority intersects with federal regulation. Many of the most consequential decisions affecting the oil and gas sector never originate in statutes alone; they are shaped through **committee oversight, confirmations, appropriations, and procedural leverage**, where senior senators wield significant influence.

Permitting reform is a prime example. Senate negotiations over National Environmental Policy Act (NEPA) timelines, judicial review, and agency coordination often hinge on whether energy-state senators can assemble bipartisan support or block unfavorable language. Texas senators are frequently central players in these discussions, particularly when infrastructure projects — pipelines, export terminals, and power generation — face federal delays.

Methane regulation similarly runs through the Senate, where confirmation of EPA leadership, Congressional Review Act (CRA) resolutions, and appropriations riders can materially alter how rules are implemented or enforced. Oversight hearings allow Texas senators to press agencies on feasibility, cost, and impacts to domestic production and grid reliability.

LNG exports and electric reliability further elevate the importance of the Texas seat. Senate approval of trade officials, scrutiny of Department of Energy export authorizations, and pressure on FERC timelines directly affect U.S. competitiveness and global energy security. In a narrowly divided chamber, a Texas senator's vote — or procedural hold — can determine whether policies advance, stall, or are reshaped entirely.

In short, the Texas Senate seat functions as a **gatekeeper for national energy policy**, with influence extending far beyond state lines and into the core legislative and regulatory processes that define the future of domestic oil and gas.



JOHN CORNYN (R)



KEN PAXTON (R)



WESTLY HUNT (R)



JAMES TALARICO (D)



JASMINE CROCKET (D)

# TEXAS 2026 U.S. SENATE RACE: WHO'S RUNNING, WHAT THEY STAND FOR, AND WHAT THE POLLS SHOW

Texas is set for a high-stakes U.S. Senate battle in 2026, with a crowded Republican primary and a competitive Democratic contest that will determine who challenges long-time incumbent Republican Sen. John Cornyn. The race is drawing national attention as both parties seek to leverage changing voter demographics and political energy in America's second-largest state.

## THE CONTENDERS — AT A GLANCE

### JOHN CORNYN (REPUBLICAN)

A four-term incumbent U.S. senator, Cornyn has represented Texas in Washington since 2002 and serves in GOP leadership. He runs on his record of legislative experience, seniority, and steady conservative governance, emphasizing support for border security, pro-business policy, and energy development. Cornyn's tenure has also included strong backing for domestic oil and gas interests through votes and public statements supporting energy independence and fewer regulatory burdens.

### KEN PAXTON (REPUBLICAN)

Texas's attorney general since 2015, Paxton is mounting an insurgent challenge to Cornyn from the right. Known for his conservative litigation agenda and high-profile legal battles with federal policy, he positions himself as a "fighter" in the mold of the broader MAGA movement, criticizing Cornyn as too moderate. His base is strong among hardline Republican primary voters, although ongoing legal and ethical controversies could weigh on general election viability.

### WESLEY HUNT (REPUBLICAN)

U.S. Representative Wesley Hunt entered the GOP Senate primary in late 2025 as a third challenger to Cornyn and Paxton. A West Point graduate and Army veteran, Hunt casts himself as a youthful conservative alternative, blending strong national defense credentials with a message of energetic leadership and economic growth. He aims to carve out space between Cornyn's establishment conservatism and Paxton's hard-right appeal.

### JASMINE CROCKETT (DEMOCRAT)

U.S. Rep. Jasmine Crockett, a former public defender and civil-rights attorney, recently announced her Senate run and is seen as the early Democratic frontrunner. Crockett emphasizes grassroots organizing, expanding voter turnout in urban and minority communities, and economic fairness. Her campaign seeks to build a coalition of Black, Latino, and younger voters to overcome Texas's Republican lean.

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## JAMES TALARICO (DEMOCRAT)

State Rep. James Talarico, a former teacher, has been campaigning since earlier in 2025 and brings an education-focused, progressive populist message. He highlights combating special interests and advocating for everyday Texans, aiming to broaden Democratic appeal in a statewide contest.

Several other names filed for the ballot, but most have not gained traction and include some minor or symbolic candidates; major figures like former Rep. Colin Allred withdrew to run for the U.S. House instead.

# PRIMARY, MARCH 3, 2026

## WHAT THE POLLS SAY

### Republican Primary

Early aggregated polling shows **Ken Paxton with a lead in the GOP primary**, with Cornyn and Hunt trailing. One average of GOP primary surveys had Paxton around the low-30% range, Cornyn near high-20s, and Hunt also in the low-20s, with a significant share undecided — underscoring the fluidity of the race.

### Democratic Primary

In the newly released Texas Southern University statewide Democratic primary poll, **Crockett holds an advantage over Talarico, 51% to 43% among likely Democratic voters**, with 6% undecided. Crockett's strength comes mainly from overwhelming support among Black voters and women, while Talarico leads modestly among younger voters, white voters, and Latino voters.

### General Election Scenarios

Hypothetical matchups suggest Republicans hold an edge in a general election regardless of which GOP nominee emerges, with many polls showing Cornyn, Paxton, and Hunt each leading Democratic opponents by several points in early surveys. These numbers reflect an overall Republican advantage in statewide voting, though margins vary.

## STRENGTHS, CHALLENGES, AND THE OIL & GAS LENS

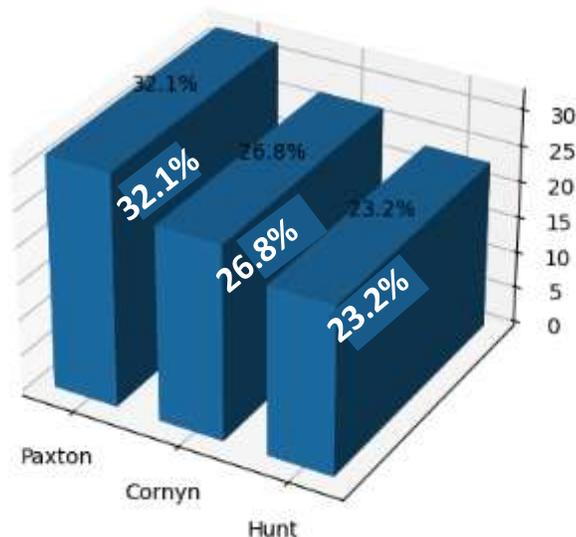
### REPUBLICAN LANDSCAPE:

Paxton's strength is his appeal to the conservative base, while Cornyn's seniority and track record give him a structural edge with establishment voters and industry stakeholders. Hunt's youth and military background offer an energetic third path but with less statewide recognition. The GOP nominee will be determined in the March primary, and each will bring a different dynamic to the general election.

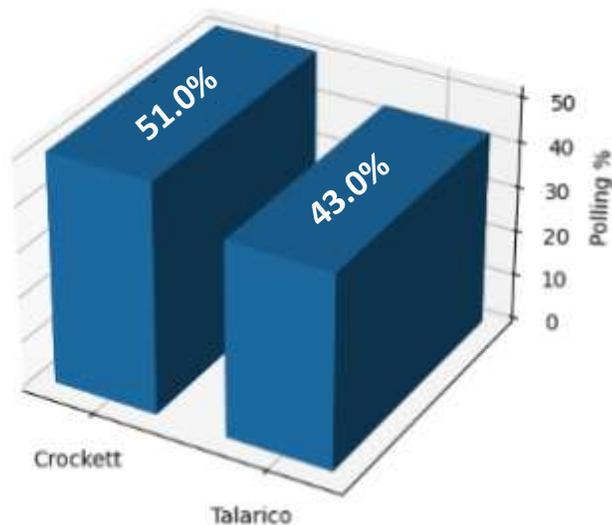
### DEMOCRATIC DYNAMICS:

Crockett's entrance reshaped the Democratic contest and positioned her as the leader, though critics from both national and local Democratic circles question her general election viability in a deeply red state. Talarico's grassroots fundraising and appeal among some moderates could make the race tighter.

Texas GOP Senate Primary — Polling Averages



Texas Democratic Senate Primary — Polling Averages



# ENERGY DEPARTMENT RELEASES NATIONAL PETROLEUM COUNCIL RECOMMENDATIONS TO ACCELERATE PERMITTING REFORM AND STRENGTHEN U.S. ENERGY INFRASTRUCTURE

The U.S. Department of Energy (DOE) released key studies from the National Petroleum Council (NPC) in early December that provide comprehensive recommendations to help modernize America's energy infrastructure, streamline federal permitting, and remove regulatory barriers that have stalled the development of critical energy projects. The studies, one on gas-electric coordination and the other on oil and natural gas infrastructure permitting, underscore the urgent need for reforms to strengthen grid reliability and expand domestic energy production.

The NPC is a federal advisory committee to the Secretary of Energy composed of leaders from oil and natural gas industries, academia, and other stakeholders. These studies were completed at the request of U.S. Secretary of Energy Chris Wright as part of a broader examination of "Future Energy Systems" and support President Trump's agenda to unleash American energy, accelerate infrastructure build-out, and ensure affordable, reliable and secure energy for American families.

"For years, the Biden Administration advanced policies that made it harder to produce American energy," said **U.S. Secretary of Energy Chris Wright**. "The National Petroleum Council's findings confirm what President Trump has said from day one: America needs more energy infrastructure, less red tape, and serious permitting reform. These recommendations will help make energy more affordable for every American household."

"The studies represent a significant collaborative effort to tackle some of the most complex challenges in our energy infrastructure," said U.S. Department of Energy Assistant Secretary for the Hydrocarbons and Geothermal Energy Office Kyle Haustveit. "The National Petroleum Council recommendations will be instrumental in guiding the Department's strategies for enhancing grid reliability and streamlining the development of essential energy projects."

The gas-electric coordination study, [\*Reliable Energy: Delivering on the Promise of Gas-Electric Coordination\*](#), evaluates how rising natural gas and electricity demand, combined with shifting usage patterns, is straining natural gas pipelines in key regions of the United States. It outlines practical solutions to improve coordination between the natural gas and

electricity sectors and mitigate reliability risks. Key recommendations include:

- **Prioritize Infrastructure Investment:** Urges Congress, federal agencies, and industries to reform permitting and build new, suitable energy infrastructure, while also improving and expanding existing infrastructure.
- **Improve Market & Regulatory Frameworks:** Recommends better coordination through a Natural Gas Readiness Forum, thorough long-term planning by FERC Regional Transmission Organizations/Independent System Operators (RTO/ISOs), and new pricing structures to handle changing gas flow patterns.
- **Strengthen Accountability & Reliability:** Suggests ensuring gas-fired power generators are compensated for reliability, establishing a "best efforts" accountability framework for independent power producers, and improving RTO/ISO performance metrics.

Building on the NPC's 2019 [\*Dynamic Delivery: America's Evolving Oil and Natural Gas Transportation Infrastructure\*](#) report, the oil and natural gas infrastructure permitting study, [\*Bottleneck to Breakthrough: A Permitting Blueprint to Build\*](#), outlines reform recommendations to modernize government processes and speed the development of essential energy infrastructure. Key recommendations include:

- **Streamline Permitting Processes:** Advocates for executive and legislative actions to clarify the scope of the National Environmental Policy Act, expedite legal reviews for environmental cases, and update general permits to accelerate energy project approvals.
- **Enhance Regulatory Authority:** Recommends expanding the Federal Energy Regulatory Commission program for faster authorization of natural gas projects and confirming commercial agreements as proof of market need under the Natural Gas Act.
- **Establish Predictable Timelines:** Calls for creating and adhering to federal timelines for approving natural gas infrastructure projects and limiting state authority under Section 401 of the Clean Water Act.

Both studies highlight the urgent need for policymakers, regulators, and industry to take timely action to maintain the reliability, affordability, and resilience of the Nation's energy system. The complete NPC studies and recommendations are available on DOE's website [here](#).

# AOC'S GREEN NEW DEAL DEADLINE GOES QUIET AS EVEN CLIMATE LEADERS SHIFT THEIR MESSAGING



A recent *Fox News* report highlights a striking shift in the climate conversation: while some of the nation's most influential environmental advocates recalibrate their approach, Rep. Alexandria Ocasio-Cortez (D-NY) has remained silent on whether she still stands by the ten-year climate deadline central to the original Green New Deal.

When Ocasio-Cortez introduced the Green New Deal in 2019, she portrayed climate change as an existential emergency requiring a decade of unprecedented federal intervention. The proposal called for a rapid phaseout of coal, oil, and natural gas, sweeping infrastructure mandates, and a wholesale transition to renewable power — all under the banner of preventing catastrophic warming by 2030. At the time, she warned: *“The world is gonna end in 12 years if we don't address climate change... This is our World War II.”*

Six years later, Ocasio-Cortez's political star has risen — she is widely viewed as a potential 2028 presidential contender — yet she has declined to comment on whether she still believes the planet is nearing the brink. Major media reported her office did not respond to requests for clarification.

Meanwhile, global temperatures have indeed risen. According to the World Meteorological Organization, 2024 registered an average increase of 2.79°F over pre-industrial levels — the warmest year on record — without the apocalyptic outcomes once predicted to occur by this threshold.

Despite the absence of existential consequences, Ocasio-Cortez continues to champion ambitious federal climate spending, claiming partial credit for more than \$369 billion in climate provisions authorized under recent legislation, which she says will create nine million “green jobs” and

achieve net-zero carbon emissions by 2030.

## Bill Gates Recalibrates:

From Climate Alarm to Human-Centered Priorities

While Ocasio-Cortez maintains her climate-first approach, longtime climate philanthropist Bill Gates is charting a different course.

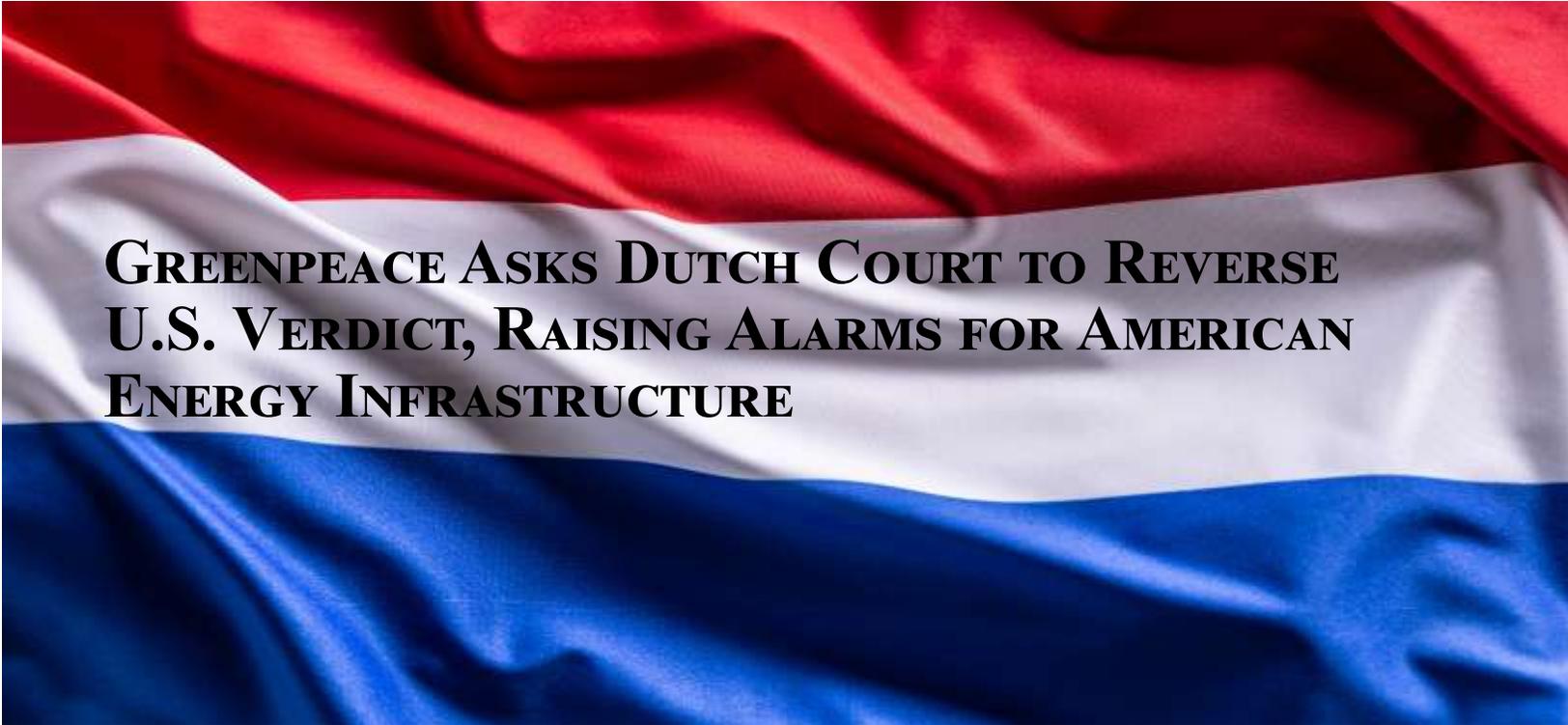
In a widely discussed October essay, Gates — who has spent years pushing for policies aimed at limiting global temperature rise — urged policymakers to rebalance their priorities toward lifting quality of life in the world's poorest regions.

**“Climate change will have serious consequences... but it will not lead to humanity's demise,”** he wrote. Instead, Gates argues that the primary measure of progress should be improving human welfare, not chasing symbolic temperature targets.

While he affirms that “every tenth of a degree” of avoided warming is beneficial, Gates emphasizes that threats such as disease, poverty, and lack of infrastructure often outweigh climate exposure for vulnerable populations. His foundation continues to invest billions in healthcare, education, and development — an implicit acknowledgment that prosperity, not panic, drives resilience.

For oil and gas professionals, these shifting messages signal a broader trend: policymakers and even prominent climate advocates are increasingly acknowledging that economic stability, energy access, and human well-being cannot be subordinated to rigid climate timelines.

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# GREENPEACE ASKS DUTCH COURT TO REVERSE U.S. VERDICT, RAISING ALARMS FOR AMERICAN ENERGY INFRASTRUCTURE

A high-stakes legal battle with major implications for U.S. energy producers is unfolding—not in North Dakota, where it began, but in the Netherlands. After a North Dakota jury in March ordered Greenpeace to pay \$667 million for its role in the disruptive Dakota Access Pipeline (DAPL) protests, the environmental group is now asking a Dutch court to effectively erase that verdict.

The trial judge later reduced the award to \$345 million, but the precedent remains powerful: a U.S. jury held an activist organization financially accountable for orchestrating a campaign that delayed a critical infrastructure project for months and cost billions in overruns. Now, Energy Transfer is asking the North Dakota Supreme Court to intervene as Greenpeace attempts an unprecedented end-run around the American legal system.

## A Decade-Long Pipeline Battle

The Dakota Access Pipeline controversy began nearly ten years ago, when activists descended on North Dakota in an effort to halt the project. The standoff became chaotic and dangerous: protestors reportedly locked themselves to equipment, burned pipeline components, and hurled feces and burning logs at construction workers.

The delays alone cost the project's owners an estimated **\$7.5 billion**, and the federal government was ultimately ordered to pay North Dakota **\$28 million** in damages for the law enforcement response.

Energy Transfer later identified three Greenpeace entities—two in the U.S. and Greenpeace International—as central organizers behind the disruption. During a three-week trial, the company presented extensive evidence that Greenpeace

*“If activists can use European courts to invalidate U.S. verdicts, it sets a dangerous precedent for all domestic energy projects. Our industry needs regulatory certainty and respect for the American legal system. DEPA supports Energy Transfer in defending not only its verdict, but the rule of law that underpins every energy project in this country.”*

*— Jerry Simmons, President & CEO, DEPA*

provided funding, training, and supplies such as lockboxes used to chain protestors to machinery. One 2016 email from Greenpeace USA’s executive director praised the “massive” support the organization provided to the protests—an admission difficult to walk back in court.

The jury awarded substantial damages, including **\$400 million in punitive damages**, concluding that Greenpeace’s actions directly contributed to the costly delays.

## Greenpeace Tries a New Strategy —In Europe

On the eve of the U.S. trial, Greenpeace International filed a fresh lawsuit in Amsterdam, claiming Energy Transfer’s case violated the European Union’s newly adopted *anti-SLAPP* directive—designed to protect journalists and NGOs from frivolous lawsuits that aim to silence public participation.

This is not a standard appeal. Greenpeace is asking a European court to relitigate the entire case, arguing that Energy Transfer’s financial strength creates an “imbalance of power,” and that the damages awarded by the U.S. jury were “clearly excessive.”

If the Dutch court accepts this argument, it would represent the first-ever extraterritorial application of the EU’s anti-SLAPP law—essentially granting European courts the power to second-guess American juries when verdicts do not align with European values.

## A Broader Threat to U.S. Legal and Energy Sovereignty

While 38 U.S. states have their own anti-SLAPP statutes, they are tightly focused on protecting lawful speech—not rewriting court outcomes. The EU directive is far more expansive, giving European judges broad authority to award damages to parties they believe were subjected to “abusive” litigation, regardless of whether the challenged lawsuit followed U.S. due process.

This raises serious red flags:

- Could activist groups begin incorporating in Europe to shield themselves from accountability in U.S. courts?
- Could European tribunals become a venue for overturning U.S. legal decisions on American infrastructure projects?
- Could this embolden future protest campaigns targeting pipelines, refineries, transmission lines, or export terminals?

If Greenpeace succeeds, the answer may be yes.

For the energy industry, the implications are significant. U.S. producers already operate under extensive regulatory scrutiny and frequent legal challenges. The prospect of foreign “regulatory imperialism” reaching into America’s legal system adds another layer of uncertainty—and potentially encourages even more aggressive activist disruptions.

## Defending American Judicial Sovereignty

Energy Transfer argues that this case is about more than one pipeline. It is about protecting the integrity of American courts and ensuring that U.S.-based companies operating lawfully cannot be undermined by foreign legal doctrines rooted in fundamentally different cultural norms around free speech, activism, and private enterprise.

As Europe continues expanding its regulatory reach into climate policy, data management, banking, and digital services, the question becomes urgent:

Will American lawmakers and courts push back when EU rules attempt to reshape U.S. legal outcomes and energy development practices?

For U.S. oil and gas producers, the stakes are clear. If activist groups can sidestep American judgments by seeking refuge in European courts, major energy projects may face yet another avenue for delay, uncertainty, and risk.



# NEW ANALYSIS SHOWS NEW YORK'S CLIMATE MANDATES FALLING SHORT — WITH RELIABILITY AND AFFORDABILITY AT RISK

**New York's experience offers a revealing case study: reliable, dispatchable energy remains indispensable, and policies that sideline it too quickly create both economic and operational strain.**

A new review highlighted by the *New York Post* shows that New York's aggressive climate goals are drifting out of reach — and the consequences are increasingly visible in both grid reliability and consumer energy costs. The analysis, published by the Democratic-leaning Progressive Policy Institute, finds that the state is nowhere near meeting the benchmarks laid out in its landmark 2019 climate law.

Under that law, New York utilities must deliver 70% renewable electricity by 2030 and reach a zero-carbon grid by 2040. Greenhouse gas emissions are legally required to drop 40% below 1990 levels by 2030 and 85% by 2050. Yet progress is far behind schedule: offshore wind development has reached only **1%** of what is needed for 2030 compliance, and energy storage capacity sits at just **8%** of target levels. Meanwhile, fossil fuels still supply nearly half of New York's power — a reliance intensified by the premature retirement of the Indian Point nuclear plant.

## ESCALATING COSTS FOR CONSUMERS

While progress stalls, New Yorkers are footing the bill. Electricity prices in the state are now **44% higher than the national average**, with residential rates rising 36% since 2019 — nearly three times the pace of the rest of the country. New Yorkers pay **24.4 cents per kilowatt-hour**, compared to the national average of 16.5 cents. Utilities are also pursuing additional rate hikes of roughly 20%, as capital is diverted toward mandated renewable investments rather than maintenance, infrastructure upgrades, or storm repairs.

## HOCHUL SLOWS KEY ELECTRIFICATION MANDATES AMID PRICE CONCERNS

With prices climbing and an election year approaching, Gov. Kathy Hochul has delayed the implementation of the All-Electric Buildings Act. The law — which bans new natural gas hookups and mandates electric heating and appliances in most new buildings — was slated to take effect in January for structures under seven stories and in certain commercial buildings. Hochul now admits that the timelines set before

she took office are not feasible without harming ratepayers.

A similar delay has been placed on the state's proposed "cap-and-invest" program, which would impose new costs on natural gas plants, manufacturers, and other large emitters. In her 2025 budget proposal, Hochul cited affordability as the reason for postponing this carbon tax.

## GRID RELIABILITY CONCERNS INTENSIFY

The New York Independent System Operator (NYISO) recently issued a reliability warning for New York City, cautioning that the region could face power shortfalls as soon as next summer if natural gas plants scheduled for retirement are closed as planned. Keeping these plants online — and completing in-progress renewable projects — would delay shortages only until the end of the decade.

NYISO also reports that accelerated electrification of heating could flip New York's historic load pattern. Within the next ten years, winter — not summer — may become the state's peak demand season. With solar output declining sharply in winter and wind and storage capacity still far behind targets, meeting this new peak would require significant additional natural gas generation. New electric construction alone is expected to drive 7% of projected winter demand growth.

Governor Hochul is attempting to balance political pressures around affordability while maintaining a legally mandated march toward net-zero. Her recent hesitation underscores the reality long observed by energy economists: the costs of aggressive electrification and rapid renewable deployment ultimately fall on consumers. As electricity prices rise and reliability risks escalate, the administration is acknowledging these pressures — even as it continues to support ambitious emissions-reduction mandates.

American Enterprise Institute senior fellow Roger Pielke Jr. encapsulates the dynamic succinctly: "If there is an iron law of climate policy, it is that when policies focused on economic growth confront policies focused on emissions reductions, it is economic growth that will win out every time."

## SEVEN BILLS IN THE ENVIRONMENT SUBCOMMITTEE MARKUP THIS MONTH



Congressman Gary Palmer (AL-06), Chairman of the Subcommittee on Environment, delivered opening statement at the December 10 committee meeting.

“Welcome to today’s Environment subcommittee markup of seven (7) bills to improve the process for establishing and implementing the National Ambient Air

Quality Standards and to streamline environmental reviews and the New Source Review pre-construction permitting program under the Clean Air Act.

“No one questions that the Clean Air Act has been important in helping to improve air quality since the law was first enacted more than half a century ago. However, the law has not been significantly amended since 1990 and has not kept pace to meet the economic and security risks facing this country.

“The commonsense permitting reforms contained in these seven bills are needed to improve the Clean Air Act so the United States can continue to be the world leader in economic prosperity, technological innovation, and environmental quality.

“At subcommittee hearings in June and September, we heard testimony from several witnesses that the air quality standards for fine particulate matter and ozone that were issued by the Biden-Harris administration will stifle economic growth and be nearly impossible for states and regulated industries to meet because they are so close to background levels and that decisions on whether a state is meeting the standards should not be impacted by pollution caused by wildfires and from international sources outside of the state’s control.

“We also heard testimony from top state environmental regulators that several of the deadlines in the Clean Air Act are impossible for EPA and states to implement. For example, several witnesses said it would make sense to extend the timeframe for reviewing air quality standards from every five years, as it is in current law, to every 10 years.

“We also heard testimony from multiple witnesses that the current pre-construction permitting and environmental review provisions of the Clean Air Act can slow down or even block construction of high-tech manufacturing and energy projects that we need more of in this country to win the race for critical minerals and advanced semiconductors against China.

“The seven bills that we will be marking up are:

“H.R. 6409, Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) (Rep. Pfluger). This bill would clarify that foreign air pollution is not to be considered when deciding if a State or air district is meeting an air standard.

“H.R. 4218, Clean Air and Economic Advancement Reform (CLEAR) Act (Rep. Carter) This bill makes several improvements to the process for establishing and implementing the air quality standards program under the Clean Air Act.

“H.R. 4214, Clean Air and Building Infrastructure Improvement Act (Rep. Allen) This bill clarifies when a new air standard has to be factored into preconstruction permits under the Clean Air Act.

“H.R. 161, New Source Review Permitting Improvement Act (Rep. Griffith) This bill clarifies what kind of construction or modifications of existing facilities would trigger permitting under the Clean Air Act.

“H.R. 6373, Air Permitting Improvements to Protect National Security Act (Rep. Palmer) This bill would allow the President to waive the requirement that facilities that are critical to our national security – including critical mineral processing facilities -- offset emissions as part of the permitting process.

“H.R. 6398, Reducing and Eliminating Duplicative Environmental Regulations (RED Tape) Act (Rep. Joyce) This bill would streamline the environmental review and permitting process.

“The passage of these bills will go a long way toward improving our infrastructure and making permitting more predictable and cost-effective. Some of these bills include ideas that we have considered in previous years, but some of them offer creative solutions based on feedback we have received.

# THE DISAPPEARING MIDDLE TIER IN OIL & GAS: WHO WILL FILL THE GAP?

*Inspired by Alex Huriega, New Covenant Energy Partners*

The oil and gas industry has long relied on a robust middle tier of operators — companies that are neither sprawling majors nor tiny independents, but mid-sized players that bring speed, discipline, and practical innovation to the field.

As Alex Huriega of New Covenant Energy Partners recently noted on LinkedIn, “Everyone keeps talking about consolidation... but the real problem isn’t consolidation itself. It’s what disappears with the middle tier.”

Huriega highlights several critical functions the middle tier has traditionally provided:

**Real-time execution truth** Majors report through layers, and small independents often lack systems to track complex operations. The middle tier used to serve as the industry’s reality check — ensuring that what was happening in the field matched the numbers on paper. Without it, investors may not recognize execution drift until it’s too late.

**Practical innovation** While majors can buy technology and startups can build it, the middle tier has historically deployed tech at scale and proven what works. Losing this segment slows adoption and eliminates a critical field-testing environment.

**Discipline in development** Mid-sized operators had no room for sloppy drilling or inflated CAPEX. Survival depended on speed, lean operations, and precise calculations. Their disappearance leaves a vacuum, creating an industry that trends toward either massive, slow-moving projects or tiny deals that never move the needle.

**A proving ground for talent** Perhaps most overlooked, the middle tier has historically trained the next generation of operators, teaching them to manage P&Ls, acreage, and budgets efficiently. As this bench thins, so does institutional knowledge.

Jerry Simmons, President and CEO of the Domestic Energy Producers Alliance (DEPA), agrees with Huriega’s assessment: “The middle tier has been the unsung backbone of operational discipline and innovation in our industry. Without it, there is a real risk that the field-level insights and talent pipeline that have historically driven success could be lost.”

But what happens next? Who fills the execution and innovation gap? Simmons offers two potential scenarios:

## **Positive Scenario:**

“If a new generation of independent operators, or even tech-savvy startups partnered with experienced field operators, steps in, we could see a renaissance of innovation at scale,” Simmons says. “This would preserve field knowledge, maintain discipline in development, and keep the domestic oil and gas industry competitive and resilient.”

## **Negative Scenario:**

“Alternatively, if this gap is filled by outside entities with little operational experience or by purely financial players seeking short-term gains, the industry risks losing its practical, on-the-ground expertise,” Simmons warns. “Projects could become inefficient, innovation could stagnate, and the domestic oil and gas sector could face long-term strategic vulnerabilities.”

As the industry watches the middle tier shrink, the question isn’t just who survives the consolidation wave, but who will step up to carry forward the discipline, innovation, and talent development that has historically sustained U.S. oil and gas.

The question was posed on Huriega’s thread, What if no one fills the gap? His answer “then the industry has a real problem. If no one fills the middle, execution truth gets buried, innovation slows, and risk gets mispriced. Someone always ends up filling that vacuum — the only question is whether they’ll do it intentionally or by accident.”

“The whole industry feels like it’s standing at an intersection right now. What comes next is going to separate the disciplined from the distracted,” said Huriega

“When the mid-tier fades, we lose the group that used to balance risk with real operational insight. Majors aren’t built for innovation, and tiny independents often don’t have the room to take calculated shots— someone has to step into that space.

The future is going to belong to the teams that can:

- move fast,
- take smart, controlled risks,
- and actually execute in the field without the bureaucracy.

That’s where the innovation is going to come from now. And it’s going to be interesting to see who’s willing to carry that weight.

Huriega concludes, and Simmons echoes, that while the middle tier may be fading, the demand for speed, discipline, and field truth will not. “Someone will fill this gap,” Simmons says. “The question is whether it strengthens our industry — or leaves it weaker.”

# ENERGY AND COMMERCE MEMBERS INTRODUCE BILLS TO REFORM CLEAN AIR ACT PERMITTING

December 5, Congressman Brett Guthrie (KY-02), Chairman of the House Committee on Energy and Commerce, applauded the introduction of four bills that provide commonsense reforms to rein in outdated and overburdensome Clean Air Act (CAA) regulations that have stifled American manufacturing and growth without delivering promised environmental protections.

1. The Air Permitting Improvements to Protect National Security Act, led by Chairman Gary Palmer (AL-06),
2. The Reducing and Eliminating Duplicative Environmental Regulations (RED Tape) Act, led by Congressman John Joyce, M.D. (PA-13),
3. The Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) Act, led by Congressman August Pfluger (TX-11),
4. The Fire Improvement and Reforming Exceptional Events (FIRE) Act, led by Congressman Gabe Evans (CO-08), address excessive regulatory red tape under the CAA that creates bottlenecks, delays investment, and slows our nation's ability to compete with China.

“Meaningful permitting reform cannot be accomplished without modernizing the Clean Air Act. Our Committee is working to end the suffocating regulatory state that the Biden-Harris Administration sought to entrench, ultimately

halting manufacturing and driving investments overseas,” said **Chairman Guthrie**. “These bills will cut through the red tape that has hurt American businesses and workers, while still ensuring strong air quality protections. If we want to win the AI race against China, deepen our global leadership in advanced manufacturing, and continue onshoring more investment, we will need to be able to build the needed infrastructure, facilities, and power generation—these bills will help us to achieve these goals. Thank you to Chairman Palmer, Chairman Joyce, Congressman Pfluger, and Congressman Evans for leading the introduction of these important bills.”

“Manufacturing and critical mineral facilities that are essential to our economic stability and national security are currently being delayed due to permitting gridlock caused by burdensome regulations,” said **Chairman Palmer**. “This amendment to the Clean Air Act is long overdue. It’s time we remove unnecessary roadblocks so that we can adequately support domestic production while also ensuring we are protecting future generations’ environment and quality of life.”

“Simply stated, more efficient project approvals will create new Pennsylvania jobs,” said **Congressman Joyce, M.D.** “I’m proud to introduce the RED Tape Act and offer a commonsense solution to eliminate redundant federal approvals that delay economic growth and job creation.”

## COMMITTEE MEMBERS



“American companies are being unfairly penalized for pollution originating outside the United States. We’ve seen how even the mention of a nonattainment designation, like when the Biden EPA threatened to redesignate the Permian Basin, can create significant uncertainty for businesses and communities,” said **Congressman Pfluger**. “These designations delay permits and hurt economic growth, while failing to address the very problem they are trying to solve. My bill restores commonsense by preventing the EPA from punishing states for pollution they didn’t cause – including foreign emissions, cross-state transport, wildfire smoke, and mobile-source emissions outside their control. I’m proud to lead this bill as another major step in modernizing and strengthening America’s broken permitting system.”

“A leading reason for the affordability crisis facing Coloradans is red tape around air quality permitting. When the economy is strangled under the weight of costly, poorly designed ozone attainment standards, jobs are lost, prices spike, and financial stress increases negative health outcomes,” said **Congressman Evans**. “Clean air is important to everyone, but Colorado jobs should not be penalized for emissions outside of their control — whether it’s Canadian wildfires or Chinese pollution. My bill, the FIRE Act, is a common-sense solution that will drive down costs for working families in Colorado by clarifying that Clean Air Act benchmarks should not be used to punish jobs and hamstringing the economy for things like prescribed burns or out-of-state wildfire smoke.”

### AIR PERMITTING IMPROVEMENTS TO PROTECT NATIONAL SECURITY ACT

- The Clean Air Act requires pre-construction permits for major sources of emissions and pollution, but Section 173 of the Clean Air Act currently includes a provision allowing offset requirements to be waived

for rocket engines or motors, which are essential for national security.

- This bill expands that authority to include advanced manufacturing facilities and critical minerals facilities, which are vital to strengthening America’s supply chains and national defense.
- Under the bill, the President may determine that an advanced manufacturing facility or a critical minerals facility is exempt from offset emissions credit requirements. An advanced manufacturing or critical mineral facility may also receive an exemption to the offset requirements if it can show offsets are not readily available and that the facility is working to maximize emissions reductions.
- Importantly, these facilities would still be required to meet all other Clean Air Act permitting requirements, ensuring continued environmental protections.

### REDUCING AND ELIMINATING DUPLICATIVE ENVIRONMENTAL REGULATIONS (RED TAPE) ACT

- Under current law, the EPA conducts a second review and publicly comments on the environmental impacts of other federal agencies’ projects and regulations, even where the EPA has participated in the initial environmental review. This has created redundancy and adds a costly, duplicative, and unnecessary layer of bureaucracy.
- Agencies that prepare environmental impact statements already have the expertise to evaluate their own projects. Adding a full and secondary review creates duplication and delays in the system.
- The RED Tape Act would eliminate the EPA’s burdensome requirement to provide duplicative feedback on other agencies’ environmental impact statements under NEPA.





### **FOREIGN EMISSIONS AND NONATTAINMENT CLARIFICATION FOR ECONOMIC STABILITY (FENCES) ACT**

- States across the country are being unfairly penalized for pollution that originates beyond U.S. borders, including from natural events like the Canadian wildfires. Under current law, states can adjust their air quality plans if foreign emissions affect their ability to meet federal air standards.
- However, recent EPA guidance has limited permissible adjustments only to human-caused emissions, creating unnecessary hurdles for states and industries already working to comply with the Clean Air Act.
- The FENCES Act clarifies that all foreign emissions, whether natural or human-caused, are excluded when determining whether a state meets national air quality standards or when reviewing new facility permits. The bill also allows states to account for foreign emissions earlier in the process, rather than waiting until all other requirements are complete.

### **FIRE IMPROVEMENT AND REFORMING EXCEPTIONAL EVENTS (FIRE) ACT**

- The FIRE Act ensures that states are not punished for smoke and emissions they cannot control, while still maintaining strong environmental protections. It provides clarity and predictability for air quality planning, reduces unnecessary regulatory burdens on manufacturers and communities, and rewards proactive wildfire mitigation that protects public health and improves future air quality.

The legislation updates Section 319(b) of the Clean Air Act to clarify how emissions from wildfires, prescribed burns, and other exceptional events are treated in federal air quality reviews. It strengthens states’ coordination with the EPA to ensure timely, transparent exceptional-event determinations.



# THE STANDARDIZING PERMITTING AND EXPEDITING ECONOMIC DEVELOPMENT ACT, (SPEED ACT)



## TOPLINE POINTS

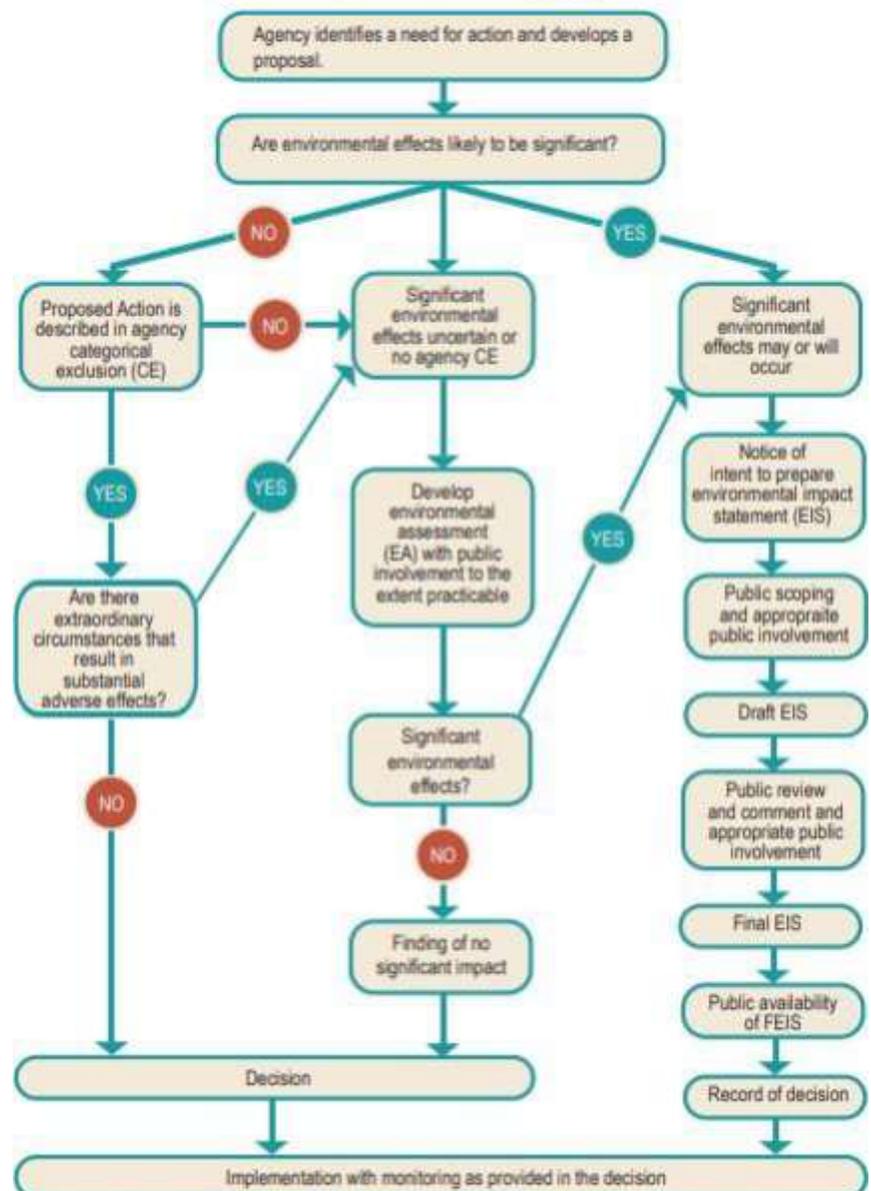
- Prolonged NEPA analysis and constant litigation pose significant barriers to all-of-the-above energy production, infrastructure projects, forest management, and more.
- The SPEED Act builds on the NEPA reforms passed in the Fiscal Responsibility Act, limiting the scope of environmental reviews and clarifying when NEPA is triggered.
- The legislation creates timelines and sideboards for judicial review under NEPA, codifying key pieces of the Supreme Court’s decision in *Seven County Infrastructure Coalition v. Eagle County, Colorado*.

NEPA is a procedural statute that established parameters for assessing and disclosing the environmental impact of all major federal actions. Originally intended to ensure an appropriate balance between protecting the environment and economic development, the NEPA process has become increasingly complex, resulting in massive NEPA documents approaching thousands of pages, protracted project timelines, and litigation.

The SPEED Act simplifies the analysis required in NEPA documents so that agencies are not stuck studying never-ending topics without ever reaching a conclusion. The bill clarifies when NEPA is triggered by focusing the definition of “Major Federal Action” and allows agencies to rely on previously completed NEPA documents for projects. Lastly, the bill establishes judicial review limitations for NEPA claims, including a 150-day deadline for filing claims, and eliminates vacatur and injunction as remedies available to courts.

The SPEED Act will create certainty in the permitting process and spur domestic investment in critical infrastructure, energy and conservation.

## The NEPA Process



\*Significant new circumstances or information relevant to environmental concerns or substantial changes in the proposed action that are relevant to environmental concerns may necessitate preparation of a supplemental EIS following either the draft or final EIS or the Record of Decision (CEQ/NEPA Regulations, 40 C.F.R. § 1502.96(c)).

## Summary of Changes Made in Markup

The SPEED Act, as reported, includes revisions in response to input from dozens of associations, businesses, states, local governments, tribes, federal agencies, and bipartisan Members of Congress.

### Supports Tribal Sovereignty:

- Based on input from tribes, the bill includes provisions to ensure NEPA does not block tribal economic development.
  - ⇒ Permits tribes to rely on statutes, ordinances, resolutions, regulations, or other formally adopted policies that meet NEPA requirements.
  - ⇒ Supports tribal sovereignty by establishing a presumption that the no-action alternative for actions utilizing tribal resources would negatively impact the initiating tribe.
  - ⇒ Limits NEPA claims for final agency actions involving lands, minerals, or other resources held in trust by the United States for the benefit of a federally recognized Indian tribe.
  - ⇒ Clarifies when challenges can be made and by whom, including the tribe, neighboring landowners, and other directly affected parties, reducing litigation delays for projects on tribally controlled lands.

### Amending Environmental Documents:

- The bill would prohibit federal agencies from rescinding, amending, or altering environmental documents unless a court orders them to do so. The bill allows agencies to amend environmental documents to make them more resistant to litigation if a project sponsor agrees.

### Early Engagement of Stakeholders:

- Based on input from counties, local governments, and bipartisan members, the bill includes language that requires lead agencies to identify and invite cooperating agencies within 21 days of issuing a notice of intent. Invited federal agencies, states, local governments, and tribes would have an additional 21 days to respond. After the response period ends, lead agencies will be responsible for convening all cooperating agencies to develop a schedule to complete the environmental review and all related authorizations. The bill includes language to ensure agencies conduct reviews for authorizations concurrently. To ensure local knowledge is incorporated into the process from the beginning, increase community awareness, and reduce litigation, the bill includes language clarifying that Counties are eligible as cooperating agencies.

### Increased Certainty:

- Congressional hearings have highlighted that, despite NEPA timelines enacted in the Fiscal Responsibility Act (FRA), the process for getting an agency to begin an environmental document can drag on for years. The bill addresses “pre-NEPA” delays by setting time limits for agencies to respond to permit or authorization requests. The language requires agencies to determine application completeness within 60 days. If an application is deemed incomplete, agencies must specify the information needed to complete it. Once an application is considered complete, agencies have 60 days to assess and document the level of NEPA review required, which triggers the timelines included in the FRA. Agencies would then be required to issue a final decision within 30 days of completing an environmental document. The bill also prevents agencies from rescinding, withdrawing, or terminating authorizations unless specific criteria are met and the

### Reliance on Previously Completed Environmental Documents:

- The bill codifies existing NEPA procedures by allowing agencies to rely on previously completed environmental documents for actions that are substantially the same and have similar effects. It allows agencies to modify existing documents rather than creating new ones from scratch for similar actions. Codifying these changes will expedite the NEPA process without sacrificing environmental review.



CONT'D FROM PG 5

The silence around the Green New Deal's original deadlines, combined with Gates' pivot toward balanced global development, underscores what many in the energy sector have long argued:

- Climate objectives must be pursued realistically, not rhetorically.
- Affordable, reliable energy remains central to human progress.
- Overly aggressive timelines often collapse under economic and political pressure.

As national energy debates continue into 2026 and beyond, the contrast between Green New Deal-era alarmism and today's more measured tone may open space for a pragmatic reassessment — one that recognizes the indispensable role of oil and gas in supporting economic growth, global development, and long-term resilience.

## The Chairman Tommy Taylor Memorial Scholarship



The Texas Alliance of Energy Producers opened the Chairman Tommy Taylor Memorial Scholarship in 2014. It's in memory of Tom Taylor, a former chairman of the Alliance, prominent figure in the oil and gas industry, and an esteemed leader. The scholarship is an ongoing tribute to Mr. Taylor and his commitment to the industry that he loved and to the Alliance.

### Scholarship Criteria

**Amount:** A one-time \$2,500 scholarship

**Eligibility:**

- Graduating high school senior from any high school in Texas OR
- Currently enrolled college student who graduated from a Texas high school

**Major or Field of Study:** Related to energy or oil and gas, including petroleum, geology, and engineering. The award can be used at any college or university.

**Deadline:** February 1, 2026 at 11:59 p.m.

**Details and application:** <https://www.wfacf.org/apply-for-a-scholarship>



# SOCIAL MEDIA POSTS AND ARTICLES YOU SHOULDN'T MISS



**Ron Gusek** • 1st  
CEO at Liberty Energy  
5d • 🌐

A great read from Matt Ridley as the energy conversation swings back to one grounded in reality and pragmatism.

"The climatasprophe has been a terrible mistake. It diverted attention from real environmental problems, cost a fortune, impoverished consumers, perpetuated poverty, frightened young people into infertility, wasted years of our time, undermined democracy and corrupted science."

**Sean Wallentine** • 1st  
VP of Government Affairs, CA Independent Petroleum Association  
3d • Edited • 🌐

No #oil. No #electricity.

The #California electrical grid cannot conduct electricity without massive amounts of "transformer oil." Most people have never heard of it, yet lawmakers press on

No #oil. No #electricity.

The California electrical grid cannot conduct electricity without massive amounts of "transformer oil." Most people have never heard of it, yet lawmakers press on ignorantly towards a "no fossil fuel future" without realizing that the electrical grid cannot operate without lots and lots of transformer oil.

There is one refinery in California that manufactures "transformer oil." It's located in Bakersfield, California and it provides 80 percent of the transformer oil used by the public utilities in CA to safely conduct electricity to end users throughout the state.

There is no future without oil, folks. We are always going to need it. So when you talk about #transition you should come to your senses about what that means. It might mean less oil, but it can never mean zero oil.

You have been warned. Educate yourselves Caleg and California State Assembly & California State Senate.





**Dan R. Brouillette** • Following  
The 15th United States Secretary of Energy  
1w •

COP30 just wrapped in Brazil. After two weeks of heated debate, 194 nations essentially agreed that "the energy transition is irreversible" while simultaneously refusing to say when, how, or even IF they'll actually transition away from anything.

Here's the truth: We don't have an energy transition. We have energy addition.

COP30 just wrapped in Brazil. After two weeks of heated debate, 194 nations essentially agreed that "the energy transition is irreversible" while simultaneously refusing to say when, how, or even IF they'll actually transition away from anything.

Here's the truth: We don't have an energy transition. We have energy addition. Historically, humanity has never abandoned or "transitioned" from an energy source—we just keep adding new ones, making old ones more efficient, and consuming more of everything.

AI data centers, manufacturing growth, EVs, and billions seeking better living standards are driving exponential energy demand. Meeting that requires nuclear, hydrocarbons, renewables, and energy sources we haven't even imagined yet. ALL of it.

Pretending otherwise is theater.

Maybe it's time for COP and WEF to follow Hollywood's lead and label their productions 'entertainment.'



**U.S. Department of Energy (DOE)**

331,596 followers  
1h •

Yesterday, Secretary Wright visited [Idaho National Laboratory](#) — fulfilling his promise to visit all 17 National Laboratories in his first year as U.S. Secretary of Energy.

This is where America's nuclear energy journey began over 75 years ago, and where its future is being forged to unleash America's nuclear renaissance!



**Tommy Faucheux** • Following  
President, Louisiana Mid-Continent Oil & Gas Association (LMOGA)  
1h •

The Gulf of America is open for business! us

**Louisiana Mid-Continent Oil and Gas Association**  
LMOGA  
4,989 followers  
20h •

On the eve of the first oil and gas lease sale in the "Gulf of America" LMOGA President Tommy Faucheux joined Governor Jeff Landry on stage for the signing of a proclamation establishing December 9th, 2025 as Gulf Coast Energy Day.





# 2026 events

We appreciate the partnerships we have with our state trade associations that allows us to attend many of the collaborating association annual meetings across the country to explain what DEPA is doing in DC on behalf of domestic producers, service companies, refiners and pipelines. **Click the organization name to see the event webpage and register to attend!**

[NAPE Expo](#) Houston, TX February 18-20

[Illinois Oil and Gas Association](#)

ANNUAL MEETING- EVANSVILLE, INDIANA MARCH 26-27

[North Dakota Petroleum Council](#)

WILLISTON BASIN PETROLEUM CONFERENCE- BISMARCK, ND MAY 19-21

[Petroleum Alliance of Oklahoma](#)

ANNUAL MEETING- IRVING TX, JUNE 2-5

**WE ARE THE PEOPLE OF AMERICAN OIL AND NATURAL GAS**



**DOMESTIC ENERGY PRODUCERS ALLIANCE**

The welfare of the U.S. and the world begins with energy. With the change in administration, we now have leadership that understands the importance of domestic oil and gas production in achieving energy dominance and strengthening our economy. However, our work is far from over.

A pro-fossil fuel administration provides us with a unique opportunity to make meaningful strides, but it does not mean we can afford to sit back and relax. We must continue to engage, educate, and advocate to ensure that the foundation of our energy security remains strong for generations to come. Policies and regulations can shift quickly, and it is vital that we stay vigilant and proactive in defending our industry against misinformation and unnecessary regulatory hurdles.

DEPA remains committed to bringing facts and clear thinking to the table where energy challenges are being discussed. Our presence in Washington, D.C., is critical to ensuring that lawmakers understand the real-world impact of their decisions and the essential role our industry plays in the lives of all Americans.

The most powerful way you can make a difference is by becoming a DEPA member or renewing your membership. Your support strengthens our ability to advocate for policies that protect and promote American oil and gas. But membership is just the beginning—you can amplify DEPA's impact by staying engaged, spreading the word to your network, and ensuring that industry voices are heard where it matters most.

Thank you for your dedication to DEPA and for everything you do to support our mission. Together, we can secure a strong, thriving, and energy-dominant future for our nation.

Sincerely,

Jerry Simmons

DEPA President/CEO

# DEPA PAC

**DOMESTIC ENERGY PRODUCERS' ALLIANCE POLITICAL ACTION COMMITTEE**

**DEPA PAC Co-CHAIRMEN | DAVID LE NORMAN AND DAN BOREN**

The DEPA PAC works to ensure there is a loud, clear voice for the industry. Reliable, clean, efficient, affordable, energy is vital to our country, and the world. We are unapologetic about being the driver of economic growth and security across the globe.

We believe the only way to accomplish our sharply focused agenda is to establish common ground. We consistently seek common sense solutions to the challenges that face us in business, including our relations with the legislative and executive branches of the Federal government.

**Please support American Energy Independence with your DEPA PAC Donation.**

**AMERICAN ENERGY POLICY IS NOT  
A REPUBLICAN ISSUE OR A DEMOCRAT ISSUE.  
IT IS AN AMERICAN PROSPERITY AND A LEADERSHIP ISSUE.**

