


**CONSUMER
ENERGY
ALLIANCE**
THE VOICE OF THE ENERGY CONSUMER



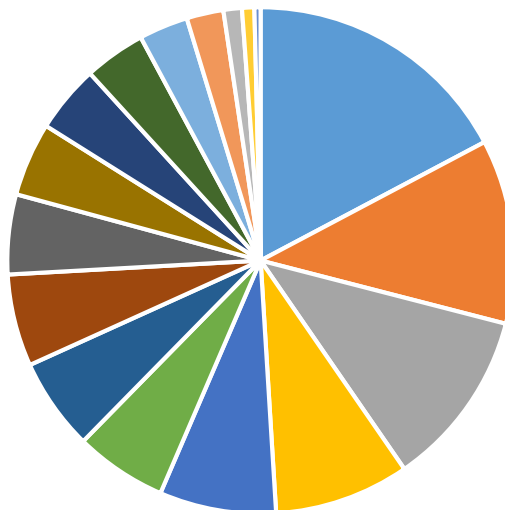
West Virginia Manufacturing Association Winter Convention

December 7, 2018



The mission of CEA is to improve consumer understanding of our nation's energy security, including the need to reduce reliance on imported oil and natural gas, maintain reasonable energy prices for consumers, and continue efforts to diversify our energy resources.

Membership Makeup by Industry



- Oil, Gas & Nuclear Association
- Chamber of Commerce
- Consumer Discretionary Services
- Trucking/Transportation/Logistics
- Manufacturing/Chemicals
- Independent Oil & Gas/Support & Services
- Engineering/Machinery/Construction
- Other
- Agriculture/Food & Beverage
- Power Generation/Utility



- **~280 Affiliate Members**
 - Every aspect of economy
 - 65% are consumers
- **~550,000 Individual Members** from across the U.S.
 - 180K+ followers on social media
- **Chapters:** CEA-AK, CEA-FL, CEA-TX, CEA-Northeast, CEA-Southeast, CEA-Midwest, CEA-Mid-Atlantic, CEA-Rockies
- **Campaigns:** CEA has been actively involved in more than 125 local, state and national Campaigns since 2006
- **Organization:** Campaign-focused & outside of the Beltway where long-term energy fights are occurring



Families:

- Families all across the United States, particularly those on fixed incomes, deserve sensible, all-of-the-above energy solutions that help maintain supplies and keep prices low

Non-partisan:

- Energy is not a partisan issue. It affects every man, woman, and child in this country

Environmental protection:

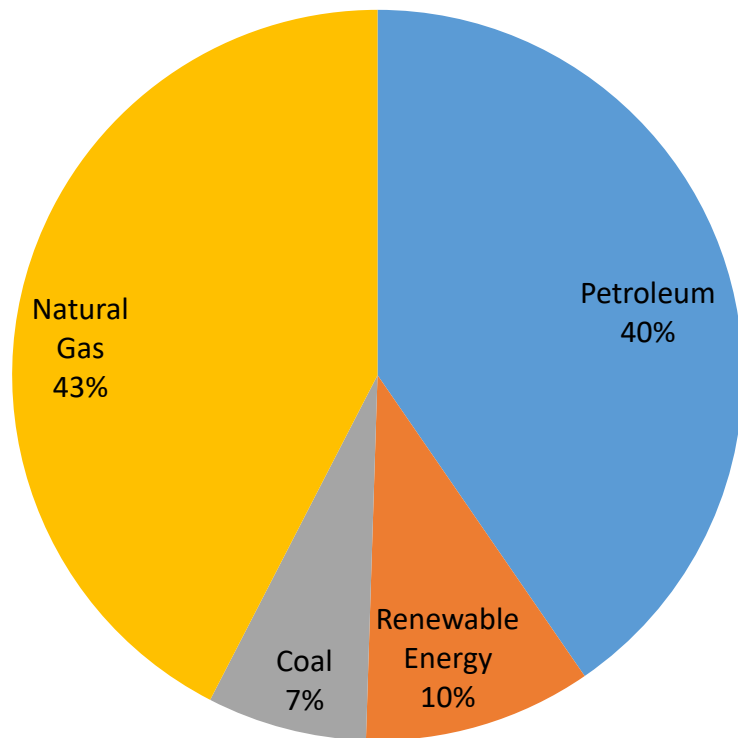
- It is critical that we continue to press industry to use the latest innovation and modern technology to improve the environment. CEA agrees that the environment is vital to future generations

Energy Solutions:

- CEA represents families and businesses who are seeking energy solutions. Simply saying “no” is not a solution. As a nation, we must do all we can to meet our energy needs using every available resource. Energy solutions and environmental improvement CAN and MUST go hand-in-hand.

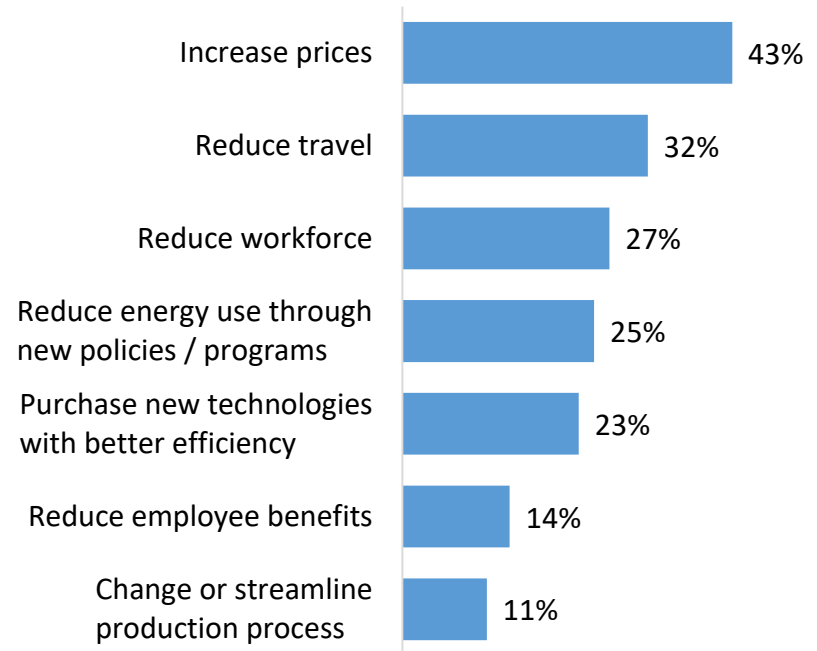


Industrial Fuel Consumption



Data Source: U.S. Energy Information Administration

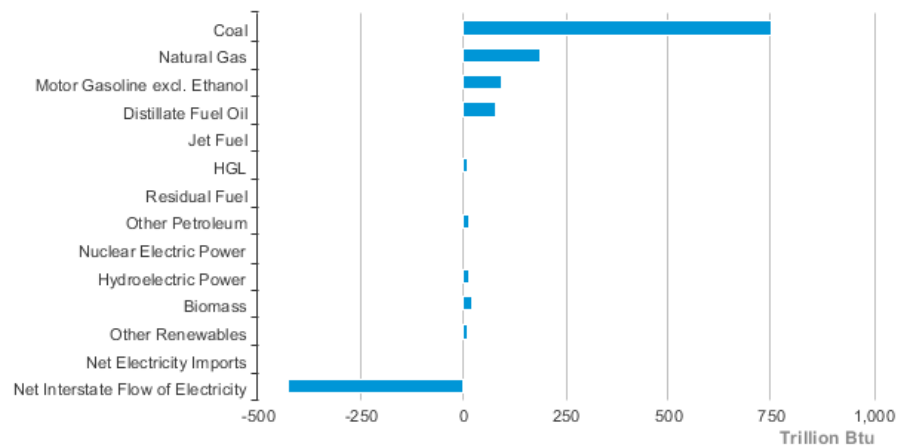
In what ways have you coped with rising and/or volatile energy costs?



Data Source: NSBA Energy Survey

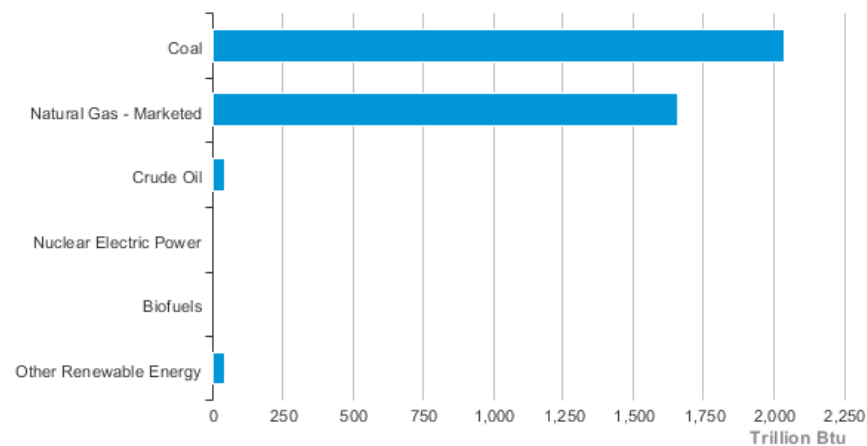


West Virginia Energy Consumption Estimates, 2016



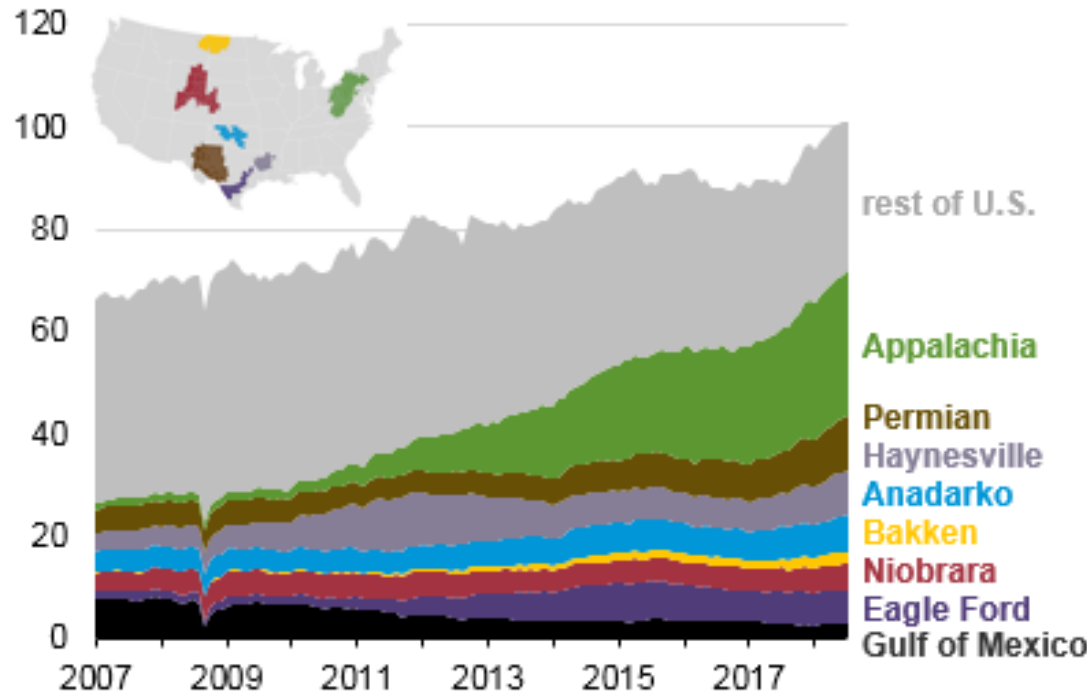
eia Source: Energy Information Administration, State Energy Data System

West Virginia Energy Production Estimates, 2016

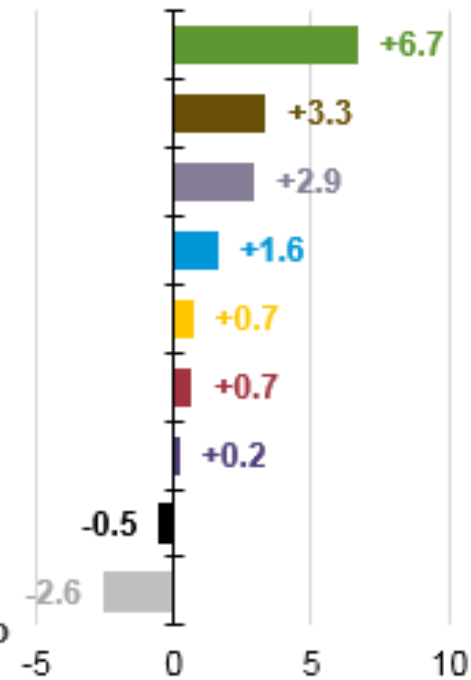


eia Source: Energy Information Administration, State Energy Data System

U.S. natural gas production (Jan 2007 - July 2018)
billion cubic feet per day



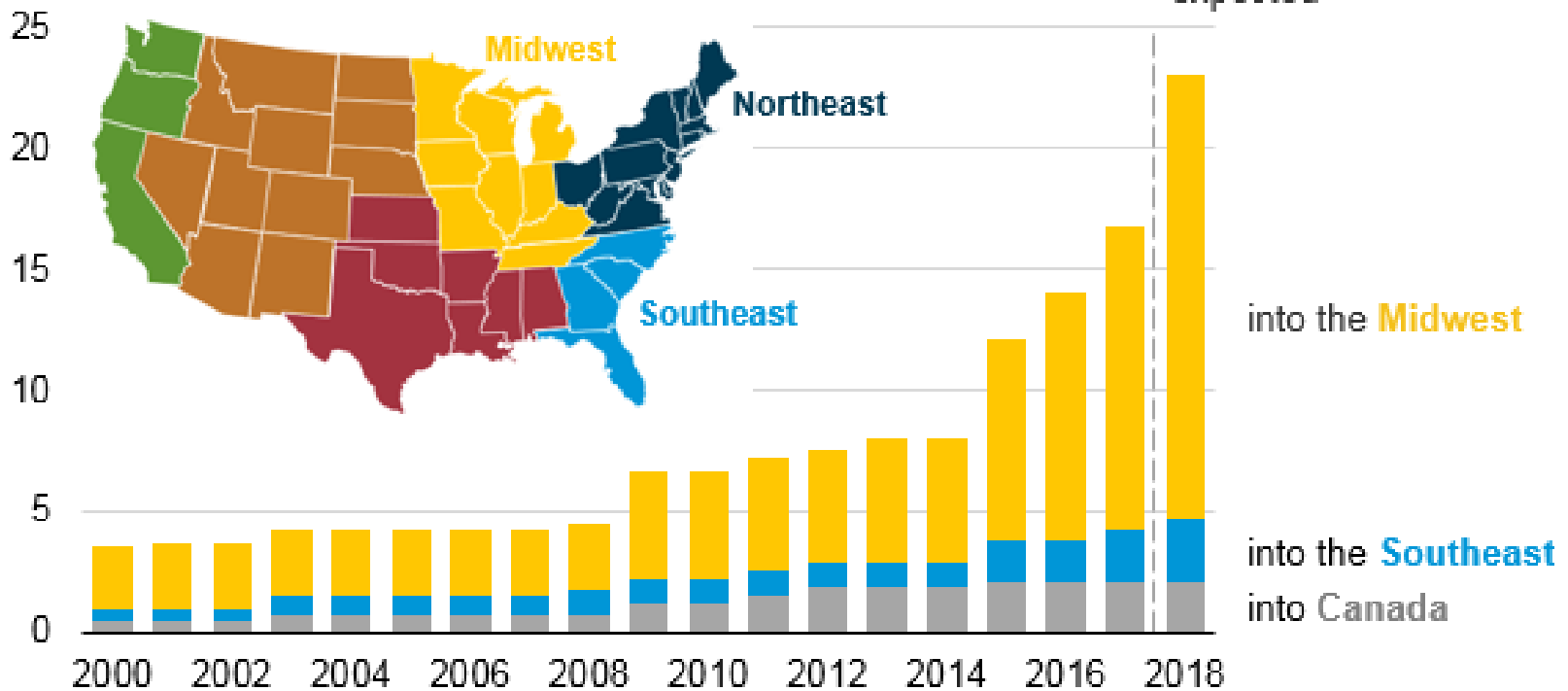
Change since July 2016
billion cubic feet per day



Source: U.S. Energy Information Administration, *Drilling Productivity Report*, *Natural Gas Monthly*, and *Short-Term Energy Outlook*



Natural gas pipeline capacity out of the Northeast United States (2000-2018)
billion cubic feet per day



Source: U.S. Energy Information Administration, *Natural Gas Pipeline Projects* tracker

- Examined the implications of activist policy demands and the impact on supply by 2030 from:
 - Failure to permit and construct new pipeline infrastructure
 - Inability to obtain necessary permits for electricity generation



Families, Communities and Finances:
The Consequences of Denying Critical
Pipeline Infrastructure



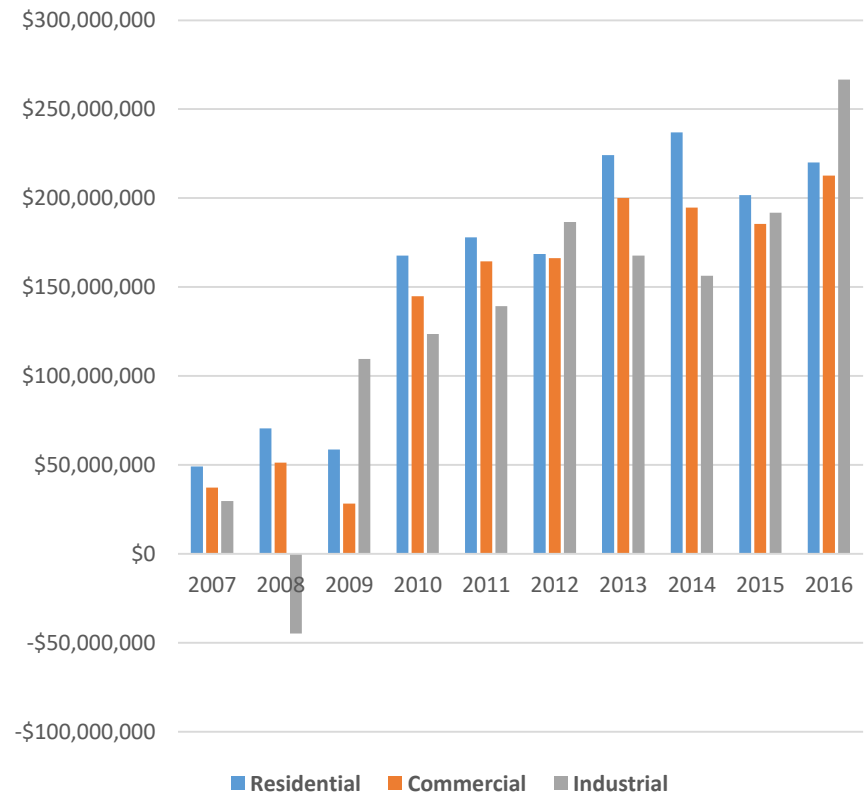


- Examined Three Neighboring States
 - Ohio
 - Pennsylvania
 - Virginia
- How have these states benefited from energy development
 - Cost savings for residential, commercial, industrial end users
 - Core shale industry job growth
 - Additional benefits



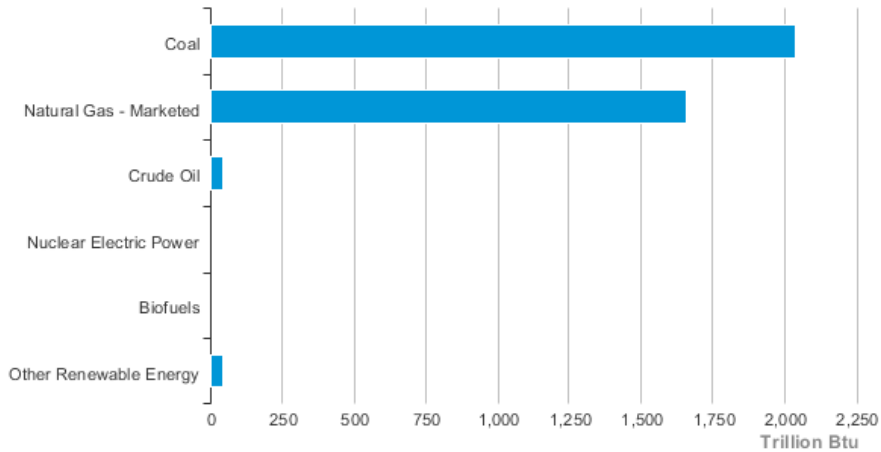
- Almost \$4.3 billion in savings
 - \$1.57 billion residential
 - \$1.39 billion commercial
 - \$1.32 billion industrial
- Shale-related industry employment increased 77.54%
 - Pipeline construction employment alone increased 185%
- More than \$865.8 million to state and local governments from severance taxes alone

Consumer Savings Per Year



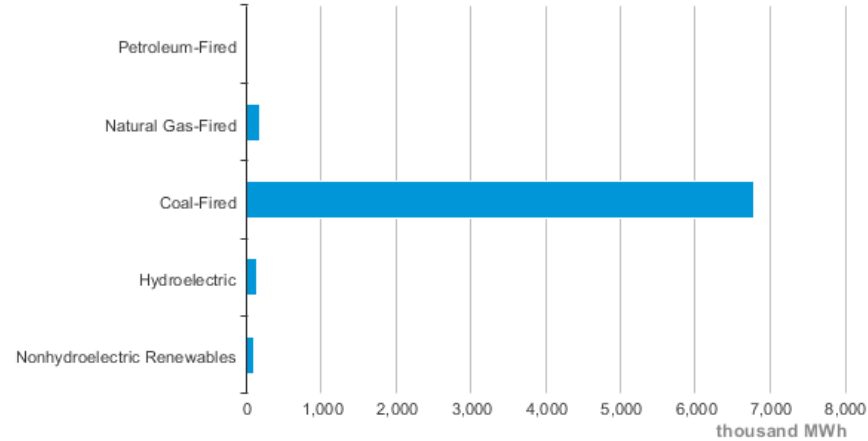


West Virginia Energy Production Estimates, 2016



eia Source: Energy Information Administration, State Energy Data System

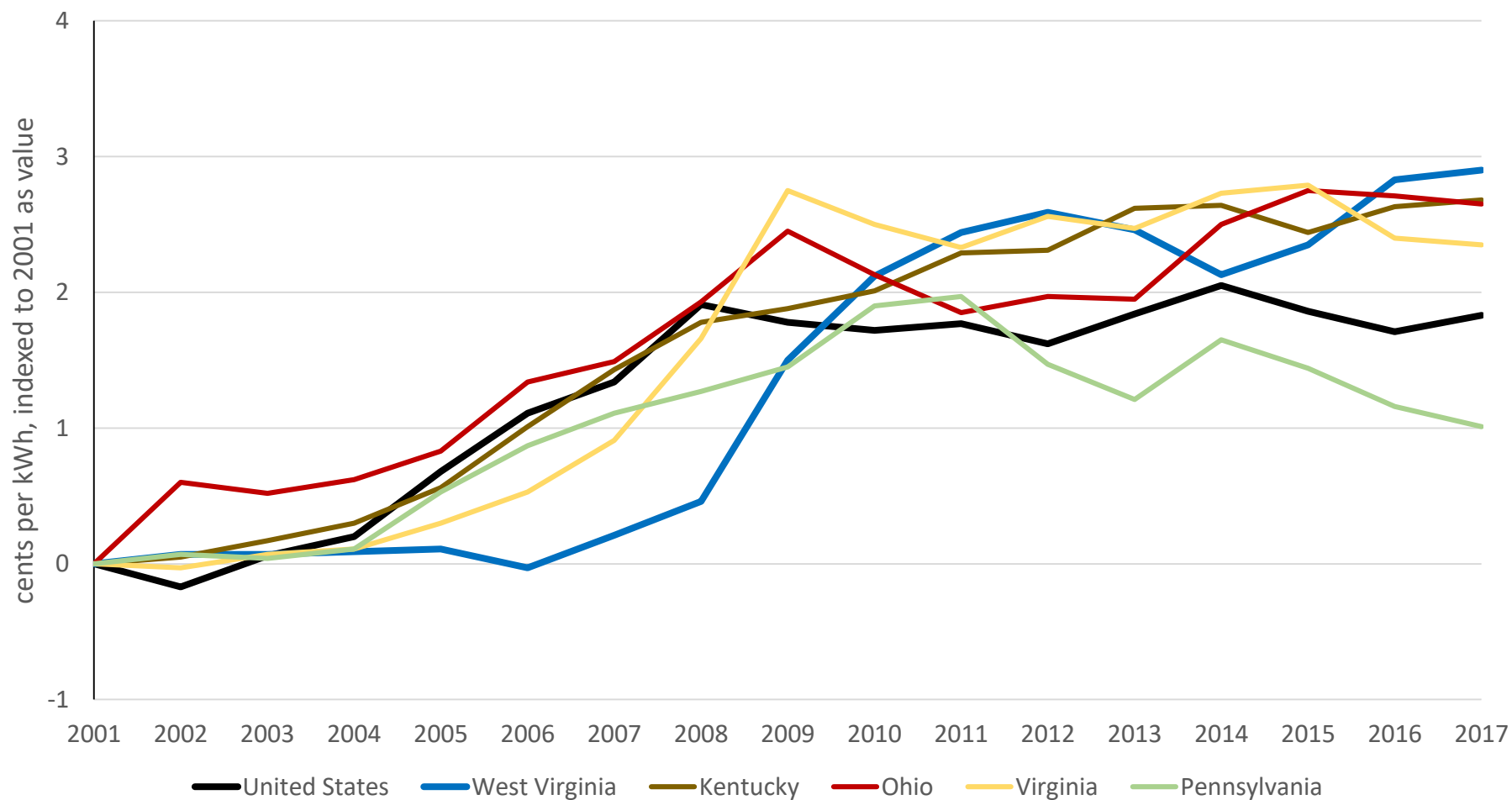
West Virginia Net Electricity Generation by Source, Aug. 2018



eia Source: Energy Information Administration, Electric Power Monthly



Average Retail Price of Electricity, Industrial, Annual (EIA)





- FERC
 - Nomination of McNamee out of Senate ENR Committee
 - 1999 Process Review still on-going
- Congress
 - Permitting and Clean Water Act Reform Efforts in Congress
 - Infrastructure push in Congress
- Continued challenges in organized electricity markets
- Legal challenges in the 4th Circuit



- **Tremendous opportunity in West Virginia and surrounding states**
 - Energy savings for businesses
 - Makes the state and region cost competitive for manufacturers
- **Activists are organized, but have presented no viable alternative or coherent plan**
 - Their demands = higher power/energy bills, potential blackouts, less economic opportunity
 - Energy delivery requires energy infrastructure
- **Pipelines and energy infrastructure are essential**
 - Vital for rural development, making manufacturers and agribusiness competitive
- **Significant change occurring across organized electricity markets will continue**
- **CEA wants to partner with you to develop critical energy infrastructure and set a rational, all of the above energy policy**



Contact Information:

Chris Ventura
Executive Director – CEA Midwest
cventura@consumerenergyalliance.org