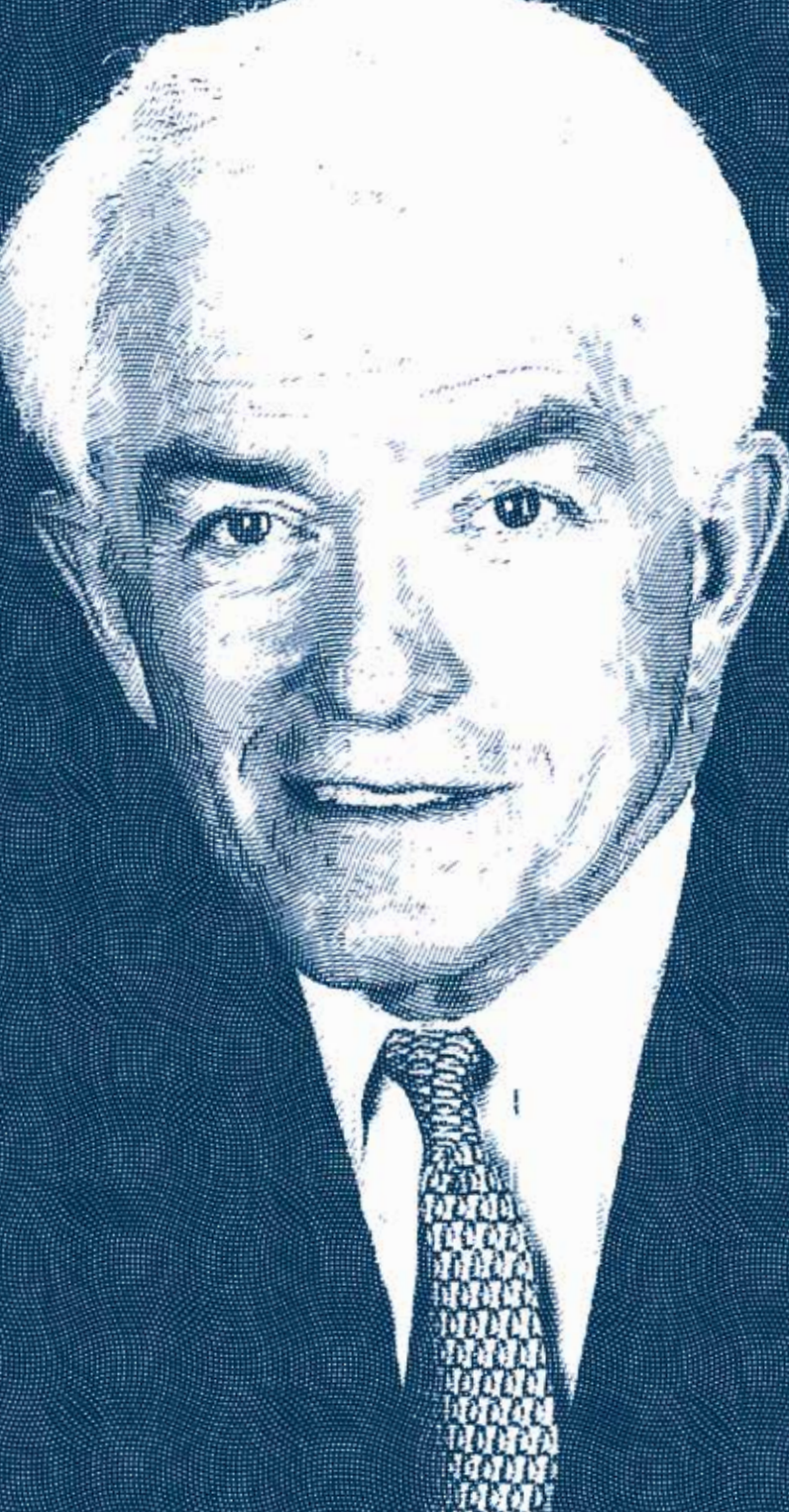




Institute for 21st Century Energy
U.S. Chamber of Commerce

Annual Report

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**The Institute for
21st Century Energy
is the nation's premier
organization fighting
for pro-growth energy
policies that will increase**

domestic production, further reduce our reliance on foreign sources of energy, and help America become a leading energy exporter of oil and gas.

Such policies will create millions of jobs, generate trillions in government revenue, and strengthen an energy industry suffering from low prices.

The Institute is also beating back efforts to restrict, undermine, or destroy the American energy industry through legislation, regulation, or intimidation. It's an indispensable asset in the fight for common sense energy policies.

Thomas J. Donohue

President and CEO

U.S. Chamber of Commerce



The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations.



The Institute for 21st Century Energy has remained a leading voice in Washington for common sense energy policies that will create jobs and improve security.

As new challenges and threats to our energy opportunity have emerged, our Institute has evolved and adapted to achieve our desired outcomes.

Our support for a true “all of the above” approach to energy has not wavered. From conventional sources like coal, natural gas and oil to other sources like nuclear, hydropower and renewables, we know that all of our resources will be needed to meet the world’s energy demands.

But in today’s era of regulatory overreach and obstruction, we also recognize that the fight for sound energy policy is being fought at every level, from state regulators to the halls of Congress.

We bring a unique set of tools to every issue we engage on, and our approach can be summed up as: educate, advocate, and activate.

No matter the issue, one of our primary roles is to educate a variety of audiences—from policymakers in federal, state and local governments to state and local Chambers to families and consumers. Our Energy Institute team can be found across the nation speaking to groups large and small, sharing facts and analysis.

Once we’ve laid the foundation, we’re strong advocates for our positions. Our experts testify before Congress, provide timely analysis, and can be heard on local and national airwaves making our case.

But we don’t go into battle alone. We have help from our growing grassroots network that we activate when needed. We utilize our social media platforms and both traditional and digital mediums to reinforce our message and make sure that the voice of energy consumers and businesses are heard.

And when necessary, we’re not afraid to take our fight a step further and litigate, using our own in-house law firm with a strong track record of success.

In this book, you’ll see some examples of our strategies in action—including some big successes, and some fights that we’re still fighting.

We know that no less than the future of America’s economy is on the line, and you can count on the Chamber’s Institute for 21st Century Energy to be at the forefront of the national dialogue on energy.

Karen Alderman Harbert
President and CEO
Institute for 21st Century Energy

Our Mission

The mission of the U.S. Chamber of Commerce Institute for 21st Century Energy is to unify policy makers, regulators, business leaders, and the American public behind a common sense energy strategy to help keep America secure, prosperous, and clean. Through policy development, education, and advocacy, the Institute is building support for meaningful energy action at the local, state, national, and international levels.



Convening Influential Leaders

As the voice for the business community in Washington, the Chamber is a natural venue for the world's top energy leaders in government and industry.



Providing a platform for:

Government Leaders

Majority Whip **Steve Scalise** (R-LA) addresses the Institute.



Federal Energy Regulatory Commissioner **Colette Honorable** outlines her vision at an Energy Institute meeting.



International Dignitaries

Then-Albert Premier **Jim Prentice** outlined partnership opportunities in energy between Canada and the United States at the Chamber.



Then-Australian Minister for Industry and Science **Ian Macfarlane** discussed US-Australian relations with **Karen Harbert** and other Chamber leaders.

Leading Industry CEOs

The Energy Institute's CEO Leadership Series Luncheons feature some of the industry's top leaders and generate broad coverage in Washington.



EnCana President and CEO **Doug Settles** addressed a variety of topics at the Chamber, including joint areas of opportunity for the US and Canada.

BHP Billiton CEO **Andrew McKenzie** takes questions from reporters at Chamber headquarters.

MAKING NEWS

OIL&GAS JOURNAL

Crude Export Ban Could Endanger US Oil Renaissance, Encana CEO Warns

UPI

BHP Ads Voice to U.S. Oil Export Debate.



ConocoPhillips President and CEO **Ryan Lance** outlined the need for greater access to global markets for US energy companies at the Energy Institute's CEO Leadership Series luncheon.

US Chamber President and CEO **Tom Donohue** kicks off a CEO Series Luncheon at the Chamber's Hall of Flags.

HOUSTON★CHRONICLE

**ConocoPhillips' CEO Leads
Charge for Oil Exports**

Oil Exports

The Challenge: Thanks to technology and innovation, America has vast oil and gas resources—but because of a 1970s law, couldn't sell them to global markets. Congress needed to lift the ban on oil exports, creating jobs and improving global security.

The Outcome: The Chamber helped lead an effort that resulted in Congress lifting the ban as part of the Omnibus Appropriations Bill that was signed into law by the President.



The ban on oil exports was put in place in the 1970s as a reaction to the Arab Oil Embargo—a much different time. Now, America has abundant supplies of oil. In today's world, energy is used as a weapon—those nations that have it exert influence over those that don't. Injecting American oil into the global market improves global security, and create jobs here at home. Methodically, we made the case—to lawmakers, on the airwaves, and in cities and towns across America.

We **educated** by working with local and state Chambers to put together events that outlined the case for lifting the ban. Our President and CEO testified before Congress and the Chamber team shared the facts with lawmakers from across the political spectrum.

We **advocated** with a comprehensive digital campaign in strategically selected markets, and **activated** our grassroots supporters to contact their elected officials and encourage them to support lifting the ban.

As a result of our efforts, thousands of supporters contacted their representatives and let them know that lifting the ban was a priority.

Back in Washington, our Chamber team worked with Congressional leadership and our allies to ensure that the ban on exports was a priority headed into final negotiations on the Omnibus Appropriations Bill. Ultimately, lifting the ban became the centerpiece of negotiations, and Congress passed the bill.

The success of this effort demonstrates the opportunities that exist by making bold decisions, being organized, and making the case to lawmakers, the business community and the public.

From the introduction of legislation...

President and CEO **Karen Harbert** joins Members of Congress and industry leaders at a news conference introducing the legislation to lift the ban on oil exports.



to an aggressive media campaign...



and expert testimony...

Harbert testified before a Senate panel to build support for the legislation.



to Congressional
passage...

the Energy Institute played a
central role in lifting the ban
on oil exports.

President and CEO **Karen Harbert** joins **Rep. Joe Barton** (Texas) at a news conference following House passage of his bill to lift the ban.



“ Congress has made it possible to
unleash American energy around
the world. ”

Energy Institute President & CEO
Karen A. Harbert

Spreading the Word

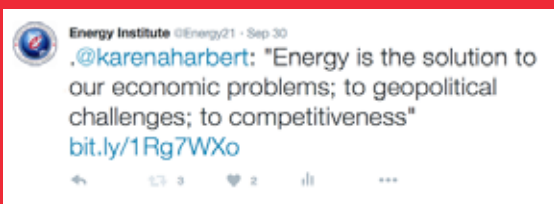
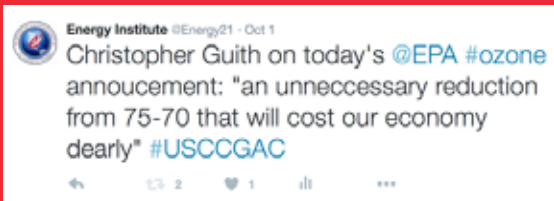
A major part of the Energy Institute's mission is reaching audiences of all kinds. At any given time, you'll find Energy Institute team members on the road or on the airwaves spreading our message.



From digital media to the airwaves to newsprint, the Energy Institute utilizes all channels to advocate for sound energy policy.



Rejecting the construction of pipelines is not the way to keep our economy humming with affordable and accessible energy.



Karen Harbert appears on Nevada political guru **Jon Ralston's** live television show, which airs statewide.





WT Waco Tribune-Herald

**Energy Institute's Guith
To Speak At Waco
Chamber Issue Briefing**

The Exponent
Telegram

**U.S. Chamber
executive sees energy
sector as industry
with solutions**

**SUNSHINE
STATE NEWS**

**U.S. Chamber VP
Talks Future of
Natural Gas Industry
in Jacksonville**



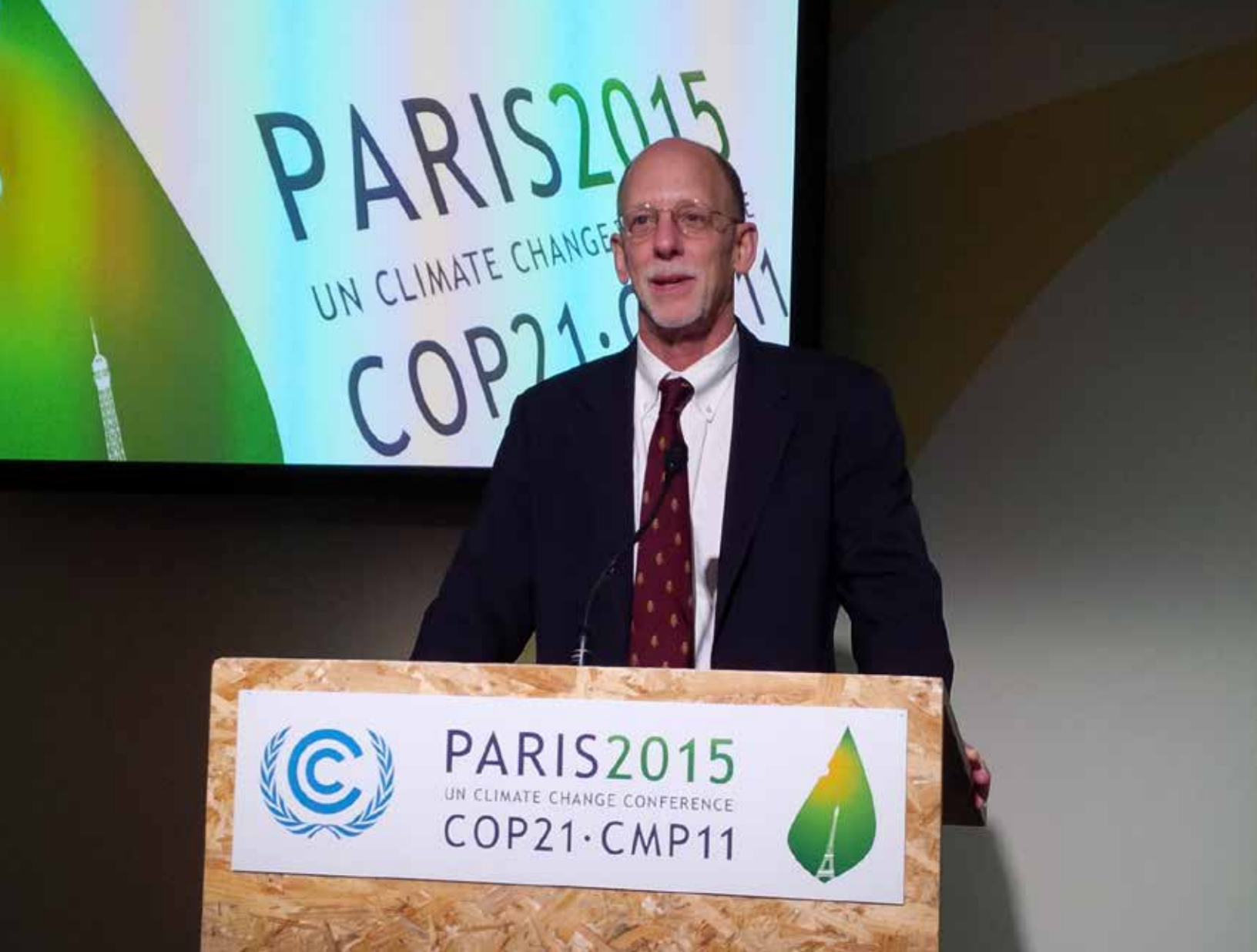
UN Paris Summit

The Energy Institute's vice president for climate and technology, Stephen Eule, was on the scene for the UN's COP-21 in Paris to monitor the events on behalf of the American business community. Eule participated in a panel discussion and provided updates for members. We believe that businesses should have input into the UN process in a way that represents all sectors and nationalities and incorporates a full range of views.



**NEWS
ALERT**

PARIS SUMMIT KICKS OFF



Ozone Standards

The Challenge: The Administration proposed new ozone standards of between 65 and 70 parts per billion, despite the fact that many areas of the country have not even met current standards. The Energy Institute and other groups must educate the businesses, consumers and lawmakers about the costs associated with these new standards, and work to make them less stringent.

The Outcome: The Administration announced a new standard of 70 parts per billion, the lowest that was proposed. The Chamber is now part of a lawsuit challenging the new standard, and efforts continue to educate stakeholders about the impacts of the rule on new and existing businesses and transportation projects.

At the time, much of the attention was on EPA's power plant regulations. But our Energy Institute team recognized the threat posed by new ozone regulations, and worked together with our allies to mitigate the regulation and reframe the public debate.

After a careful analysis, we determined that one of the most damaging impacts of EPA's proposed rule was on the ability of localities to build badly needed transportation infrastructure. Thus, our "Grinding to a Halt" series was born.

"Grinding to a Halt" focused on the impact of the proposed rule in five regions: Washington, DC, Las Vegas, Denver, Dallas-Fort Worth, and Los Angeles. In each market, we examined the specific challenges related to meeting ozone standards, as well as the regional transportation plan.

Our outreach consisted of **educating** stakeholders, the local media, and government officials about the threat of new regulations. For instance, our meeting with Las Vegas Mayor Carolyn Goodman helped spur action from the city to speak out.

We **advocated** on local media and with the Administration directly for a lower standard, citing real world examples. This led to **activating** the business community and key leaders to weigh in with the Administration.

While we would have preferred that the Administration kept the standard as it was, EPA did set the new standard at the upper end of its proposal.

Our work to bring attention to the impact that this new standard will have on transportation projects continues with the hope that the rule may be revisited. The Chamber is also involved in litigation challenging the rule.



FINANCIAL TIMES

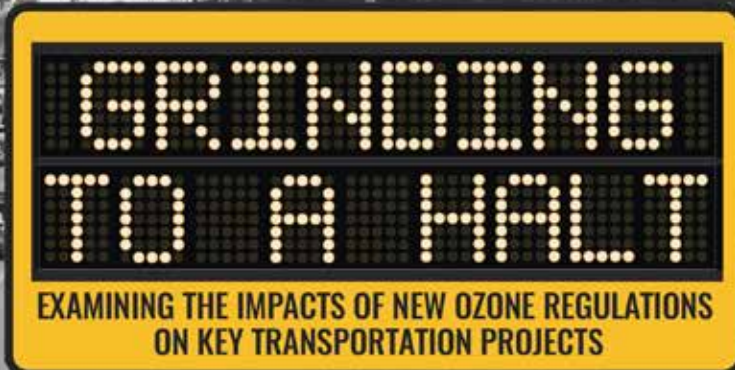
Proposed EPA Ozone Regulations Threaten Denver Area Transportation Projects




EPA's Ozone Rule Stands in the Way of Fixing SoCal's Traffic Woes




SEAN HACKBARTH
Senior Editor, Digital Content







Institute for 21st Century Energy
Solutions for Securing America's Future

U.S. Chamber Analysis: EPA Ozone Regulations Could Threaten Dallas-Fort Worth Area Transportation Projects

DALLAS—The U.S. Chamber's Institute for 21st Century Energy continued its analysis of the impact of the proposed federal ozone regulations on transportation projects in the Dallas-Fort Worth area.

THE HILL

Chamber ramping up attacks on ozone rule

Litigation

The Energy Institute first seeks to work with policymakers to resolve conflicts. But when governments and regulators overreach, we're not afraid to fight in court. We work hand in hand with the U.S. Chamber Litigation Center, a group of skilled, experienced attorneys that advocate on behalf of the business community.

At any given time, we're involved in dozens of cases, either as a litigant or through friend of the court (amicus) briefs. The Chamber is the lead litigant opposing EPA's power plant regulations, leading a coalition of 150 business organizations and 27 states. Our litigation is being supported by 166 state and local Chambers and business organizations representing 40 states.

For example:



U.S. Chamber to File Lawsuit Challenging EPA's Latest Ozone Standard

Wednesday, December 23, 2015 - 9:00am
EPA's Costly Rule Will Slow Economic Development and Burden Communities

WASHINGTON, D.C.—The U.S. Chamber of Commerce, joined by other national business groups, will file a [petition for review](#) in the U.S. Court of Appeals for the D.C. Circuit

EQT VS. PENNSYLVANIA

The Chamber's brief was cited in the Pennsylvania Supreme Court's decision declaring that regulated entities may seek judicial review before being found liable by the state government. Pennsylvania regulators were found to be abusing their authority by imposing arbitrary fines.

BCCA VS. CITY OF HOUSTON

The City of Houston attempted to assert control beyond Texas law. The Chamber's position was that municipalities cannot overrule state law—a position that won the day with the Texas Supreme Court.

MICHIGAN VS. EPA

The Chamber sided with the state of Michigan's challenge to EPA's Mercury rule, which failed to account for the costs of implementing the rule. The U.S. Supreme Court ruled in Michigan's favor, ordering EPA to consider costs.

The Chamber has also filed its own suits challenging EPA's ozone rule and water rule, both of which will force increased costs for consumers and will be very difficult to comply with.

Power Plant Regulations

The Challenge: The Obama Administration decided to go around Congress and enact aggressive regulations on power plants that effectively shut down coal—and harm our economy. With the Administration moving full speed ahead despite protests from businesses and states, the Energy Institute must lead the charge to stop it.

The Outcome: The Energy Institute emerged as a go-to resource for state concerns about the rule, which resulted in changes to the final text. The Chamber is now leading a lawsuit with 27 states and over 150 organizations against EPA. The Supreme Court has granted the Chamber's motion for a stay, delaying implementation.

For the last several years, the Chamber has been at the forefront of the opposition to EPA's efforts to completely change the electricity sector through regulations on power plants. These efforts have the effect of driving coal—still America's #1 source of energy—from the market, devastating local economies and purposefully making our nation's electricity sources less diverse. By doing so, we remove one of our chief advantages over Europe and other competitors.

Leading up to the release of the final rule, the Energy Institute ran a robust campaign to **educate** our members and the public about the impact of EPA's regulations. We became a go-to source to track state concerns and issues raised during the input process, which helped bring attention to particular aspects of the rule. We **advocated** for changes to the rule based on the issues raised during the review process.

As a result of these numerous criticisms, EPA released essentially an entirely new rule as its final rule last fall. Unfortunately, the new rule doesn't represent much of an improvement.

The final rule consists of errors and faulty assumptions, which we covered in detail. Since the rule is now final, the only option left is to fight it in Court. While litigation is never our first choice, there are times when it is the only way to protect the interests of business and consumers—and this is one of those times.

Now, the Chamber is both **activating** and **litigating**. We are leading a broad effort that we helped put together to challenge the legal authority of the rule. This effort includes 27 states and over 150 organizations as parties to a robust legal challenge. In early 2016, the US Supreme Court granted a stay, halting implementation of the rule. This rare move by the Court is a promising indication that the Court is taking criticism seriously.

Our legal efforts are being backed by over 160 state and local Chambers from 40 states which decided to join the proceedings by filing an amicus brief in support of our position.

We believe that this level of opposition is virtually unprecedented.

We look forward to making our case at the Circuit Court—and if necessary, the Supreme Court.



Partnership for a Better Energy Future

The Energy Institute joined the National Association of Manufacturers to co-chair a new coalition, the Partnership for a Better Energy Future, which has grown to **over 200 members from across our economy concerned about the impact of EPA power plant regulations.**



UNP

Businesses



ENVIRONMENT
& ENERGY DAILY

Chamber's Eule To Testify On Economic
Costs Of Clean Power Plan

WASHINGTON
Examiner

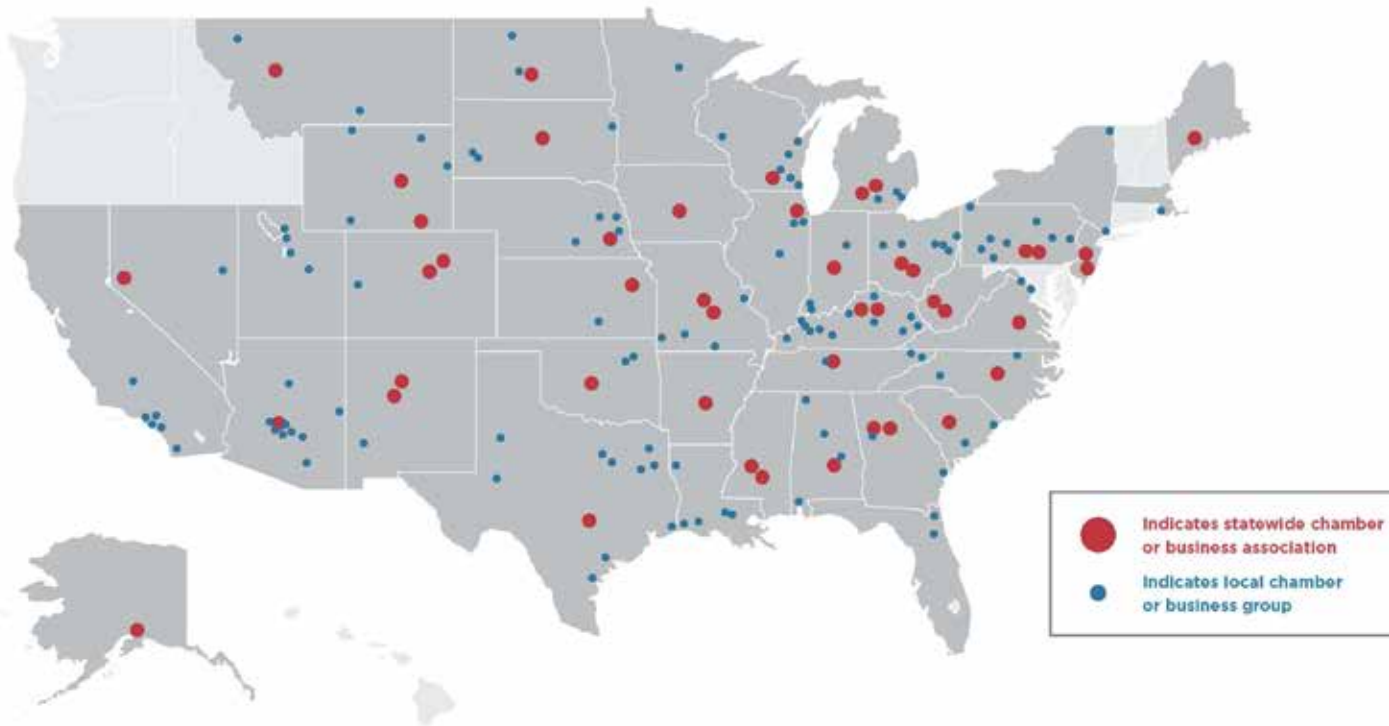
U.S. Chamber: Obama
Climate Plan in Jeopardy

PRECEDENTED OPPOSITION

Businesses Across America are Uniting to



EPA's Costly Power Plan



166 state and local chambers of commerce and business associations from **40** states have filed a brief in support of the lawsuit to overturn EPA's Costly Power Plan. They add their support to an already massive coalition of **nearly 160** challengers suing EPA, including **27** states, the U.S. Chamber of Commerce, and a host of other business, labor and consumer groups.

All are united to keep electricity affordable and stop EPA's overreaching regulation.

To learn more, visit www.energyxxi.org



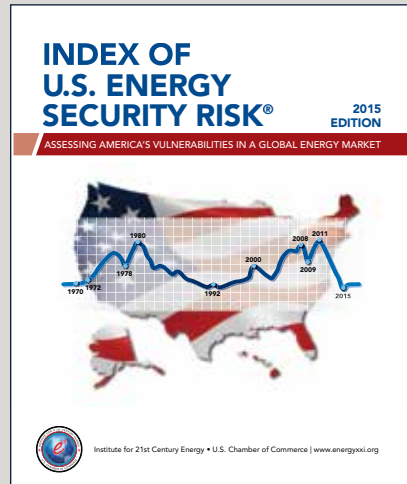
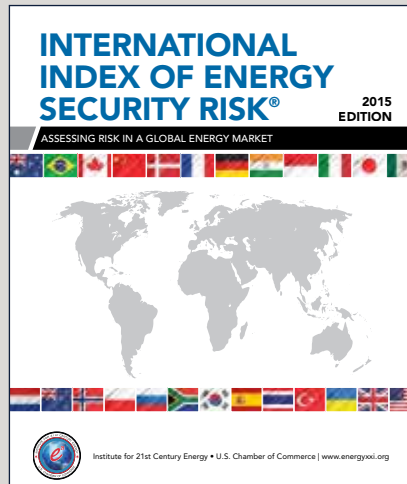
Chamber's Donohue Discusses Supreme Court Decisions On Power Plant Emissions

Reports & Analysis

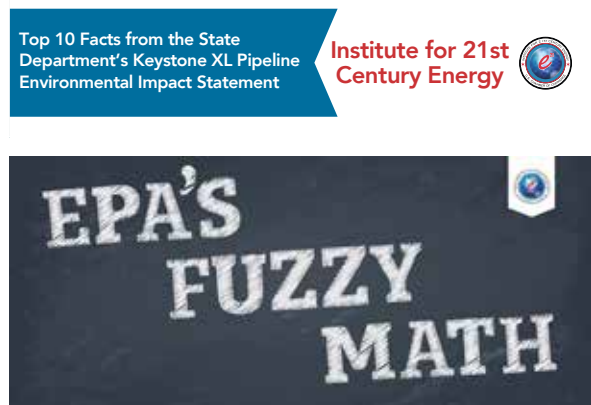
The Energy Institute is known for sharp and keen insight on timely energy issues.

One of the Energy Institute's signature publications is our Annual Index of U.S. Energy Security Risk and International Index of Energy Security Risk.

These reports have become widely used by academic institutions, think tanks and policy experts in order to quantify energy security. The US Index measures the progress that our country is making from year to year, while the International Index provides a comparison between the 25 largest economies. Both indexes have their own interactive web tools to help users understand the findings.



From our "EPA's Fuzzy Math" series to infographics and in depth reports, our experts are always providing on point analysis.



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U.S. CHAMBER OF COMMERCE

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