
Prudent Development

**Realizing the Potential of North America's Abundant
Natural Gas and Oil Resources**

**A Comprehensive Assessment to 2035
with Views through 2050**

**International Energy Agency
World Energy Outlook Workshop
March 7, 2012**

National Petroleum Council (NPC)

- Origins** Continuation of WWII government / industry cooperation
- Purpose** Sole purpose of NPC is to advise U.S. Secretary of Energy and Executive Branch by conducting studies at their request
- Organization** A Federally chartered, self-funded Advisory Committee; Not an advocacy group, does not lobby
- Membership** Broad and balanced. Approximately 200 members from all segments of the oil and gas industries and many outside interests
- Study Participants** Diverse interests and expertise relating to the topic being addressed
- Study Reports** All NPC advice is provided in reports approved by its members and is available to the public. Reports can be viewed and downloaded at no cost from the NPC website – www.npc.org

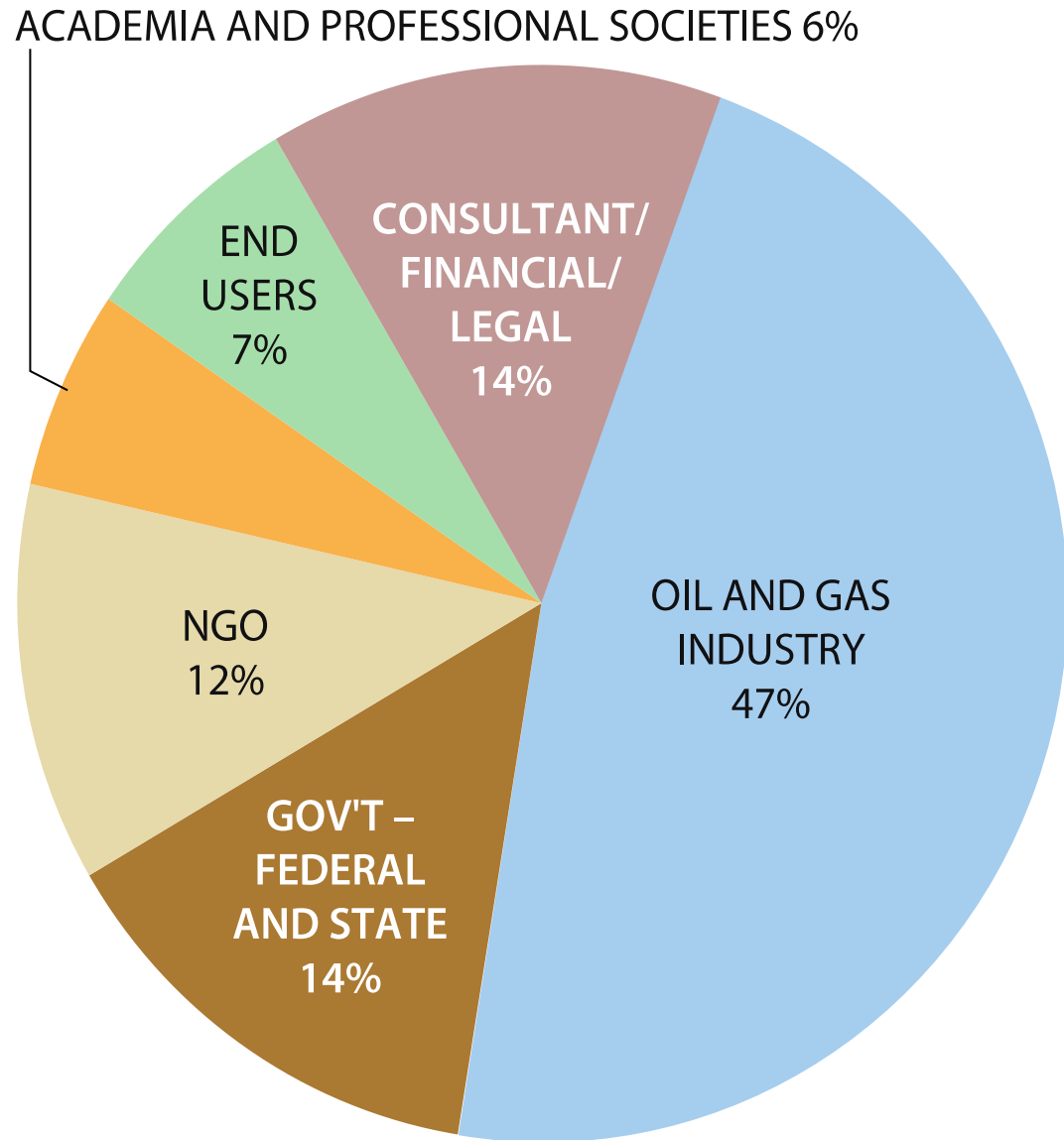
Prudent Development Study Objectives

- **Assess the N. American resource base – natural gas and oil**
 - Conventional
 - Unconventional
- **Describe the role of technology**
 - Environmental
 - Operational
- **Assess N. American supply and demand**
 - Through 2035
 - With a view to 2050
- **Identify the potential role of natural gas to lower emissions**
- **Meet national objectives: economic, environmental, security**

Diverse Study Participation

**Study Committee,
CSC,
Task Groups,
Subgroups**

**Over
400
Participants**



Four Major Findings

- **First, the potential supply of North American natural gas is far bigger than was thought even a few years ago**
- **Second – and perhaps surprising to many – America's oil resources are also proving to be much larger than previously thought**
- **Third, we need these natural gas and oil resources even as efficiency reduces energy demand and alternatives become more economically available on a large scale**
- **Fourth, realizing the benefits of natural gas and oil depends on environmentally responsible development**

Prudent Development

In order for the U.S. to realize the benefits of substantial resource abundance, development must be done prudently.

Prudent development is:

- **Essential for public trust and confidence**
- **Required for continued and expanded access**
- **Fundamental for long term industry success**

Core Strategies and Recommendations

- **Support prudent natural gas and oil resource development and regulation**
 - **Councils of Excellence**
- **Better reflect environmental impacts in markets and fuel/technology choices**
- **Enhance the efficient use of energy**
- **Enhance the regulation of markets**
- **Support the development of intellectual capital and a skilled workforce**