

## NATURAL GAS CRISIS: MYTHS & FACTS

**MYTH:** Federal regulations prohibit access to natural gas resources on public lands in the Rocky Mountain states.

**FACT:** Over 88 percent of federal natural gas resources on public lands in the Rocky Mountain states are available for leasing to energy companies.<sup>1</sup>

**MYTH:** Natural gas leases on public lands in the Rockies are highly restrictive and prevent the gas industry from developing gas resources in a timely fashion.

**FACT:** About 25 percent of natural gas leases on public lands in the Rockies contain seasonal lease stipulations to protect wildlife, but the Bureau of Land Management usually grants exceptions to these stipulations at the industry's request.<sup>2</sup>

**MYTH:** Natural gas lease stipulations are impediments to domestic energy security and threaten our nation's economy.

**FACT:** Natural gas lease stipulations protect wildlife and clean water, which support the West's multi-billion dollar hunting, fishing and recreation economies.<sup>3</sup>

**MYTH:** Streamlining environmental reviews and increasing access to federal natural gas resources on public lands in the Rockies will increase gas supplies and lower prices for consumers.

**FACT:** Streamlining environmental reviews and increasing access to federal natural gas resources on public lands in the Rockies would increase supplies by less than one percent, provide no immediate price relief, and save the average U.S. household about \$5 a year by 2020.<sup>4</sup>

**MYTH:** The natural gas industry is minimizing the environmental impacts of new gas wells through the use of low-impact drilling technology.

**FACT:** The natural gas industry has destroyed croplands, fragmented wildlife habitat, and degraded streams throughout the West. The gas industry almost never uses low-impact drilling technology.<sup>5</sup>

**MYTH:** By drilling more gas wells, we can increase our supply of natural gas and improve energy security.

**FACT:** The gas industry has drilled more than 50,000 new gas wells in the U.S. in the past four years, but gas price volatility has continued.<sup>6</sup>

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<sup>1</sup> EPCA Study, January 2003

<sup>2</sup> Interviews with BLM field offices, January 2003

<sup>3</sup> U.S. Fish & Wildlife Service, 2001 National Survey of Fishing, Hunting, & Wildlife-Associated Recreation

<sup>4</sup> U.S. Energy Information Administration, 2001, U.S. Natural Gas Markets: Mid-Term Prospects for Natural Gas Supply, SR/OIAF/2001-06, and EIA 1997, A Look at Residential Energy Consumption in 1997; EIA 2001 study sought to determine net benefits of relaxing environmental regulations for natural gas projects. Using EIA data contained in these reports, Dr. Peter Morton found that relaxed regulations would result in average of \$5 annual savings for residential gas consumers.

<sup>5</sup> Molvar, E.M., 2003, Drilling Smarter, Laramie, WY: Biodiversity Conservation Alliance

<sup>6</sup> U.S. EIA data

## NATURAL GAS CRISIS: MYTHS & FACTS

**MYTH:** If Congress and the White House act now, the natural gas industry can help solve the nation's energy problems and provide abundant, affordable gas to the nation's industries and residential consumers.

**FACT:** If Congress and the White House act now, the United States can end its over-reliance on economically volatile natural gas by investing in and encouraging energy efficiency and renewable energy.<sup>7</sup>

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<sup>7</sup> Testimony of Alliance to Save Energy Co-President Mark Hopkins, NPC Natural Gas Summit, Washington, DC, June 26, 2003