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**ADVANCED TECHNOLOGY MAKES ARCTIC DEVELOPMENT SAFER**

WASHINGTON, December 4, 2018—The National Petroleum Council, at its 128th meeting today, received an interim report on the supplemental assessment to the Council's 2015 *Arctic Potential* study. The preliminary findings suggest existing regulations do not allow the use of new, safer, and more environmentally sound practices. The interim report recognizes a need to update and coordinate regulations to accommodate new technology.

In August 2018, Secretary of Energy Rick Perry requested that the NPC submit a supplemental assessment considering recent exploration experience and technological advancements in Arctic offshore oil and gas development that could inform government decision making. The NPC was asked to provide views on whether the nation's regulatory environment could be enhanced to improve reliability, safety, efficiency, and environmental stewardship.

In the last 4 years, there has been substantial Arctic exploration drilling, with 47 wells drilled, including 2 in the U.S. Arctic. There also has been substantial progress in demonstrating and advancing technology to prevent and respond to an oil spill in Arctic conditions.

The NPC Arctic supplemental assessment is expected to be completed in February 2019, and will contain recommendations addressing enhanced safety and environmental stewardship, regulatory effectiveness and certainty, drilling season length, lease term competitiveness, and enabling infrastructure.

Interior Secretary Ryan Zinke addressed the Council and expressed the Department's appreciation for the NPC's responsiveness to the request that he and Secretary Perry made for this supplemental assessment.

In other business, the NPC received a progress report on the Carbon Capture, Use, and Storage (CCUS) study requested by the Secretary of Energy. The CCUS study will define potential pathways, including research and development, regulatory, and policy options, for integrating CCUS at scale into the energy and industrial marketplace.

The NPC also received a progress report on the U.S. Oil and Natural Gas Transportation Infrastructure study. As requested by Secretary Perry, the study will analyze the changing dynamics of the nation's oil and natural gas transportation infrastructure and evaluate technology and policy options for improving siting and permitting processes.

In addressing the Council, Secretary of Energy Rick Perry said, “This has been another tremendous year for the energy sector, especially in the areas of oil and natural gas. I’d like to thank the NPC on the three reports I requested this past year: on our oil and natural gas transportation infrastructure, on potential ways to integrate Carbon Capture, Use, and Storage (CCUS) technologies into the marketplace, and on Arctic oil and gas development. There’s immense opportunity in all of these areas.”

The CCUS and Infrastructure studies are scheduled to be completed in the fall of 2019.

Finally, in other action, the Council reelected Greg Armstrong, Chairman and CEO of Plains All American, as NPC Chair, and Larry Nichols of Devon Energy as Vice Chair.

The NPC is a federal advisory committee to the Secretary of Energy. The sole purpose of the Council is to advise, inform, and make recommendations to the Secretary of Energy, at his request, on matters relating to oil and natural gas, and the oil and natural gas industries. The Council membership is comprised of approximately 200 members, representing all segments of the oil and natural gas industries as well as a broad cross section of non-industry members.

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