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SECRETARY ABRAHAM ASKS NPC
TO EXAMINE REFINERY ISSUES,
INVENTORY LEVELS

WASHINGTON, D.C., June 22, 2004—At its meeting today, the National Petroleum Council (NPC) received a request from the Secretary of Energy to conduct a new study to identify issues relating to U.S. access to refined products, both domestically produced and imported. The Secretary also requested the NPC to re-examine the Lower Operational Inventory levels of crude oil and refined products recommended by the Council in 1998, which are used by the Energy Information Administration and other market analysts.

In addition, Secretary Abraham praised the usefulness of the Council's advice on natural gas and thanked the Council on behalf of the Administration, stating that the effort of the Council “on behalf of the American public, is deeply admired by all of us who have the opportunity to work with you.” *(EDITOR'S NOTE: A copy of the Secretary's prepared remarks can be found in the "Press Room" at www.energy.gov.)*

The Council membership also heard remarks from Congressman Joe Barton, Chairman of the House Committee on Energy and Commerce. Chairman Barton discussed refinery issues, including the passage in the House of the U.S. Refinery Revitalization Act of 2004. The Chairman also discussed ANWR authorization, natural gas, and efforts to pass comprehensive energy legislation.

In an address to the Council, Federal Energy Regulatory Commission (FERC) Chairman Pat Wood discussed numerous FERC actions that respond to the recommendations in the NPC Natural Gas study. Specifically, Chairman Wood discussed accelerated infrastructure permit reviews, barriers to long-term contracting, transparency of price reporting, LNG project permits, LNG interchangeability standards, and improved demand flexibility and efficiency.

In other action at the meeting today, the Council voted to approve publication of the task group volumes of the NPC Natural Gas report. The Council also elected Bobby S. Shackouls to serve as Chair of the NPC for a second one-year term. Mr. Shackouls is Chairman, President and Chief Executive Officer of Burlington Resources, Houston, Texas. Lee Raymond of Exxon Mobil Corporation was also re-elected to serve as Vice Chair of the Council.

The NPC is a federal advisory committee to the Secretary of Energy. From 1946 until the implementation of the U.S. Department of Energy Organization Act of 1977, the NPC served as an advisory body to the Secretary of the Interior. The sole purpose of the Council is to advise, inform, and make recommendations to the Secretary of Energy, at his request, on matters pertaining to oil and natural gas or to the oil and gas industries.

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