

# Rocky Mountain Energy Event Showcases Top Minds in Energy

Dr. Loren Scott kicked off the Rocky Mountain Energy and Infrastructure Summit with a bang as energy minded professionals gathered at the Jackson Hole Center for Arts in Jackson, Wyo.



## JASON SPIESS

For *Bakken Breakout Weekly*

“This is a fun industry to watch and I have been doing it for about 40 years now,” Scott said.

Scott is president and founder Loren Scott & Associates and was on the Economics Department faculty at Louisiana State University from 1969 to 1998. He is presently Professor Emeritus of Economics at LSU. Additionally, Scott is co-developer of the Louisiana econometric model, a model used for providing annual forecasts of the Louisiana economy, which are released each fall.

Scott presented on a variety of issues as he set the tone for the event with a 50,000 foot view of the industry.

“If you went back to 2005, you would find only about five states with meaningful amounts of oil or natural gas being produced. Louisiana, Texas, California, Alaska and Oklahoma,” Scott said. “So when really dumb energy policy came out of Washington DC, the other 45 states could care less.”

Scott continued saying today there are 20 or more states with meaningful amounts of oil and gas so energy policy is getting more attention in the nation’s capital.

“So now when some dumb policy is being introduced in Washington, there are a lot more allies than there was before,” Scott said. “That is a new thing for this industry and should be very helpful to the entire industry.”

Shale production is up 70 percent in the United States since 2000 and is the highest growth for any country in the world, according to Scott.

“In 2008, we were importing 66 percent of the oil we consume in this country,” Scott said. “By 2013 we were only importing 47 percent.”

The high level discussions continued when Ron Jibson, CEO and president, Questar Corporation and Chairman of the American Gas Association took the podium to share an overview of the in-

dustry, paying special attention to the environment.

“As an industry we don’t get a reputation for being responsible just by saying it, you have to earn that responsibility,” Jibson said. “I commend the industry for what they have done addressing environmental concerns and other challenges we’ve had. To keep that support we have to continue to earn that support.”

Jibson then addressed the entire industry on the importance of science and fact.

“We are fortunate to have the opportunity at this summit to focus on the facts. It is important we know and learn the facts of our industries,” Jibson said. “It is important from Jackson Hole to Washington, D.C., that we spread that message.”

Side remarks and examples involving the environment, reclamation and safety peppered the presentations and were seemingly fueled by the rapid pace of expansion and exploration.

“Natural Gas is happening,” Steven Mueller, CEO, Chairman & President, Southwest Energy Company. “It’s big and it’s happening fast.”

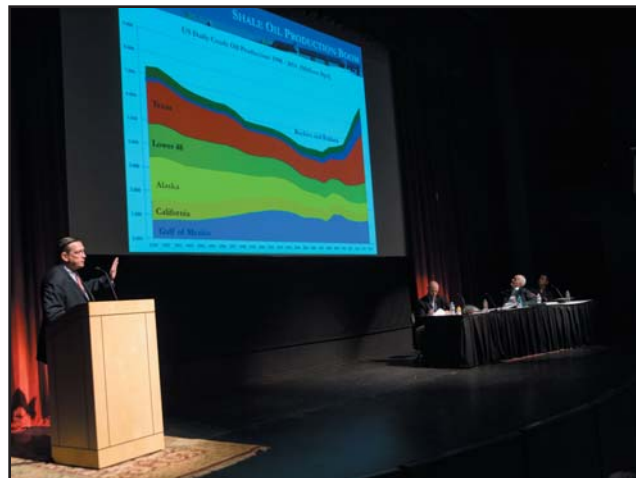
One of the interesting themes that arose from the Summit was the need for education. Nearly every speaker spoke about the importance of educating the public, their employees and themselves on the ever-changing industry, especially when introducing new technologies at a rapid pace. One of the more interesting discussion threads that arose was how to engage a non-receptive audience.

“Education is what we need, but we also need a receptive audience,” Matthew D. Cabell, President of Seneca Resources Corporation and Senior Vice President of National Fuel Gas Company, said.

Seneca, the Exploration & Production subsidiary of National Fuel, produces oil in California and natural gas from the Marcellus Shale in Pennsylvania.

“The Marcellus Shale is arguably the most important natural gas accumulation ever discovered,” Cabell said. “Along with several other shales, it completely transformed the energy landscape in this country.”

Infrastructure was discussed in detail from rail to pipelines to barges. However, among the many methods of distribution, trucking surfaced as one of the more interesting. Jerry Moyes, founder, chairman and CEO of Phoenix-based Swift Transportation, one of the largest trucking companies in the nation, spoke on the phenomenal growth of his company and their investment into convert-



Kelly Wilkins, senior VP business development, Bridger, gives an overview of the country’s shale plays and how the Bakken has contributed to Bridger’s success at the Rocky Mountain Energy and Infrastructure Summit in Jackson Hole, Wyo. PAUL FLESSLAND/For the Tribune

ing fleets of trucks to LNG.

“We run about 20,000 trucks and run about 7-8 million miles a day,” Moyes said. “We’ll buy about million gallons of diesel fuel a day. Swift will gross about four billion and a billion of that will go to diesel fuel. It’s a very big number and is something we are really watching.”

Moyes estimated 200 trucks would be running on natural gas by the end of the year. Issues and potential solutions were addressed in a variety of areas including a lack of national infrastructure to energy price points to vehicle weights.

“I told the Wall Street Journal last year I was hoping to be 10 percent natural gas by the end of this year,” Moyes said. “I’m probably going to be at one percent.”

In addition to uncontrollable variables in distribution and energy prices, Moyes said they are going through a learning process as their research and development continues with natural gas conversions for a bigger payoff down the road.

“Once we get into the next generation of trucks we won’t be spending that much money,” Moyes said.

Moyes is also owner of charter airline Swift Air and a limited partner in the Arizona Diamondbacks and was once a minority owner of the Phoenix Suns.

Wyoming governor Matt Mead addressed the attendees and moderated a panel on coal energy. Wyoming is the nation’s largest producer of coal and the natural resource is facing a serious quagmire as EPA regulations loom over the industry. Furthermore, coal it is set to pass oil as the globe’s top energy provider. Even in states like North Dakota where the Bakken oil boom is setting records, coal powers about 80 percent of the state on any given day.

The specific looming EPA regulation, section 111(d), was discussed during the coal panel in detail, which allows the EPA to set new emissions standards for

existing power plants. Among the issues, the change allows for the regulation of carbon dioxide as a pollutant. This was a concern from each coal industry speaker and the governor.

“This is a big one,” Mead said. “It’s a big, big rule.”

Like North Dakota, Wyoming has a number lawsuits filed against the EPA, according to Mead.

“I have stopped getting Christmas cards from them,” Mead said in jest.

The Rocky Mountain Energy and infrastructure ran the gamut of energy and infrastructure with some of the top minds in energy leading the path. Other notable speakers from the conference included Dave McCurdy, CEO, American Gas Association; Steven Ledbetter, president of Jiffy Lube; Donald F. Santa, Jr., President and CEO of the Interstate Natural Gas Association of America (INGAA); Scott Anderson, President and CEO, Zion Bank; John Eaves, President and CEO, Arch Coal.

Brian Hymel one of the co-founders of the event said, “The event was amazing. We were able to bridge the gap between energy industries and provide a forum for energy executives to learn about each other’s business and issues of the day. The event created dialogue to better the energy economy, talk through policy issues and understand both the education and environmental challenges these executives are working through.”



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