



## *Energy under the Trump Administration*

### **Early Energy-Related Developments under Trump**

*February 2, 2017*

---

Perhaps overshadowed by more conspicuous actions in the early days and weeks of his presidency, President Trump's initial energy-relevant programs have flown relatively under the radar. Although positions and judgments on the Trump presidency are rapidly taking shape, further time and information will clearly be needed to properly assess Trump's energy agenda.

#### Actions to Date

Generally derived from the energy promises made during his presidential campaign, President Trump introduced "An America First Energy Plan"[i] on the official White House website shortly following his inauguration. The plan, as expected, was characterized by the following priorities: expanded development and production of domestic energy sources, reducing regulatory burdens on energy industries, and enhancing independence from foreign energy imports. President Trump's first explicitly energy-related executive orders were consistent with this broad energy vision: on January 24, 2017, he introduced executive orders to revive the Keystone XL Pipeline project[ii] and complete the nearly-finished Dakota Access Pipeline.[iii] He also signed an executive order decreeing that new pipeline projects should, "to the maximum extent possible and to the extent permitted by law,"[iv] use domestically produced steel. President Trump also signed an order aiming to expedite environmental reviews and approvals for high priority pipeline and infrastructure projects in the future,[v] laying the groundwork for more extensive infrastructural initiatives down the line. Although these actions theoretically unlock billions of dollars worth of energy projects, by some estimates up to \$17 billion,[vi] it is worth noting that most of these moves will not immediately affect production. Fereidun Fesharaki, Founder and Chairman of FGE, said in a CNBC interview, "There's all sorts of good, positive news for the oil business but no real impact on oil production; certainly nothing in [the] next year or two."[vii]

President Trump's general objective of reducing regulations and the hand of government will

also have significant impacts on the energy sector. One of Trump's first actions as president was to initiate a freeze on federal hiring and contracts, perhaps the tip of the iceberg with respect to more expansive curtailments in government regulations and functions. Energy industries are eagerly anticipating reductions in regulatory burdens; for example, those in the coal sector are looking forward to reversals of measures undertaken in President Obama's "war on coal," with some in the industry expecting "to see some of the policy blades swung at coal over the last eight years unwind, allowing us to actually compete in a free market, something we really haven't been able to do for at least the last eight years." [viii]

#### Issues to Observe

Within the sights of Trump's aim to achieve smaller government are a number of energy-related agencies, including the Department of Energy (DOE) and the Environmental Protection Agency (EPA). Even prior to inauguration, rumors had swirled about substantive budget cuts in a number of federal departments and programs; *The Hill* reported that the Trump transition team was closely following the recommendations of a 2016 Heritage Foundation report, with a plan to "reduce federal spending by \$10.5 trillion over 10 years." [ix] Although no official announcements have been made since Trump assumed the presidency, this is an area that merits further attention.

A Trump infrastructure wish list, reportedly arranged by a consulting firm hired by the transition team, surfaced on the internet in late January 2017. The list, which predominantly consists of road and rail projects, contains a number of energy infrastructure projects, some of them surprisingly focused on clean energy sources and technologies: wind, solar, hydro, and energy storage. [x] Although it is uncertain whether the document is in a draft stage, the relatively high number of references to green energy in the list suggests that the administration may be more open to such technologies than previously believed.

---

[i] "An America First Energy Plan," The White House, accessed February 1, 2017, <https://www.whitehouse.gov/america-first-energy>.

[ii] "Presidential Memorandum Regarding Construction of the Keystone XL Pipeline," The White House, accessed February 1, 2017, <https://www.whitehouse.gov/the-press-office/2017/01/24/presidential-memorandum-regarding-construction-keystone-xl-pipeline>.

[iii] "Presidential Memorandum Regarding Construction of the Dakota Access Pipeline," The White House, accessed February 1, 2017, <https://www.whitehouse.gov/the-press-office/2017/01/24/presidential-memorandum-regarding-construction-dakota-access-pipeline>.

[iv] "Presidential Memorandum Regarding Construction of American Pipelines," The White House, accessed February 1, 2017, <https://www.whitehouse.gov/the-press-office/2017/01/24/presidential-memorandum-regarding-construction-american-pipelines>.

[v] "Executive Order Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects," The White House, accessed February 1, 2017, <https://www.whitehouse.gov/the-press-office/2017/01/24/executive-order-expediting-environmental-reviews-and-approvals-high>.

[vi] Patti Domm, "Trump may have just opened door to \$17 billion worth of energy projects," CNBC, January 24, 2017, last accessed February 1, 2017, <http://www.cnbc.com/2017/01/24/trump-may-have-just-opened-door-to-17-billion-worth-of-energy-projects.html>.

[vii] Huileng Tan, "Here's how Trump's energy policies may impact oil output, prices," CNBC, January 31, 2017, last accessed February 1, 2017, <http://www.cnbc.com/2017/01/31/us-crude-oil-output-has-some-ways-to-go-before-big-price-impact-consultant.html>.

[viii] Abby Harvey, "Energy Industries Look Forward to Regulatory Relief under Trump," Power Magazine, January 31, 2017, last accessed February 1, 2017, <http://www.powermag.com/energy-industries-look-forward-to-regulatory-relief-under-trump/>.

[ix] Alexander Bolton, "Trump team prepares dramatic cuts," *The Hill*, January 19, 2017, last accessed February 1, 2017, <http://thehill.com/policy/finance/314991-trump-team-prepares-dramatic-cuts>.

[x] Grant Whittington, "Trump's Infrastructure Wish-List Includes Renewable Energy Investments," *Triple Pundit*, January 31, 2017, last accessed February 1, 2017, <http://www.triplepundit.com/2017/01/trump->

[infrastructure-renewable-energy/](#).

Global America Business Institute | 1001 Connecticut Avenue NW, Suite 435,  
Washington, DC 20036 | 202-499-7979 | [FLL@thegabi.com](mailto:FLL@thegabi.com) | [www.thegabi.com](http://www.thegabi.com)

STAY CONNECTED:

