Rob Jennings
Vice President, Natural Gas Markets
American Petroleum Institute
(202) 682-8027
JenningsR@api.org

PA House Republican Policy Committee

Invited Party Testimony
Rob Jennings | API
October 28, 2025

Chairman Rowe, members of the Pennsylvania House Republican Policy Committee, and visiting policymakers from our neighboring states, thank you for the opportunity to provide testimony today regarding the challenges and opportunities facing the region's energy sector.

The American Petroleum Institute is the national trade association representing all segments of America's natural gas and oil industry, which supports more than 10 million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our nearly 600 members produce, process, and distribute most of the nation's energy and participate in ***API Energy Excellence®***, which is accelerating safety and environmental progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operations and environmental safety, efficiency, and sustainability. Collectively, the oil and gas industry contributes nearly $1.8 trillion to U.S. GDP – close to 8 percent of the entire economy. We often call this the "first 8 percent," because nothing else in the economy moves without energy.

Here in Pennsylvania, the industry proudly supports 400,000 jobs and contributes $40 billion to the local economy each year.[1] The Keystone State is a great symbol of America's shale revolution, the scale of which remains striking. Just 15 years ago, Pennsylvania produced less than 2 billion cubic feet per day of natural gas. Today, it produces more than 20 billion cubic feet per day – a surge that has helped take America from a position of scarcity and dependence to one of abundance and global leadership.

[1] "Contribution of the Oil and Natural Gas Industry to the US Economy in 2023." PricewaterhouseCoopers, October 2025. https://www.api.org/-/media/Files/Energy-Economics/API-Studies/2025/The-Oil-and-Gas-Industrys-Contribution-to-the-US-Economy.pdf

Rob Jennings
Vice President, Natural Gas Markets
American Petroleum Institute
(202) 682-8027
JenningsR@api.org

API commends the House Republican Policy Committee for convening this hearing to explore how to best address the challenges and opportunities facing the region's energy sector. Energy is the backbone of our economy, and with demand rising, it's critical for us to have timely and candid conversations about how our industry can work with policymakers to help ensure that Americans continue to have access to the affordable, reliable energy they need.

Today, many of the challenges we face in the Mid-Atlantic region mirror those in other parts of the country. Residential electric utility bills have risen far faster than inflation in recent years – and while some of the drivers are unavoidable, others are self-inflicted.

Between 2010 and 2020, gas-fired generating capacity in Pennsylvania and the rest of PJM surged as utilities and independent power producers responded to a tightening regional electricity market and capitalized on abundant natural gas from the Marcellus shale basin. However, gas plant development has slowed significantly in recent years – for a variety of policy- and market-related reasons.

While the impact of this slowdown wasn't immediately felt, that changed quickly amid forecasts of rapidly rising electricity demand, which are being driven by a combination of a boom in manufacturing, innovations in artificial intelligence, and the broader electrification of the economy. In its latest long-term demand outlook, PJM forecasts that overall electricity demand across its footprint will jump nearly 60% over the next decade.[2]

This growth is staggering, but rising demand for power shouldn't be something to fear – it's an indication of job creation and a thriving economy, and it's imperative that we rise to the challenge. API believes natural gas will continue to play an outsized role, and that Pennsylvania – with its abundant natural resources – is in an enviable position to meet the moment.

But one challenge lurks ahead. There's no question about supply – we have it. There's no question about demand – it's there. The question is whether we can connect the two: can we build the infrastructure necessary to move energy from where it is produced to where it is needed? That is the permitting challenge; and unfortunately, the processes are fundamentally broken.

---

[2] "2025 PJM Long-Term Load Forecast Report." PJM Resource Adequacy Planning Department. January 24, 2025

American Petroleum Institute

Rob Jennings
Vice President, Natural Gas Markets
American Petroleum Institute
(202) 682-8027
JenningsR@api.org

We must enact meaningful reforms to state and federal permitting processes that allow for the timely buildout of infrastructure – from pipelines and transmission lines to natural gas storage and power plants – needed to help ensure a reliable and resilient grid.

Today, projects languish in years of duplicative review or endless litigation. A pipeline that should take less than a year to permit can stretch to a decade. That delay doesn't just stall private investment—it delays affordable energy for consumers and the reliable energy supply Americans count on.

The bottom line is this – everything is pointing to the fact that we need more energy – not less – and we urge policymakers to prioritize policies that make it easier to build energy infrastructure – especially power generating capacity – and bring affordable, reliable energy to consumers.

We appreciate the opportunity to testify today, and API remains committed to working with the Pennsylvania state legislature, as well as those of the other states represented here today, on pragmatic solutions to meet rising demand.