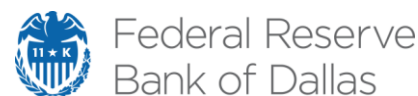


# Energy Advisory Council

## Meeting Minutes



2:30 PM, July 10, 2025

### **Committee Attendees:**

Gary Petersen, EnCap Investments L.P. (Council Chair)

Jim Allred, RBC Capital Markets

Jason Bordoff, Columbia University School of International and Public Affairs

Willie Chiang, Plains All American Pipeline, L.P.

Jim Hughes, EnCap Investments L.P.

Ryan Lance, ConocoPhillips

Ben Marshall, Vitol Americas

L.E. Simmons, SCF Partners

Daniel Yergin, S&P Global

### **Federal Reserve Bank of Dallas Directors in Attendance:**

Greg Armstrong, Plains All American Pipeline, L.P. (retired)

Tracee Bentley, Permian Strategic Partnership

Gary Kelly, Southwest Airlines

Cindy Taylor, Oil States International, Inc.

James Walter, Permian Resources

### **Federal Reserve Attendees**

Tommy Alsbrooks, Cameron Barrett, Jeff Garrett, Lorenzo Garza, Garrett Golding, Emily Greenwald, Vaughn Hajra, Melissa Hunt, Lutz Kilian, Deborah Kilroe, Adam Koudaih, Rosie Levy, Lorie Logan, Heidi Mitchell, Pia Orrenius, Kunal Patel, Daron Peschel, Michael Plante, Sasha Samperio, Michael Schetzel, Tim Stearns, Reid Taylor, David Teeples, Jesse Thompson, Robert Triplett, Isabelle Tseng, Rebecca Zarutskie

### **Administrative**

The Chair called the meeting of the Energy Advisory Council (the “Council”) of the Federal Reserve Bank of Dallas (“Dallas Fed” or “Bank”) to order at 2:30 pm CST and made introductory remarks. Lorie Logan, president and CEO, provided brief remarks on economic conditions and the current stance of monetary policy. Daron Peschel, senior vice president, outlined the meeting protocols and agenda. David Teeples, general counsel, delivered the review of the Bank’s antitrust policy.

## **Dallas Fed Energy Survey and U.S. Production Outlook**

Kunal Patel, senior business economist, presented on the Dallas Fed Energy Survey results and the outlook for U.S. oil production. The presentation was a recap of the second quarter 2025 survey results (publicly released on July 2, 2025), trends in oilfield wastewater management, and the 2025 forecast for U.S. crude oil production. Questions and discussion among council members focused on the ability of U.S. shale oil, natural gas and natural gas liquid production to grow at various commodity price levels, the effect of natural gas well shut-ins in 2024, and the decline in drilling and completion activity since the start of 2025.

## **Discussion of Oil Market Fundamentals and Trends in Renewable Energy**

Council members first discussed the outlook for the global oil market. Discussion focused on oil supply growth that is expected to outpace demand in 2025, continued market unease over geopolitical risk in the Middle East, the acceleration of electric vehicle sales in China, and the possibility for U.S. oil production to peak within the next two years. Members also debated the level of spare oil production capacity that OPEC+ members likely possess, the economic impact of tariffs and how they may affect global oil demand, and the potential for supply disruptions arising in the Strait of Hormuz.

Next, council members discussed the current state of the energy transition. First, they discussed observations that renewable energy investment and deployment are failing to keep pace with what the International Energy Agency projected in recent outlooks and reports. Additionally, some council members mentioned growing concerns regarding critical mineral availability and the long lead times for new mining projects required for many renewable energy technologies. Finally, they discussed major European economies' reprioritization of oil and natural gas in light of Russia's invasion of Ukraine and resulting sanctions against Russian energy sources.

## **Discussion on Trends in the U.S. Oil and Gas Industry**

Council members discussed how the U.S. oil industry is adapting to the current commodity price environment. Discussion centered on rising natural gas production from the Permian Basin to feed Gulf Coast liquefied natural gas (LNG) export terminals, electricity demand from data centers, and the need for U.S. LNG in global markets, particularly Europe. Members discussed the ability of U.S. oil and gas production to grow at current commodity prices. Additionally, the difficulties and rising costs of constructing LNG tankers in the U.S. was discussed.

### **Discussion on Renewable Energy Investment**

Council members discussed the outlook for investment and deployment of various low- and zero-carbon technologies in light of the repeal of several tax incentives in recent legislation. They discussed green and blue hydrogen production facing major economic challenges and wind energy development now facing permitting risks at the federal level. Some members mentioned nuclear power having considerable support, but regulatory constraints continuing to make conventional nuclear reactor deployment expensive and difficult to finance.

Discussion additionally focused on the positive attributes of battery energy storage systems in the electrical grid, though continued capacity growth faces risks from tariffs. Significant increases in installation costs and lead times for natural gas power plant turbines were also discussed by members.

### **Discussion of Other Risks in the Energy Sector**

This topic was not discussed due to time constraints.

### **Adjournment**

The Chair adjourned the meeting at 5:30pm.