

Energy Advisory Council

Meeting Minutes



Federal Reserve
Bank of Dallas

9:00 AM, November 19, 2025

Committee Attendees:

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

Jim Allred, RBC Capital Markets

Jim Burke, Vistra Corp.

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

Paul Foster, Franklin Mountain Investments, LLC

Vicki Hollub, Occidental Petroleum

Jim Hughes, EnCap Investments L.P.

Hunter Hunt, Hunt Consolidated, Inc.

Ben Marshall, Vitol Americas

Lane Riggs, Valero

L.E. Simmons, SCF Partners

Lakshmi Sreekumar, Capital One Securities

Kaes Van't Hof, Diamondback Energy

Gretchen Watkins, Greater Houston Partnership

Other Federal Reserve Bank of Dallas Advisory Council Member Attendees:

Dawn Fitzpatrick, Soros Fund Management

Federal Reserve Bank of Dallas Directors in Attendance:

Tracee Bentley, Permian Strategic Partnership

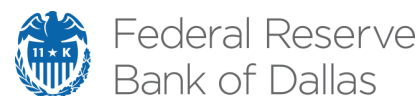
Cindy Taylor, Oil States International, Inc.

James Walter, Permian Resources

Federal Reserve Attendees

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Adefemi Abimbola, Cameron Barrett, Donald Bowers, Garrett Golding, Julieta Ezeiza, Emily Greenwald, Lutz Kilian, Deborah Kilroe, Adam Koudaih, Rosie Levy, Lorie Logan, Hamsa Murthy, Kunal Patel, Daron Peschel, Michael Plante, Jon Prior, Michael Schetzel, Chris Schreck, Sam Schulhofer-Wohl, Seth Searls, Reid Taylor, Jesse Thompson

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 9:00 am CST and made introductory remarks. Daron Peschel, senior vice president, outlined the meeting protocols and agenda. Hamsa Murthy, general counsel, delivered a review of the Bank’s antitrust policy.

Key Takeaways from Financial Sector Advisory Council Meeting

Dawn Fitzpatrick, Chair of the Dallas Fed’s Financial Sector Advisory Council, provided a summary of that council’s meeting, which took place in Houston the previous day. Discussion focused on outlooks for the U.S. economy in 2026, views on productivity growth, and domestic and global risks to economic growth and financial stability.

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 third quarter 2025 survey results (publicly released on September 24, 2025) and the 2025-26 forecast for U.S. crude oil production. Questions and discussion among council members focused on the adoption of artificial intelligence in the oil and gas industry, the potential for increased exploration of overseas shale resources, and workforce reductions in the upstream oil and gas sector.

Discussion on the Outlook for U.S. Oil and Gas Production

Council members first discussed forecasts for domestic oil and gas production through 2030. Council members observed that the number of active drilling rigs in the U.S. has decreased since the start of 2025 with lower commodity prices. Council members also observed that drilling rigs continue to get more efficient, but members pointed out the possibility that additional cost savings from this equipment will be difficult to realize given how much has already occurred. Furthermore, council members discussed that some costs in the oilfield are rising with observations that the increases are due to steel and aluminum tariffs. Council members also pointed out that the amount

of capital required to maintain existing production in the U.S. is rising, with council members expecting production growth at current oil prices will be difficult to achieve.

Members also discussed the outlook for natural gas production, the economics of which council members observed also depends on crude oil prices due to associated gas production coming from the Permian Basin in West Texas. Members discussed that Permian natural gas production can continue rising even if crude oil production remains flat due to rising gas-oil production ratios in the Basin. Because of this, members observed more natural gas pipelines will be required to move gas volumes to serve domestic power demand and liquefied natural gas export terminals.

Discussion on Residential Power Prices

Next, council members discussed trends in electricity prices and how higher electricity demand will impact power markets. It was observed by council members that residential power prices have risen in line with CPI over the past decade, but increased much faster than CPI over the past year, which is why consumers and policymakers are concerned. Council members anticipate prices will continue rising as higher consumption driven by electrification, data centers, and manufacturing runs into a slower pace of addition to power generating capacity. Additionally, members noted coal power plant retirements have made reliability and costs more challenging in some regions of the country.

Members also discussed that forecasts for electricity demand that are based on interconnection requests from data centers fail to adequately delineate what facilities are likely to be built or not. Council members observed that this leads to forecasts that are significantly higher than what is possible. Additionally, members discussed the demand flexibility from large data centers that will be needed in order to maintain power grid reliability.

Discussion of Other Risks in the Energy Sector

Council members observed that oil market fundamentals appear to be negative for oil prices in the coming months. Council members discussed that despite underlying geopolitical risk from Iran, Venezuela, and others, the only event that could significantly change the outlook for oil markets would be substantial sanctions against Russia's energy sector. Members also discussed uncertainty on the policy environment and access to capital for the upstream oil and gas sector as areas of concern.

Adjournment

The Chair adjourned the meeting at noon.