SSDA News

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SSDA-AT Government Affairs Update

By Roy Littlefield

Recently, SSDA-AT focused efforts government affairs efforts on tax reform, infrastructure funding, and right to repair.

SSDA-AT participated in several lobby days, coalition meetings, and individual meetings pushing an impactful message on these top issues to members of Congress.

SSDA-AT attended SEMA's Washington Rally. The focus of the event was gaining support for the REPAIR Act in Congress among other automotive related issues in Congress such as EPA regulations and vehicle choice. SSDA-AT met with several Congressional offices during the Rally including Rep. Steny H. Hoyer (D-MD-5), Sen. Benjamin Cardin (D-MD), and Sen. Christopher Van Hollen (D-MD). Support for the REPAIR Act continues to grow.

SSDA-AT attended a panel discussion centered around funding America's infrastructure. The panel was comprised of House and Senate Appropriations THUD Subcommittee Staff. Discussions included the completed FY 2024 bill, the process for funding disasters and tragedies such as Baltimore's Key Bridge, the upcoming FY 2025 process, and a discussion on different perspectives on funding from the Appropriators.

SSDA-AT also participated in meetings on Capitol Hill to discuss pressing issues including: (1) the troublesome implementation of the Corporate Transparency Act; (2) the small business benefits of the House-passed Tax Relief for American Families and Workers Act of 2024; and (3) the risk of allowing a lapse in beneficial small business provisions within the Tax Cuts and Jobs Act of 2017. Meetings included staff and Congressional members from the Senate Small Business Committee, Senate Small Business Committee, Office of Senator Rick Scott (FL), Office of the House Majority Leader, Office of the Speaker of the House, Office of Congressman Davidson (OH).

SSDA-AT participated in a Family Business Coalition meeting. The meeting featured updates from leadership offices (Speaker Johnson, Majority Whip Emmer, Congressman Feenstra, Congressman Adrian Smith), and tax committees (Senate Finance Committee, House Ways and Means Committee). The meeting focused on expiration of TCJA, the newly formed Ways and Means tax working groups (staff from the groups attended), the latest on the Senate's tax bill negotiations, Sen. Thune/Rep. Feenstra's Death Tax Repeal Act (up to 168 House and 41 Senate cosponsors) and an update on the Death Tax Repeal Act that SSDA-AT is strongly supporting.

How to Recognize the Signs of Email Fraud

Cybercrime Is on the Rise
Cybercriminals are finding increasingly clever ways to infiltrate your business and compromise your security. Net Driven wants to make sure your shop is protected from harmful digital attacks.
You may be thinking, "Cybercrime only targets large corporations. I have nothing to worry about." However, every year one in five small organizations is a victim of cybercrime. Cybercriminals target smaller organizations because they assume that these businesses have fewer defenses in place to prevent cyberattacks.
"Well," you say, "is there anything I can do to avoid a cyberattack if it comes my way?" Good news, 100% of cybercrime can be prevented through the vigilance of your "human firewall." What is this resource? It's you and your team members, who can form an impenetrable barrier against cybercrime by knowing the types of attacks and how to address them.
Email Fraud
Did you know that 91% of data breaches are conducted through email fraud? Email allows cybercriminals to impersonate another entity as a means to connect with and extort your business. The most common type of email fraud is phishing.
"Phishing" is a fraudulent email that claims to be from a legitimate source in order to access sensitive information such as passwords and credit card numbers. For example, popular phishing angles include security alerts on your professional or private accounts, changes to your health benefits and HR announcements. But when you interact with these fraudulent emails, such as clicking a link or attachment, you could be compromising your private information and putting your shop at risk.
Recognize the Signs of a Phishing Email
Phishing emails have evolved to target specific emails by appearing highly personalized, such as addressing you by name or repeating some information about your position. It's important to always look twice at an email, as it can appear innocent at first but contain some telltale signs of fraud.
Here is a list of signs to identify a phishing email:
Fake "From" Email: Hackers often try to infiltrate businesses by impersonating a legitimate domain, such as a subscription service or vendor. Always make sure the "From" email is legitimate (e.g., ends in "@netdriven.com"). If you receive an email that seems out of the ordinary for your role (e.g., you work in sales but were billed an invoice), check with a coworker or supervisor to confirm that email is real and was meant for you.
Generic Greeting: Cybercriminals may not have access to your personal information, so they make do with generic email content. Openers such as "Dear Customer" may be a sign that the email was sent by a hacker.
Poor Writing: If you receive an email that is riddled with mistakes like misspellings and bad grammar and punctuation. Remember, a credible business would not send you an email that contains poor writing. Now, you may not be surprised to receive this email from your

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NET DRIVEN

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coworker who doesn't use punctuation, but keep your guard up if you receive an internal email has a strange tone or seems out of the ordinary.

Urgent Content: Urgency is a common cybercriminal tactic, as they're trying to fluster you into making a snap decision and walking into the trap. If you receive an unexpected email whose subject line urges you to open immediately or whose body message tells you to click on a link or download an attachment now, take a step back. Ask yourself, "Is this email asking me to do something out of the ordinary? Is there a legitimate reason I would need to act now?"

Fake Links & Attachments: Phishing emails use fraudulent links and attachments to breach your security walls and gain access to payment and contact information or slip a virus into your software. Doublecheck any links before clicking to determine the link structure looks normal and matches the email sender. Does the URL represent a real website and start with "HTTPS:"? Similarly, don't click on an unexpected of funny-looking attachment.

Tips to Stay Vigilant & Protect Your Business

Constant vigilance will prevent a security breach every single time. First, follow the three fundament steps of thwarting a cyberattack:

Stop: Check and doublecheck your incoming emails. Never absentmindedly click on an email.

Look: Look twice before you interact. Do you see any signs that the message is a phishing scam?

Think: Does this email look real? Is anything out of the ordinary?

Additional steps to prevent a security breach:

Create unique, complex passwords for every account & never share your password(s) with anyone.

If an email looks "phishy," contact the sender in a different way, such as by phone or visiting their website in a different browser.

Don't log into an account using a login link in an email. Go to the actual login page and enter your credentials there.

Use second-hand verification if you receive a strange email from a company or coworker. Make sure you always know to whom you're responding.

Don't click on an email attachment if you don't know what it's for or what's inside.

If you suspect an email is fake, report it as a phishing attempt to your email service provider immediately.

Bottom Line: Provide Security Awareness Training

Your team can be your greatest cyber security asset or your biggest vulnerability, depending on how prepared they are to recognize and navigate a security threat. We highly recommend providing security awareness training for your entire team, as trained employees are more likely to notice and report suspicious emails. Create guidelines for your team to follow in terms of identifying and reporting suspicious emails and other security threats.

Advancing New Geothermal Frontiers a Focus for Chevron

Partnerships, technological innovation and supportive policies are the key ingredients for advancing geothermal energy beyond 4 gigawatts in the US, Chevron New Energies Vice President of Carbon Capture, Utilization and Storage Chris Powers said in an interview.

He detailed how Chevron is leveraging its oil and gas expertise and Energy Department funding to develop and scale novel geothermal technologies such as low temperature hydrothermal, advanced closed loop and enhanced geothermal systems.

ConocoPhillips Announces $22.5B Buyout of Marathon Oil

ConocoPhillips will acquire fellow US oil and natural gas producer Marathon Oil in an all-stock deal worth $22.5 billion, including debt. The acquisition, which includes Marathon's operations in the Bakken Shale, the Permian Basin and the Eagle Ford Shale, will expand ConocoPhillips' resource inventory by 2 billion barrels and generate an estimated $500 million in cost savings within the first year post-acquisition.

Environmentalists Urge US to Plan 'Phasedown' of Alaska's Key Oil Pipeline Amid Climate Concerns, AP

Environmental groups petitioned the U.S. Department of Interior to review climate impacts related to the decades-old trans-Alaska pipeline system and develop a plan for a "managed phasedown" of the 800-mile (1,287-kilometer) pipeline, which is Alaska's economic lifeline.

The request comes more than a year after the Biden administration approved the massive Willow oil project on Alaska's petroleum-rich North Slope, a decision that was welcomed by Alaska political leaders seeking to stem a trend of declining oil production in the state and by many Alaska Native leaders in the region who see the project as economically vital for their communities. Willow, which is being developed by ConocoPhillips Alaska, could produce up to 180,000 barrels of oil a day.

Some of the groups who filed the petition, including the Center for Biological Diversity and Sovereign Iñupiat for a Living Arctic, are among those who have asked an appeals court to overturn the approval of Willow. A decision is pending.

Oil flow through the trans-Alaska pipeline system averaged around 470,000 barrels a day last year. At its peak, in the late 1980s, about 2 million barrels a day flowed through the line, which began operating in 1977.

The last environmental analysis, done more than 20 years ago as part of a right-of-way renewal, is "woefully outdated," the groups said in their petition. They cite the rapid warming and changes the Arctic region has experienced, noting that several ice-reliant species, such as polar bears, have received Endangered Species Act protections since the last review. They also raise concerns about the impacts of thawing permafrost on the pipeline infrastructure. While the next environmental review is expected in about a decade, that's too long to wait, they argue.

"Every drop of oil that moves through the pipeline is more climate devastation, both here in Alaska and around the world," said Cooper Freeman, Alaska director for the Center for Biological Diversity. "The longer we wait to have this hard conversation about the inevitable — because we must transition off of fossil fuels and we have to do it urgently — the harder it's going to be for Alaska."

SSDA-AT Joins Efforts Calling for CTA Repeal Legislation

SSDA-AT continues to join and lead efforts calling for CTA repeal or delay.

SSDA-AT strongly supports legislation to repeal the Corporate Transparency Act (CTA).

The CTA was designed to help law enforcement prevent money laundering by requiring shell companies to report information regarding their beneficial owners (BOI) to the Department of Treasury.

The law, however, defines a shell company as any legal entity with 20 or fewer employees or $5 million or less in revenues. In other words, every small business in the United States.

The concept of beneficial owner is broadly defined as well, and includes owners, senior management, members of the board, and any employee or outside consultant exerting significant control over the businesses' operations.

SSDA-AT is concerned with the implications this will have on our industry and the greater business community.

Covered entities must report and regularly update the personal information of their "beneficial owners" to the Treasury Department's Financial Crimes Enforcement Network (FinCEN) or face significant fines and jail time.

As a result of this broad sweep, FinCEN expects to collect over 32 million submissions just this year, with an additional five million annual submissions thereafter. Multiply 32 million by the number of beneficial owners per entity, and it becomes apparent that the CTA reporting regime is likely the biggest data collection regime in the history of the federal government outside of the Tax Code.

Despite its unprecedented scope, we expect the CTA to be of little

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SSDA-AT Joins Efforts Calling for CTA Repeal Legislation

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practical use to law enforcement, as criminals are unlikely to accurately self-report their information to FinCEN.

Meanwhile, because the CTA targets entities with low revenues and few employees, the brunt of its reporting burden and excessive penalties will be shouldered by law-abiding, Main Street businesses.

Recently, the District Court for the Northern Alabama ruled the CTA exceeded the Constitution's enumerated powers and was therefore unconstitutional, but the resulting injunction applies to the plaintiffs only – members of the National Small Business Association.

As a subsequent notice from FinCEN made clear, all other covered entities are still required to file their BOI reports by the end of the year.

Legislation would put an end to this remarkable overreach by repealing the CTA in its entirety. It would end this unnecessary reporting regime before it gets started and it would give Congress the opportunity to craft a better approach that balances our national security needs with the interests and rights of law-abiding small business owners.

The Protect Small Business and Prevent Illicit Financial Activity Act (S. 3625) remains pending before the Senate Banking Committee, currently led by Sen. Sherrod Brown (D-OH).

That legislation would implement a one-year delay of the CTA's reporting requirements for existing entities; its companion bill passed the House 420-1 late last December.

Meanwhile, bicameral legislation to repeal the CTA altogether is in the works.

We will continue to provide updates on efforts to repeal or delay the CTA. SSDA-AT will continue to voice our concerns.

SSDA-AT Federal Government Updates

SSDA-AT Sends Letter Requesting DOL Extend the First Increase to the Minimum Salary Threshold Under its New Overtime Final Rule to at Least September 1

SSDA-AT and 87 other associations of the Partnership to Protect Workplace Opportunity (PPWO) have requested the Wage and Hour Division (WHD) to extend the implementation date of the first increase to the minimum salary threshold under its new final rule altering the overtime regulations under the Fair Labor Standards Act (FLSA), published in the Federal Register on April 26, 2024 (29 CFR 541).

SSDA-AT is part of a coalition of associations, businesses, and other stakeholders representing employers with millions of employees across the country in almost every industry.

SSDA-AT believes that employees and employers alike are best served with a system that promotes maximum flexibility in structuring employee hours, career advancement opportunities for employees, and clarity for employers when classifying employees.

WHD's new rulemaking implements two increases to the minimum salary threshold under which all workers must be paid overtime. The first phase increases the minimum salary threshold from the current $35,568 to $43,888. This increase is currently set to go into effect on July 1, 2024.

WHD is providing the regulated community with only two months to analyze the rule, determine what changes to their operations and payrolls will be necessary, explain to the impacted workers how and why their pay, titles, or workplace responsibilities will change, and then implement those changes.

This is an arbitrary and burdensome timeline for the regulated community to meet, especially smaller businesses that do not have the resources to make such changes quickly.

We therefore request the Wage and Hour Division extend the implementation date for this increase to at least September 1, 2024, to allow

SSDA-AT Federal Government Updates

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employers sufficient time to understand the rule, implement the necessary alterations, and inform workers of the changes that will significantly impact them.

SSDA-AT makes this request to extend the implementation date to ensure the employer community can adjust to the new rule appropriately.

Interest Rates Remain the Same for the Third Quarter of 2024

The Internal Revenue Service announced that interest rates will remain the same for the calendar quarter beginning July 1, 2024.

For individuals, the rate for overpayments and underpayments will be 8% per year, compounded daily. Here is a complete list of the new rates:

8% for overpayments (payments made in excess of the amount owed), 7% for corporations.

5.5% for the portion of a corporate overpayment exceeding $10,000.

8% for underpayments (taxes owed but not fully paid).

10% for large corporate underpayments.

Under the Internal Revenue Code, the rate of interest is determined on a quarterly basis. For taxpayers other than corporations, the overpayment and underpayment rate is the federal short-term rate plus 3 percentage points.

Generally, in the case of a corporation, the underpayment rate is the federal short-term rate plus 3 percentage points and the overpayment rate is the federal short-term rate plus 2 percentage points.

The rate for large corporate underpayments is the federal short-term rate plus 5 percentage points. The rate on the portion of a corporate overpayment of tax exceeding $10,000 for a taxable period is the federal short-term rate plus one-half (0.5) of a percentage point.

The interest rates announced are computed from the federal short-term rate determined during April 2024.

FTC Announces Rule Banning Noncompetes

On Tuesday, April 23, 2024, the Federal Trade Commission (FTC) voted 3-2 along party lines to approve its new rule on non-competes. The new rule, which will take effect in 120 days, essentially bans non-competes for all workers, finding them "an unfair method of competition – and therefore a violation of Section 5 of the FTC Act."

Notably, a non-compete clause is broadly defined by the new rule as a "contractual term or workplace policy that prohibits a worker from, penalizes a worker for, or functions to prevent a worker from seeking or accepting work in the United States with a different person where such work would begin after the conclusion of the employment or operating a business in the United States after the conclusion of the employment."

The new rule applies retroactively to prior agreements, other than those for senior executives earning more than $151,164 a year in a "policy-making position." Employers must provide notice to other workers subject to non-compete agreements that they are no longer enforceable.

Not limited to employees, the non-compete ban extends to independent contractors, externs, interns, volunteers, apprentices, and sole proprietors who provide a service to a person. It does not include non-competes entered into pursuant to a bona fide sale of a business entity or in a franchisor-franchisee relationship.

While the rule is final, expect legal challenges to follow. For example, the U.S. Chamber of Commerce, the nation's largest business lobby, told reporters it plans to sue over the rule, claiming the FTC is not authorized to make this rule, that non-competes are not categorically unfair, and the rule is arbitrary. The Chamber's thoughts were echoed by the opposing Republican FTC Commissioners, who cited concerns about the FTC's authority.

However, it's important to clarify that while non-compete agreements are no longer permissible, other forms of employment contracts, such as non-disclosure and confidentiality agreements, remain unaffected.

As the dust settles on this landmark decision, it is clear that legal challenges and debates over the FTC's authority will continue to unfold. Stay tuned for further developments on the regulation of non-compete agreements and the ensuing legal battles.

Changed Overtime Rule for Salaried Employees

SSDA-AT for the past several months has attended DOL roundtables and has long monitored the threat of changes being made with overtime rules.

The U.S. Department of Labor announced on Tuesday, April 23, 2024, the release of a final rule raising the minimum annual salary threshold for overtime pay eligibility. This primarily applies to executive, administrative, and professional employees, commonly referred to as the "White Collar Overtime Exemptions." The 383 page Final Rule can be seen here and is briefly summarized below.

The Fair Labor Standards Act ("FLSA") is a federal law that regulates when employees must be paid minimum wage and overtime. Under the FLSA, overtime pay, which is due to all employees who do not fall within a specified exemption, is one and one-half times an employee's regular pay rate for every hour that is worked beyond 40 hours in a work week.

While hourly workers are generally entitled to overtime pay, salaried workers are not if they earn above a certain pay level and supervise other workers, use professional expertise or judgment, or hire and fire workers.

Currently, salaried workers making less than $35,568 annually qualify for overtime pay when they work more than 40 hours in a week. Starting July 1, 2024, the threshold will increase from $35,568 to $43,888 per year. It will then increase again to $58,656 on January 1, 2025.

The change will be most critical for employers which are now claiming an overtime exemption for employees earning more than $35,568 annually, but less than $58,656 annually.

Upon enactment, these employees, occupying this $23,088 band, would lose their current status as overtime-exempt.

The new standard will likely be challenged in court by affected industry groups that have argued that excessively raising the standard exceeds the Labor Department's authority.

Unless and until there is court intervention, employers should prepare as follows:

Review salaried employee classifications to confirm compliance with new salary thresholds to remain exempt.

Review salaried employee classifications to determine whether employees should be reclassified as nonexempt.

For employees reclassified as nonexempt, ensure all hours worked are properly recorded.

For employees reclassified as nonexempt, review budgets, set hours expectations, and development policies for approval of overtime.

SSDA-AT will continue to report on developments and voice our concerns with the DOL. Please reach out with any concerns you may have with these changes.

New Mexico Oil and Gas Revenue Continues to Climb as Production Grows in Permian Basin, Yahoo

Oil and gas generated more than $15 billion in income for New Mexico in the last fiscal year, according to a state economic report presented to lawmakers during a recent meeting in Carlsbad.

Jennifer Faubion, economist with the Legislative Finance Committee said oil and gas brought in $6.6 billion to the State in taxes, and another $8.6 billion from land income in Fiscal Year 2023.

She said the influx in revenue was driven by increased oil and gas production in the southeast Permian Basin.

Faubion said in the last five years, since FY 2018, oil and gas revenues quadrupled. The General Fund more than doubled in the last two years, she said, benefitting several statewide programs and services like education and infrastructure.

Faubion said the General Fund, used to develop New Mexico's budget was 35 percent reliant on oil and gas in FY 2023.

“It’s been exceeding our expectations for a number of years,” Faubion said of oil and gas revenue during the June 11 meeting at the Pecos River Village Conference Center. “And it just keeps growing.”

But the reliance would soon trend downward, she said, as the state invests the oil money, considered non-recurring revenue and viewed as volatile and dependent on commodity markets worldwide, moving it out of the General Fund and into funds that could appreciate over time. Oil money was also ideal for spending on one-time projects like roads or water systems, she said, addressing needs in local communities.

The LFC's forecast showed a near-term increase in General Fund's oil and gas reliance from 35 percent in FY 2023 to almost 40 percent in FY 2024, but then gradually declining back to about 35 percent in FY 2028. Faubion said this projected decrease was attributable to legislative spending and investment of the "windfall" income brought in an ongoing upswing in production.

"We can start to compare long-term impacts of putting dollars away, especially when our reserve levels are so high and our new money levels are so high," Faubion said. "You can do a little of both."

Rep. Gail Armstrong (R-49) asked Faubion during the meeting how proposed statewide oil and gas setbacks, defining the required distance between oil and gas facilities and sensitive areas like homes or schools, would impact revenue from the industry.

Faubion said the Legislative Finance Committee was unsure the exact dollar amount that would be affected, but said preliminary research showed about 10 percent of New Mexico's oil and gas wells would be impacted if the setback proposal took effect.

IEA Sees Major Oil Capacity Glut by 2030 as Demand Peaks, S&P

The world is facing a major oil capacity glut in the current decade that could trigger lower prices and test OPEC's market control as global oil demand peaks, the International Energy Agency said June 12.

Global oil demand, including biofuels, will likely level off near 106 million b/d toward the end of this decade, up from just over 102 million b/d in 2023, due to the boom in electric vehicles, renewable energy and fuel efficiencies, the IEA said in its latest annual mid-term outlook, "Oil 2024."

Total oil demand is still forecast to rise by 3.2 million b/d between 2023 and 2030, supported by increased use of jet fuel and feedstocks from the petrochemical sector.

As in recent years, oil demand growth will be underpinned by Asia's biggest economies, with growth in China driven by the petrochemical sector, while in India, transport fuels will see significant gains, the IEA said. By contrast, oil demand in developed economies is expected to continue a structural decline, falling from around 46 million b/d in 2023 to less than 43 million b/d by 2030, the lowest since 1991.

A year ago, the IEA had predicted that global oil demand would peak by the end of the decade after rising 6% to 105.7 million b/d through the 2022-2028 period.

S&P Global Commodity Insights forecasts global oil demand -- including biofuels -- peaking at around 109 million b/d in 2034, with a gradual decline in the following years and only falling below 100 million b/d in 2050. Commodity Insights forecasts demand averaging 104.8 million b/d in 2024.

Separately, the IEA cut its 2024 global oil demand growth forecast for a third consecutive month, trimming 100,000 b/d from the estimate, citing contracting demand in OECD countries and signs that Chinese demand growth slumped to just 95,000 b/d in April. Helped by an upward revision to its 2023 demand estimates, the IEA now sees world oil demand growing by just 960,000 b/d this year to average 103.2 million b/d.

"Oil's subdued outlook is expected to carry forward into 2025, with a modest increase of 1 million b/d reflecting lackluster economic growth, an expanding EV fleet and vehicle efficiency gains," the IEA said in its latest monthly oil market report.

The IEA's latest revision to its 2024 demand forecast puts it at increasing odds with the much more bullish outlook of OPEC producers. OPEC on June 11 reiterated its forecasts for global oil demand growth of 2.25 million b/d for 2024 and 1.85 million b/d for 2025. The US' Energy Information Administration also said June 11 that it sees oil demand rising by 1.1 million b/d this year to average 103 million b/d.

Largest US Oil Trade Group Sues to Block Biden's EV Push, Reuters

The nation's largest oil trade group, which includes Exxon Mobil (XOM.N), opens new tab and Chevron (CVX.N), opens new tab, filed a federal lawsuit seeking to block the Biden administration's efforts to reduce planet-warming emissions from cars and light trucks and encourage electric vehicle manufacturing.
The U.S. Environmental Protection Agency issued new tailpipe emission rules in March that will force automakers to produce and sell more electric vehicles to meet the new standards. Under the rule, the administration projects up to 56% of all car sales will be electric between 2030 and 2032.
The American Petroleum Institute (API) says the EPA has exceeded its congressional authority with a regulation that will eliminate most new gas cars and traditional hybrids from the U.S. market in less than a decade.
“Today, we are taking action to protect American consumers, U.S. manufacturing workers and our nation’s hard-won energy security from this intrusive government mandate,” API Senior Vice President and General Counsel Ryan Meyers said.
The lawsuit was filed in the D.C. Circuit Court of Appeals.
The EPA declined to comment, citing a policy against talking publicly about pending litigation.
The National Corn Growers Association and the American Farm Bureau Federation will join API as co-petitioners, along with six auto dealers representing 16 brands and collectively operating dozens of dealerships across the country.
The two farm groups rely on gas-powered cars to support the corn-ethanol industry.
“By approving tailpipe standards that focus exclusively on electric vehicles, EPA has ignored the proven benefits corn ethanol plays in reducing greenhouse gas emissions and combating climate change,” Minnesota farmer and National Corn Growers Association President Harold Wolle said.
In April, Republican attorneys general from 25 states sued the EPA to block the same rules.
The regulations are among the most significant environmental rules implemented under President Joe Biden, who has made tackling climate change a key pillar of his presidency. It has also complicated his relationship with a key ally, the United Auto Workers, who have been slow to embrace the transition to electric vehicles.
The U.S. auto industry has largely endorsed the new tailpipe standards.
In the final rule, Biden slashed its target for electric vehicle adoption amid auto worker backlash, but the watering down of the measure did little to pacify an oil industry that needs gas-powered cars to survive.
For both Biden and his Republican rival, Donald Trump, the road to the White House in November's presidential election goes through industrial states Michigan, Wisconsin and Pennsylvania where workers fear that the EV transition threatens jobs.
Trump has repeatedly excoriated electric vehicles and promised to roll back the new tailpipe standards.

Permian Basin Oil Production to Grow in 2024

The Permian Basin won't see any reduction in crude oil production this year. In fact, the U.S.. Energy Information Administration forecasts an 8% increase compared to 2023.

It expects crude oil production to average about 6.3 million barrels a day this year. The Permian Basin, where numerous Oklahoma oil and gas firms have operations, accounts for nearly half of U.S. crude oil production, and EIA expects increased production in the Permian and other regions will drive U.S. oil production to successive records in 2024 and 2025.

EIA has expanded its Short-Term Energy Outlook (STEO) forecasts to include regional trends in the primary oil and natural gas production regions in the United States—Appalachia, Bakken, Eagle Ford, Haynesville, and Permian.

"Incorporating regional forecasts of oil and natural gas production helps us tell a more comprehensive story of hydrocarbon production trends in the United States," said EIA Administrator Joe DeCarolis.

"Consider the natural gas market, where we've seen prices decline far more rapidly than production. We knew that associated natural gas, which is produced as a by-product of increasing crude oil production, was a driver of relatively stable natural gas production. Now our forecasts clearly show the important regional relationship of oil and natural gas production."

EIA expects U.S. marketed natural gas production to decrease slightly more than 1% in 2024 in response to low natural gas prices. Production is forecast to increase in the Permian, Bakken, and Eagle Ford regions this year, while declining in the other major producing regions.

The decline in natural gas production included production in the A Anadarko Basin of which Oklahoma is a part. Production in May was 6,528 million cubic feet a day

Permian Basin Oil Production to Grow in 2024

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but the EIA anticipates production to be closer to 6,518 million cubic feet a day in June. Other highlights from the June STEO include:

EIA revised its forecasts for electricity consumption by customers in the U.S. commercial sector upward to reflect expectations for greater power demand from data centers. EIA forecasts that electricity consumption by the commercial sector will increase 3% this year. The largest revisions in EIA's forecast are in the South Atlantic and West South Central regions; EIA expects 5% growth in commercial electricity demand in the South Atlantic region and 3% growth in the West South Central region this year.

Summer electricity bills. EIA expects that residential electricity customers' average monthly bills will be similar to last summer's average: $173 compared with $168 last summer. EIA forecasts that the national average price of electricity will be about the same this summer as last summer, but that the average U.S. household will consume more electricity—primarily to power air conditioning. EIA will publish an additional supplement analyzing summer electricity usage and expenditures.

Distillate fuel. EIA expects 1% more distillate fuel will be consumed in the United States in the second half of this year than in the same period last year, as increases in manufacturing lead to more on-highway trucking—the single largest end use of distillate fuel oil.

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