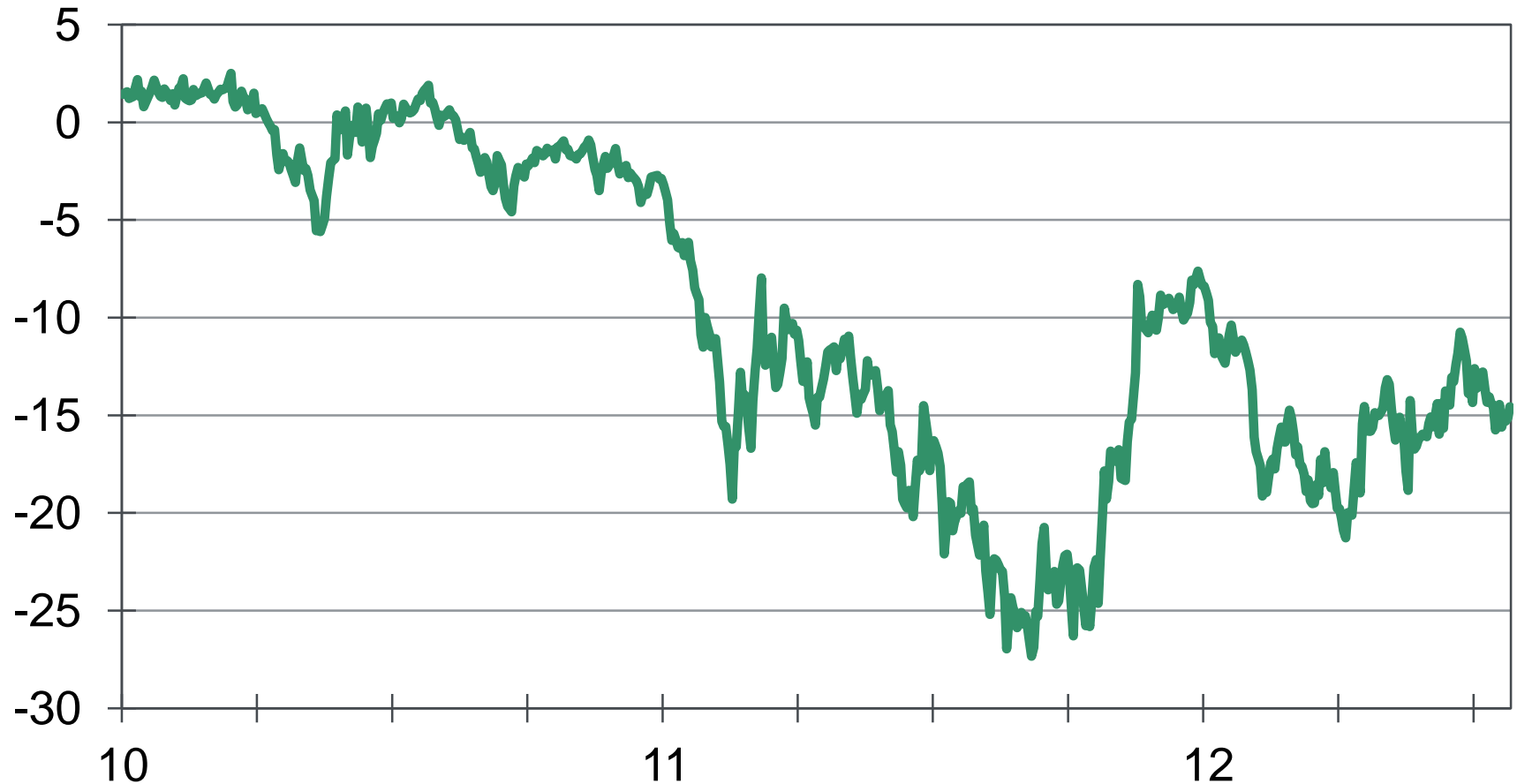


Energy Policy Choices and Growth

CHRIS LAFAKIS, Senior Economist

Midwest Refineries Benefit From Cheap WTI

WTI-Brent crude oil futures spread, \$ per bbl



Sources: Moody's Analytics, EIA, Telekurs Financial

West, East Coasts Are Unlinked to Midwest

<http://www.capp.ca/getdoc.aspx?DocId=190838>

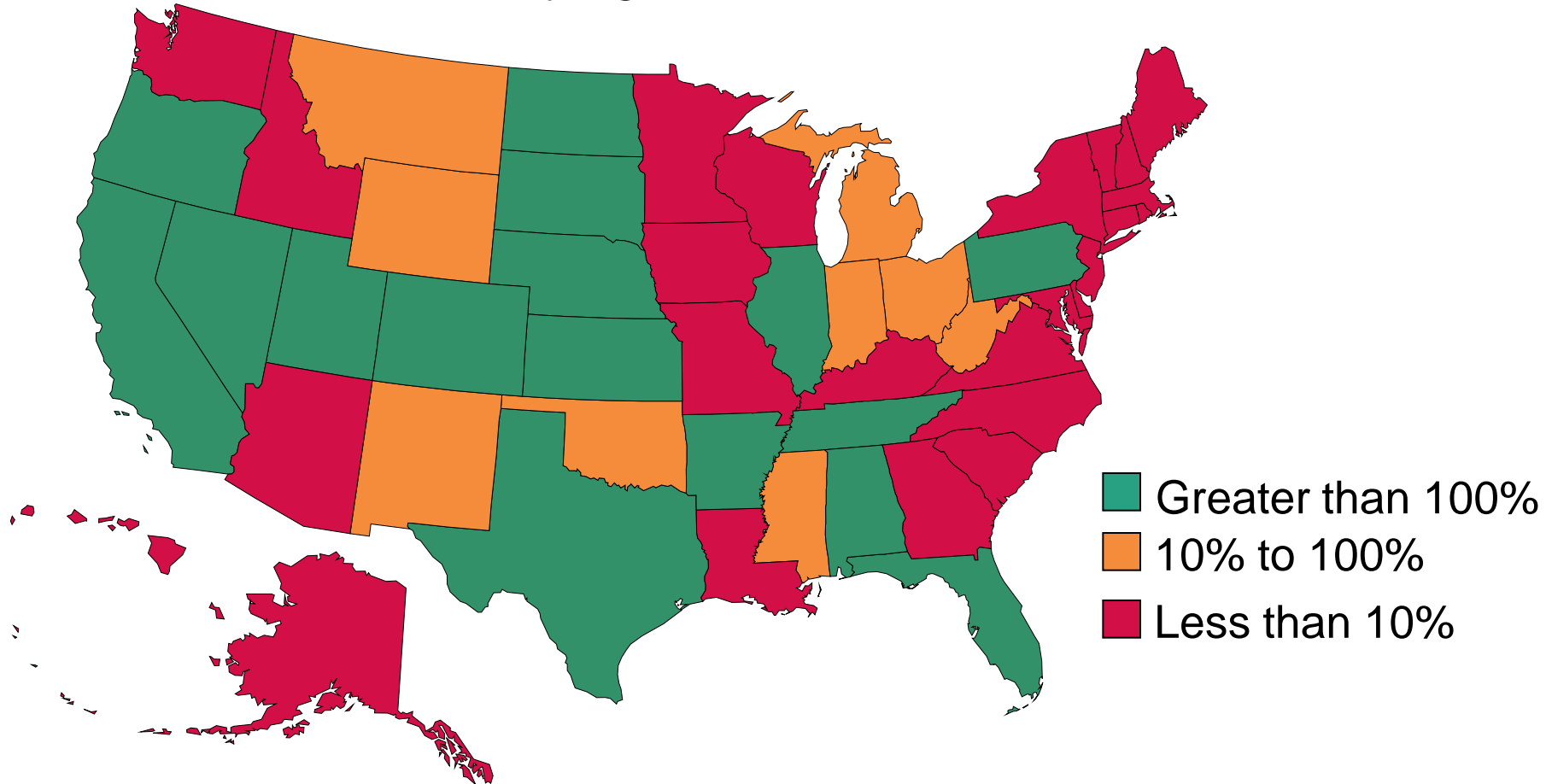
Canadian & U.S. Crude Oil Pipelines - All Proposals



Sources: Canadian Association of Petroleum Producers, Moody's Analytics

Tight and Shale Drilling Spark a Revolution...

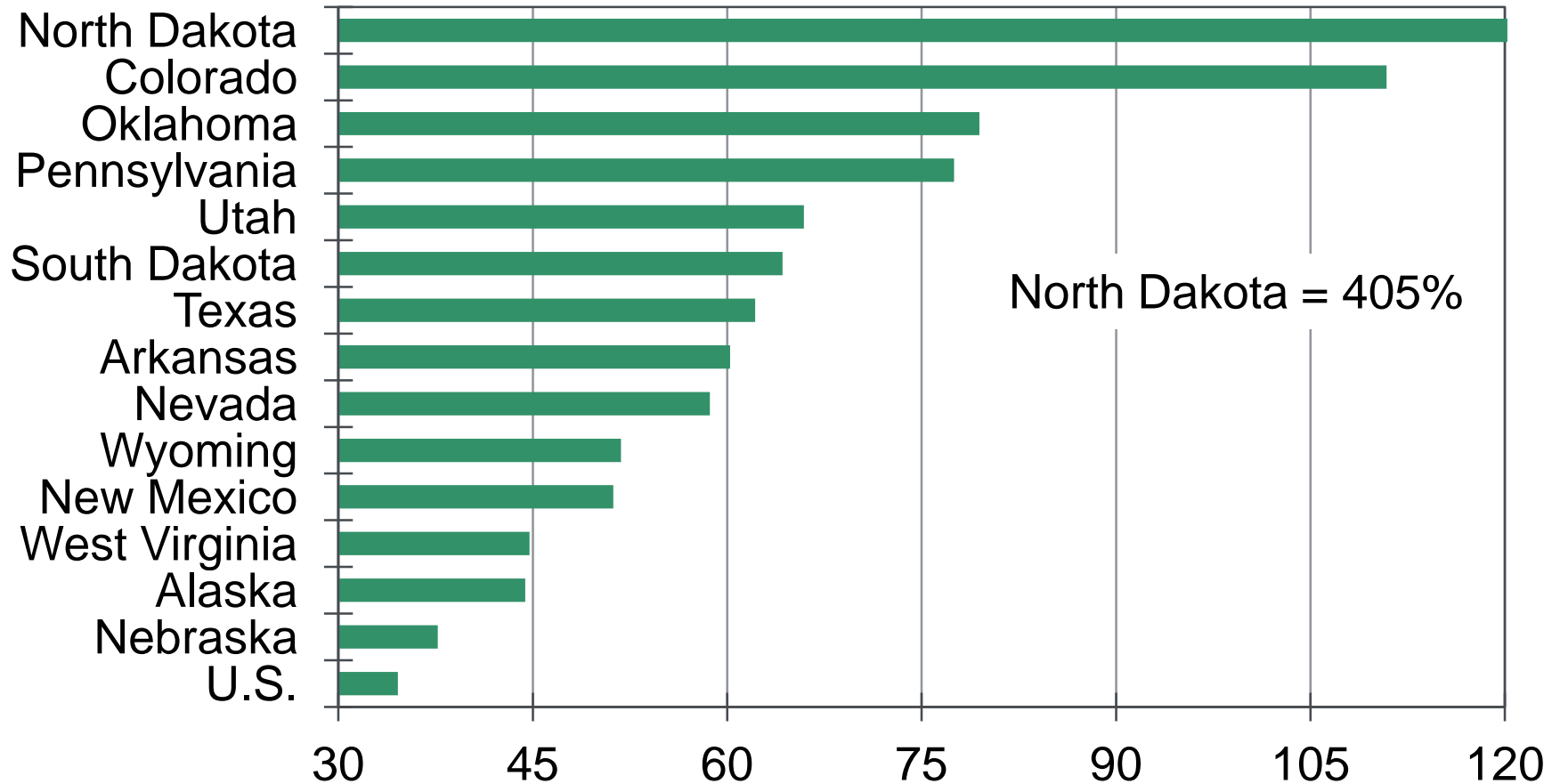
Increase in active rotary rigs, 2002 to 2011, %



Source: Baker Hughes, Moody's Analytics

...That Is Rapidly Creating Jobs...

Natural resources and mining employment, % change, 2002-11



Sources: BLS, Moody's Analytics

...But Fracking Must Be Done Right

Large water usage can affect aquatic habitats

Faulty well construction can pollute aquifers

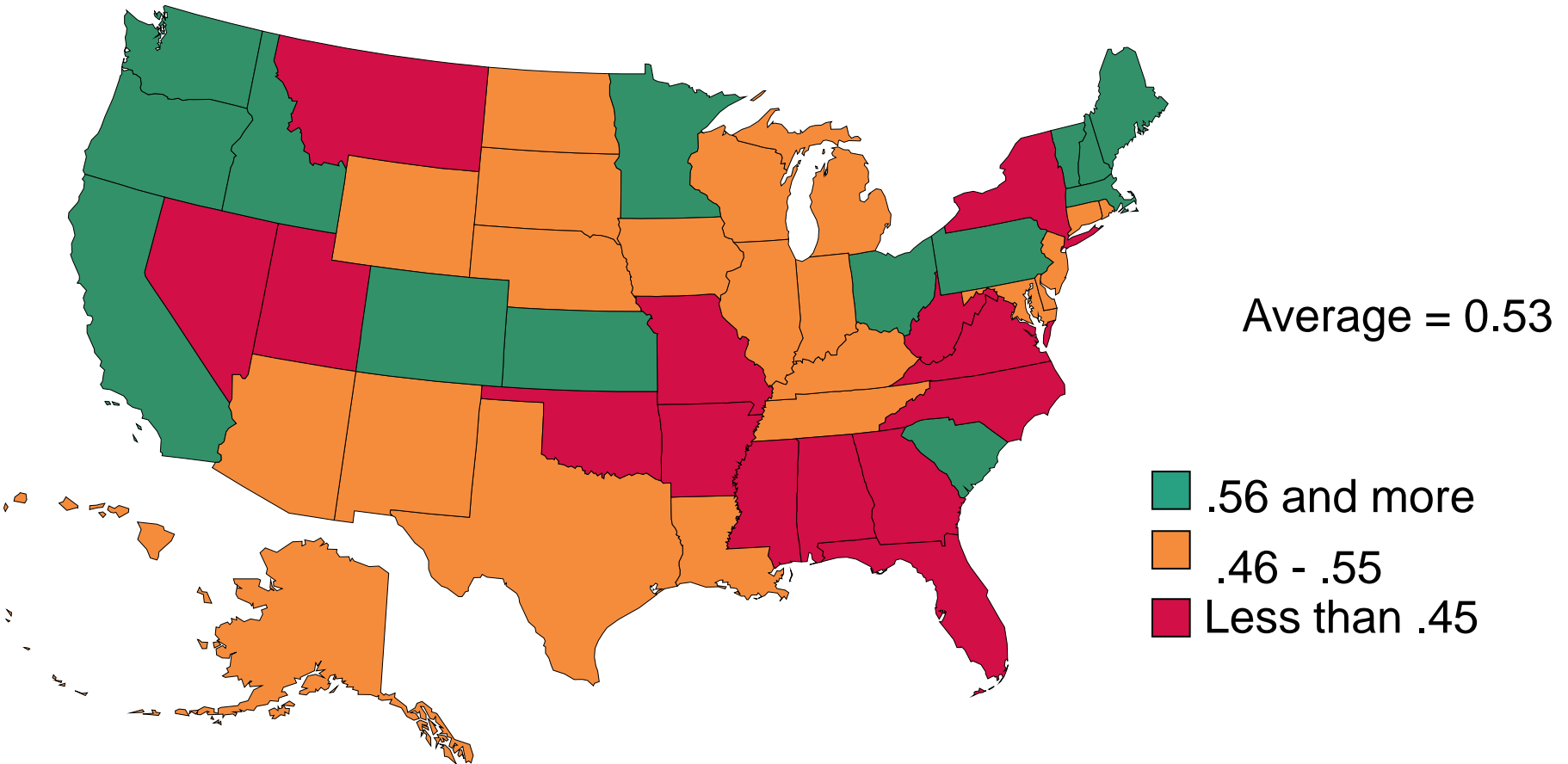
Fracking creates large amounts of wastewater

Fracking can cause small earthquakes

Environmental impact assessment is ongoing

New England, West Coast Go Green

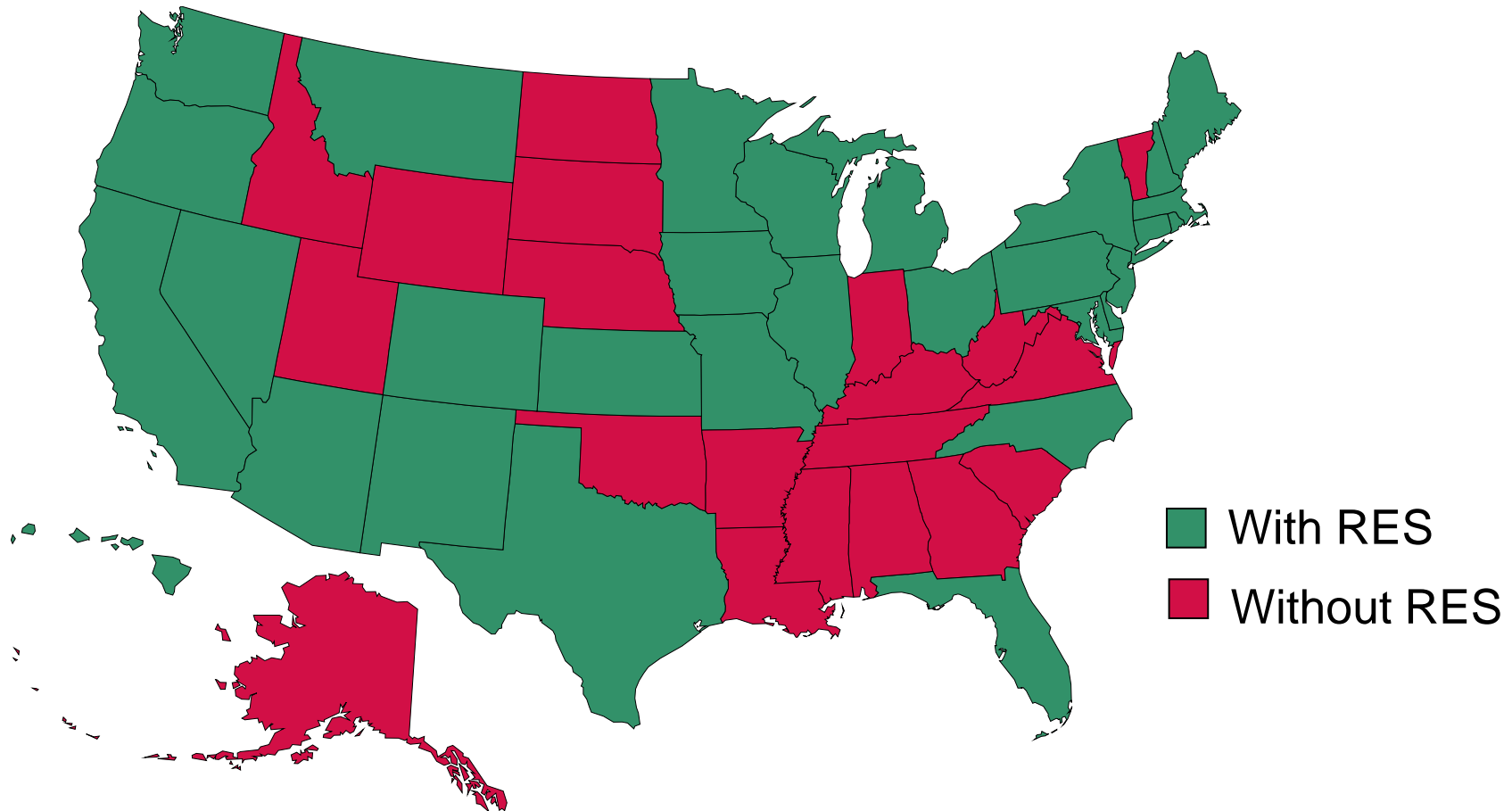
Clean energy economy % of total state employment, 2011, %



Sources: Collaborative Economics, Moody's Analytics

Clean Energy Economy Relies on Policymakers

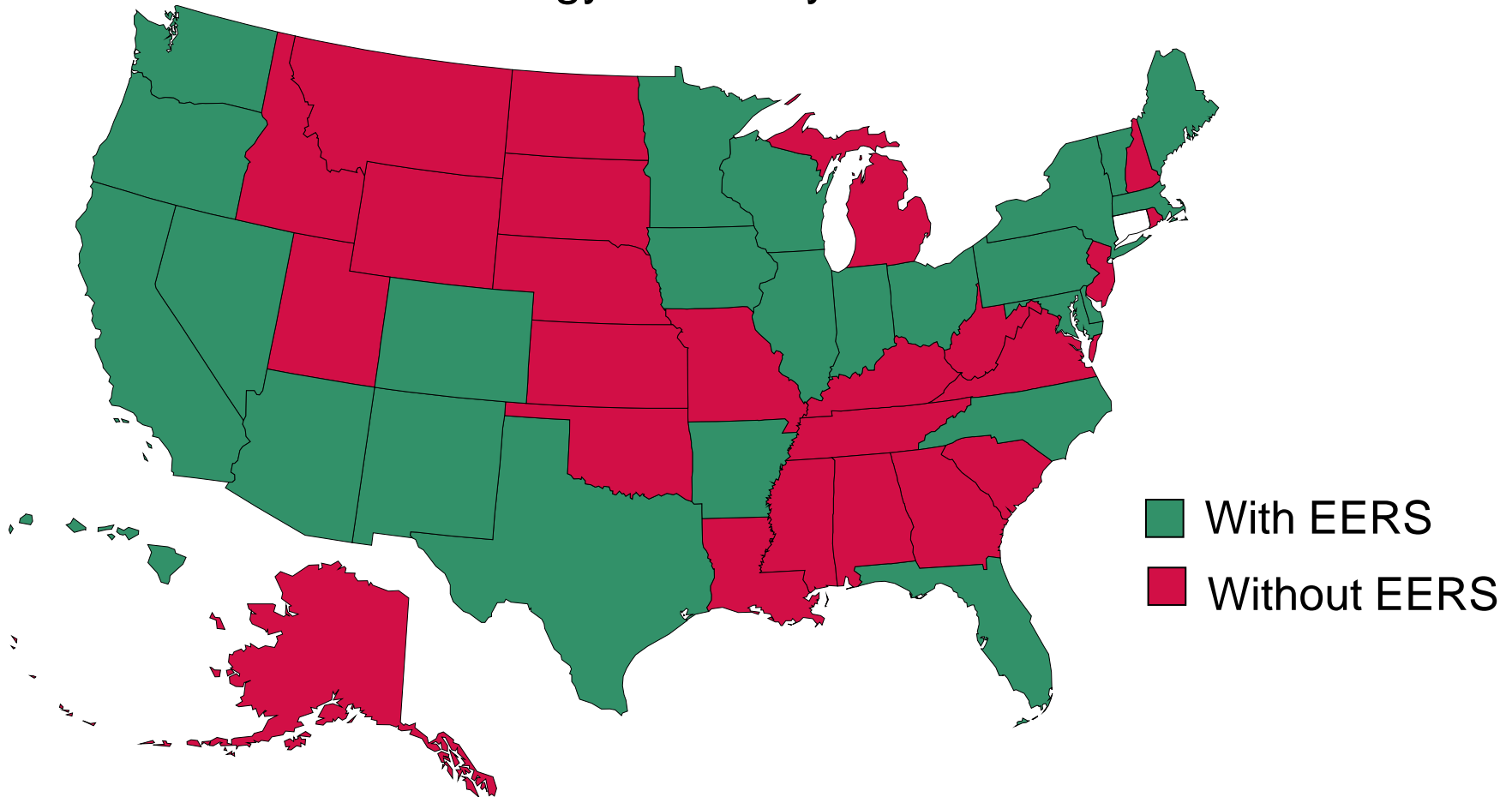
States with hard renewable energy standards



Sources: DSIRE, Moody's Analytics

States Have Taken the Lead on Efficiency

States with hard energy efficiency resource standards



Sources: DSIRE, Moody's Analytics