

# American Fuel & Petrochemical Manufacturers

## The Road Ahead

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January 24, 2019

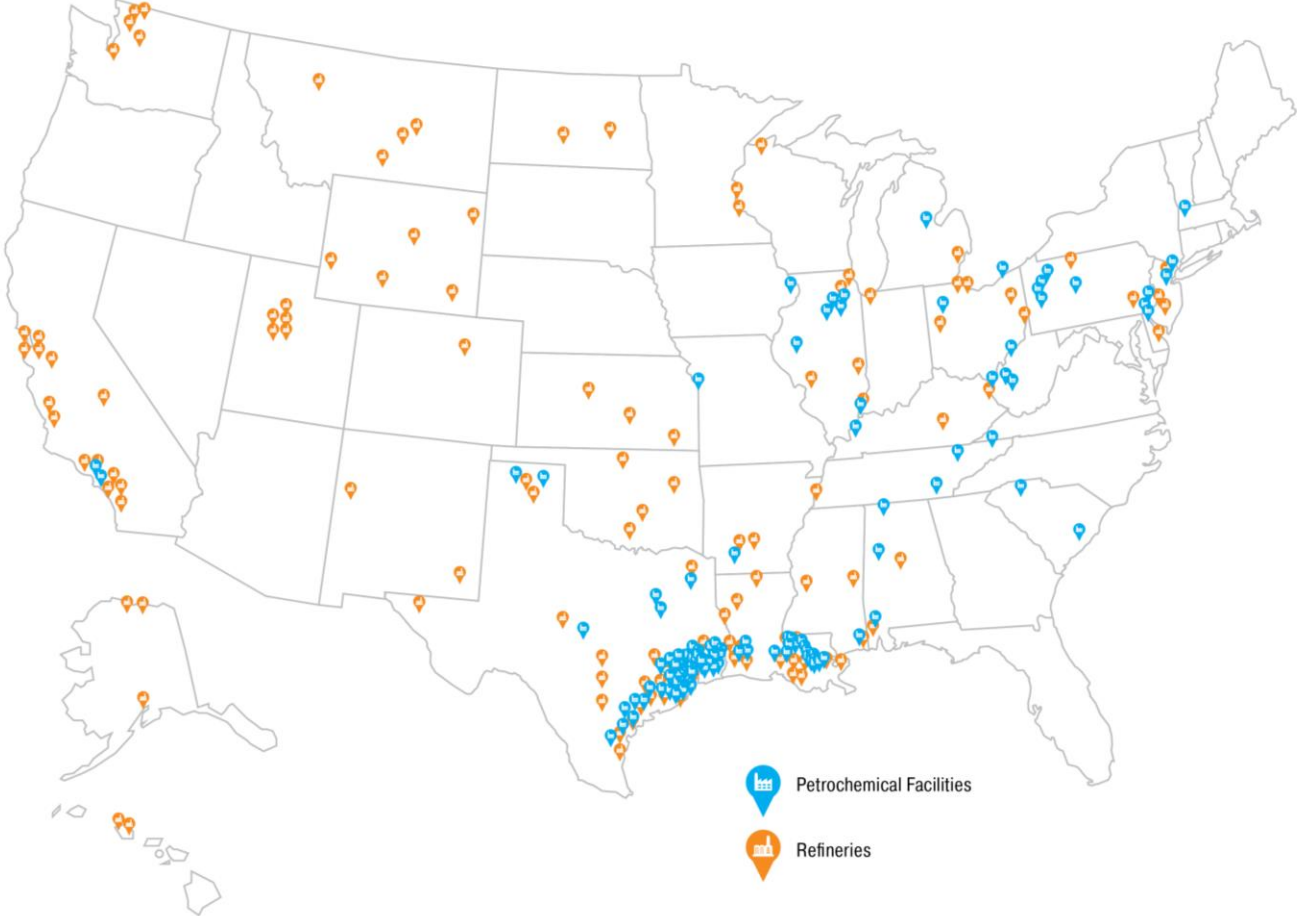


# AMERICAN FUEL & PETROCHEMICAL MANUFACTURERS

- Founded in 1902 as the National Petroleum Association
- Represents 95 percent of U.S. refining and petrochemical capacity
- 3MM + jobs in 33 states supported by our 117 refineries and over 230 petrochemical facilities
- Our industries add nearly \$600 billion to the U.S. economy each year



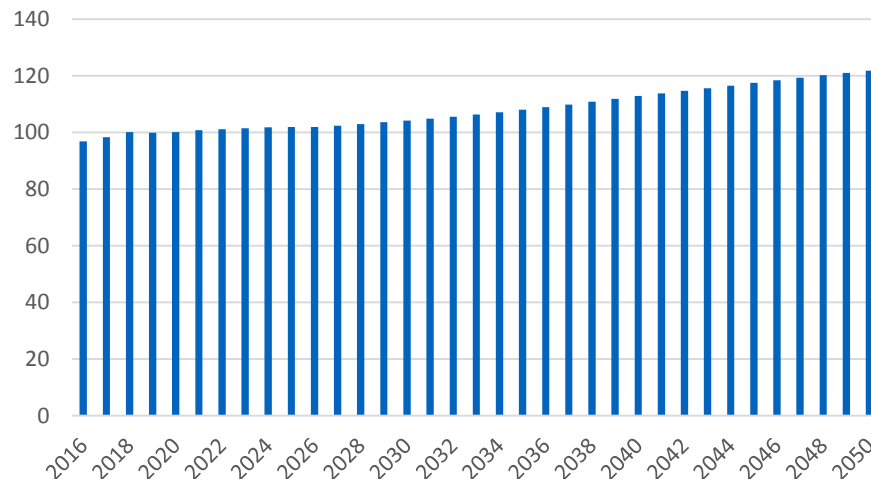
# AFPM: OUR FOOTPRINT



# OUTLOOK ON OIL AND FUELS

- U.S. to be consistent net energy exporter by early 2020's
- U.S. refinery utilization rates forecasted to remain at ~90% utilization through 2050
- Global and U.S. fuel consumption looks strong all the way to 2050
- Key question: what impact will EVs have?

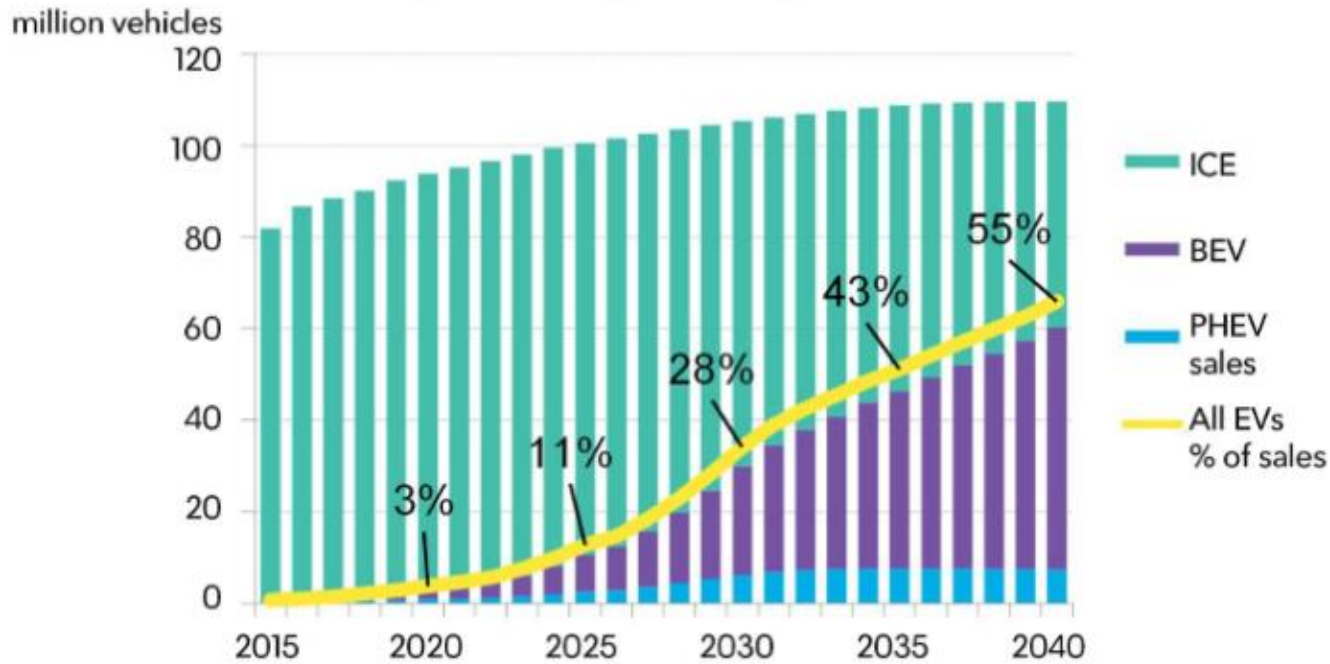
International Liquids: Total Use MMB/d



Source: 2018 EIA Annual Energy Outlook

# EVS – “OPTIMISTIC” CASE

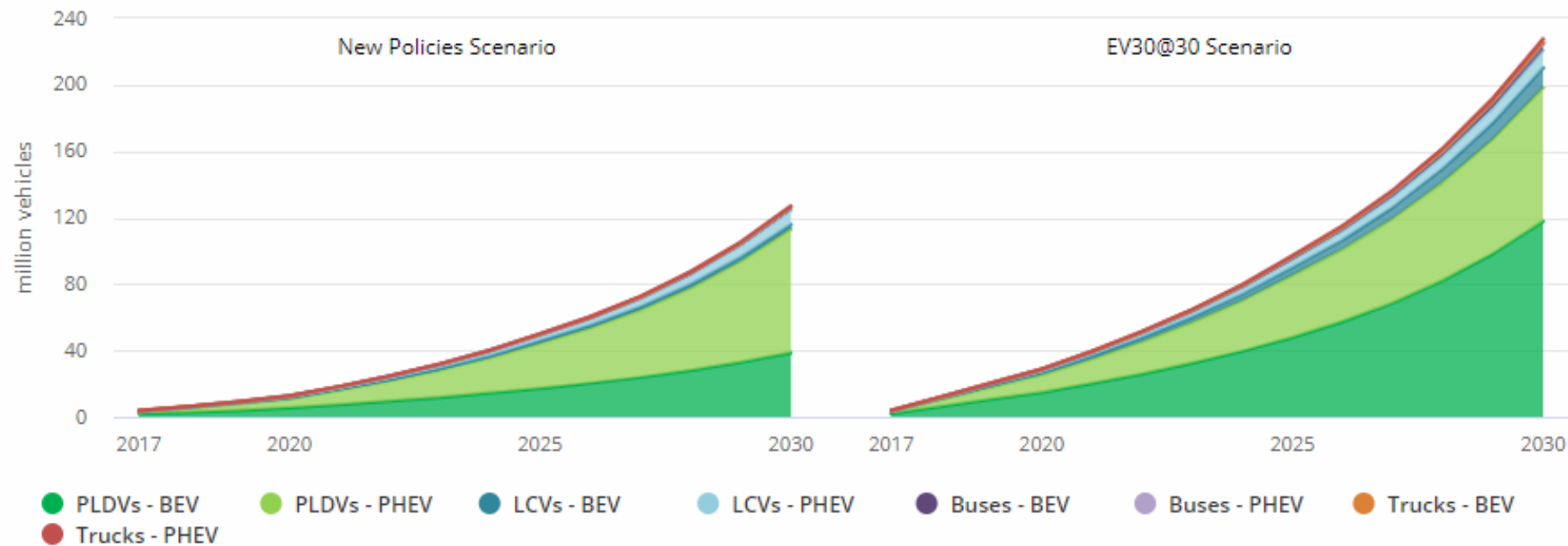
## Annual global light duty vehicle sales



Source: Bloomberg New Energy Finance

# IEA: EV FLEET OUTLOOK

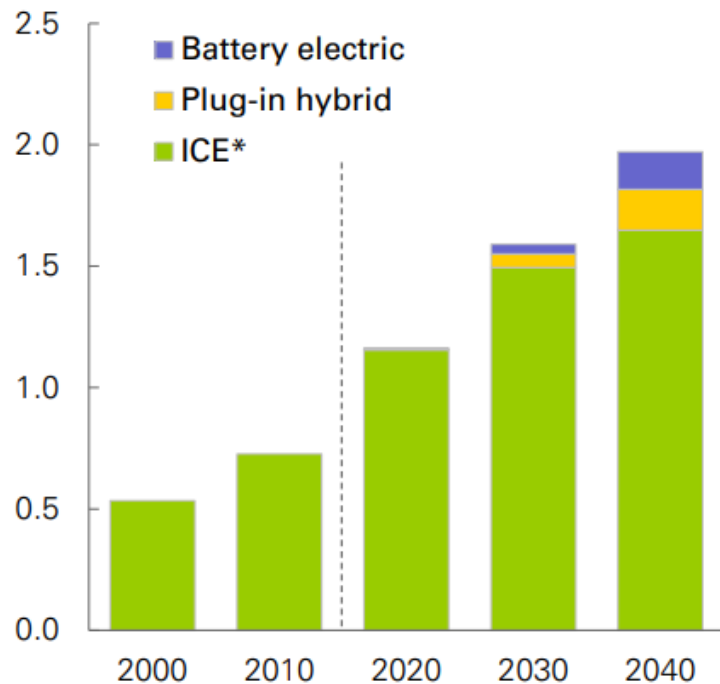
Global EV deployment to 2030 by scenario



# BP FLEET OUTLOOK: ANOTHER VIEW

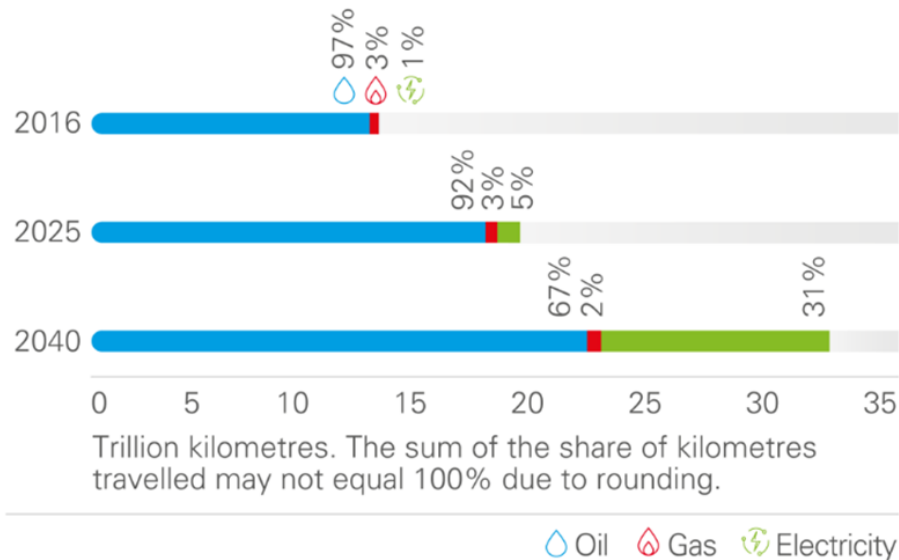
## Passenger car parc by type

Billions of vehicles



\*ICE vehicles includes hybrid vehicles which do not plug in

## Kilometres driven by passenger cars by fuel type

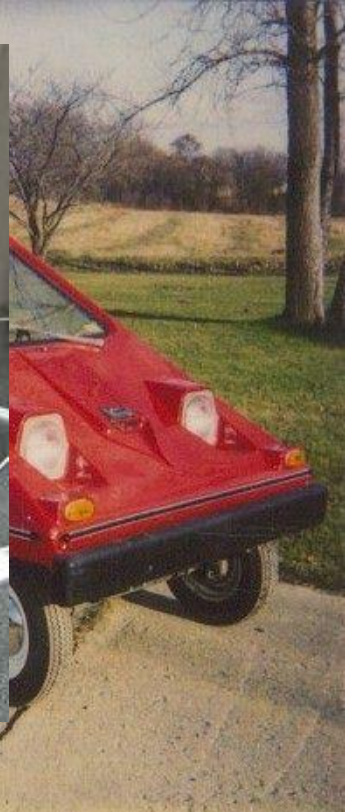


Source: BP Energy Outlook

Source: BP 2018 Energy Outlook



# EVS – THE ROAD AHEAD





# EVS AND ICE: A COMPARISON

## Cost



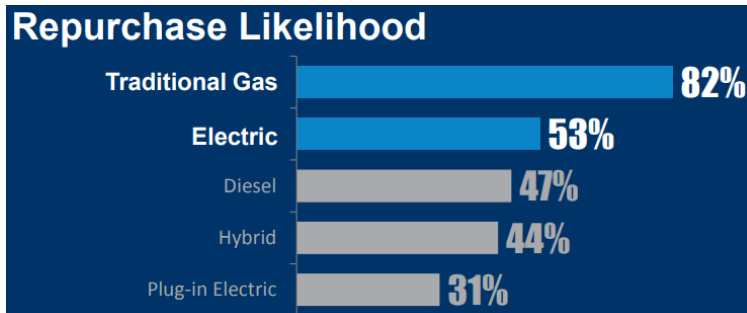
## Range



## Convenience



## Desirability



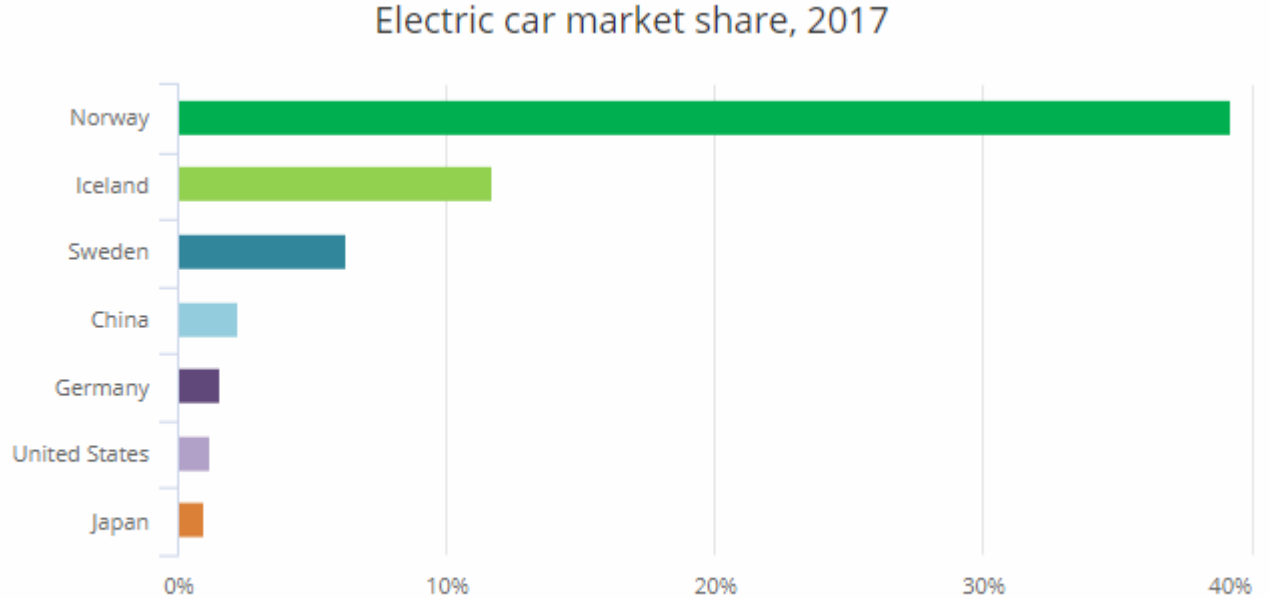
Source: Kelley Blue  
Book EV Study (2016)

## Sales



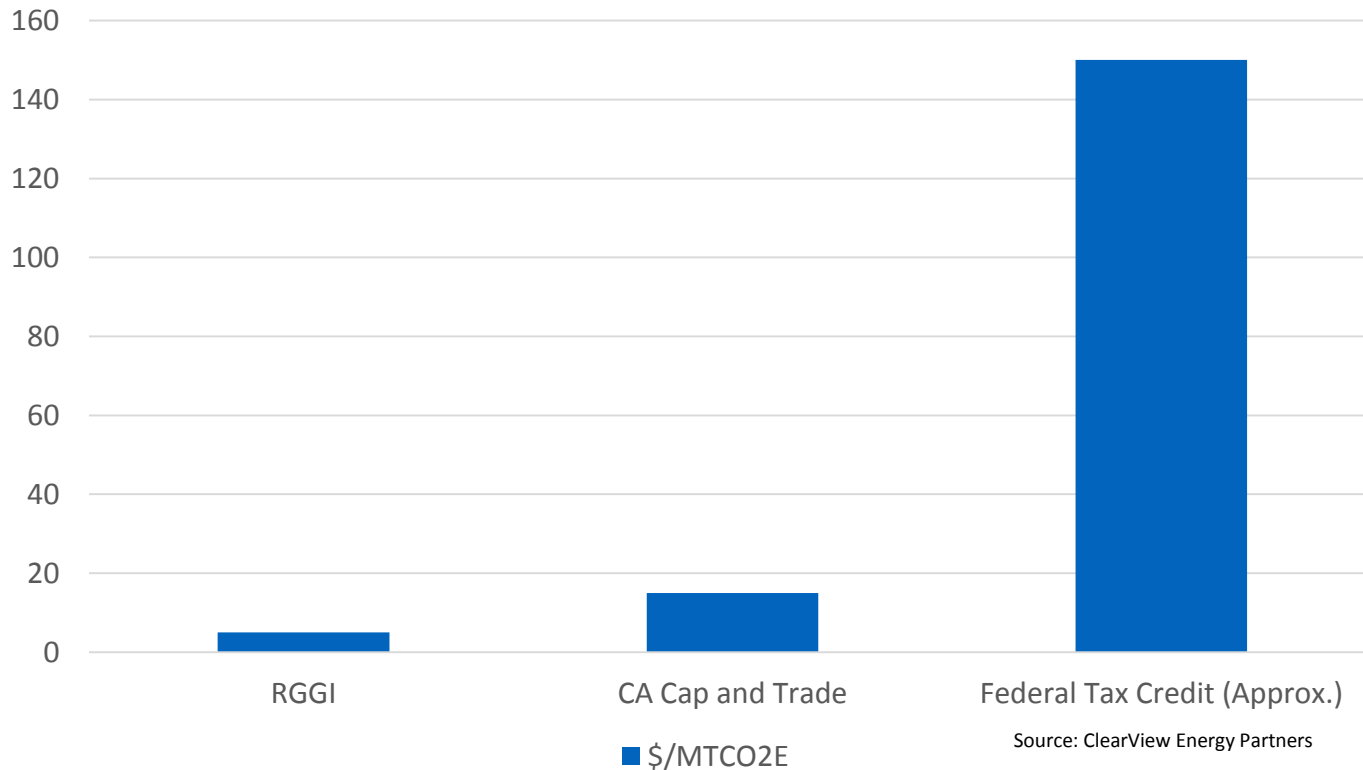
# EV POLICY BIAS

- Current U.S. Policy
- GM ZEV mandate
- CAFE
- Norway / China policiv



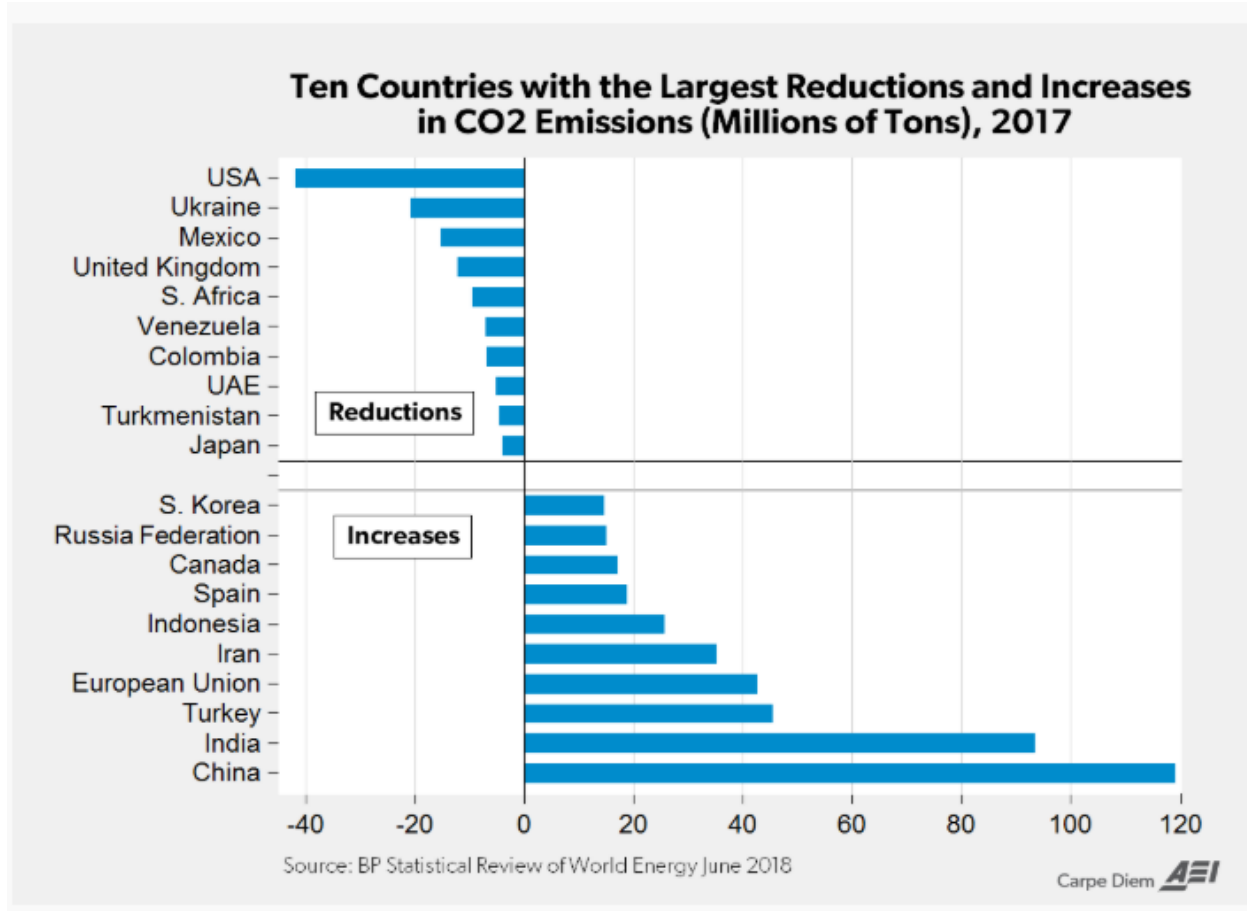
# EV SUBSIDIES VERY EXPENSIVE, BENEFIT RICH

Implied Carbon Prices



Source: ClearView Energy Partners

# U.S. LEADS THE WORLD IN CARBON REDUCTION



# MAKING LIFE POSSIBLE

WE MAKE THE  
GASOLINE,  
THAT POWERS  
THE MOWERS,  
THAT MAKE  
THOUSANDS  
OF NEW  
ENTREPRENEURS  
EVERY SUMMER.

 **AFPM**  
American  
Fuel & Petrochemical  
Manufacturers  
We Make Progress



WE MAKE THE DIESEL,  
THAT POWERS THE TRUCKS,  
THAT MAKE YOUR PACKAGE  
ARRIVE JUST IN TIME.



WE MAKE THE JET FUEL,  
THAT POWERS THE  
80,000 DAILY FLIGHTS,  
THAT HELP YOU MAKE IT  
HOME BY STORY TIME.



**THANK YOU**

