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# **“The Next Chapter of the Energy Renaissance”**

## **2014 Deloitte Oil & Gas Conference**

**Thomas D. O’Malley**  
**Executive Chairman, PBF Energy**  
*November 18, 2014*

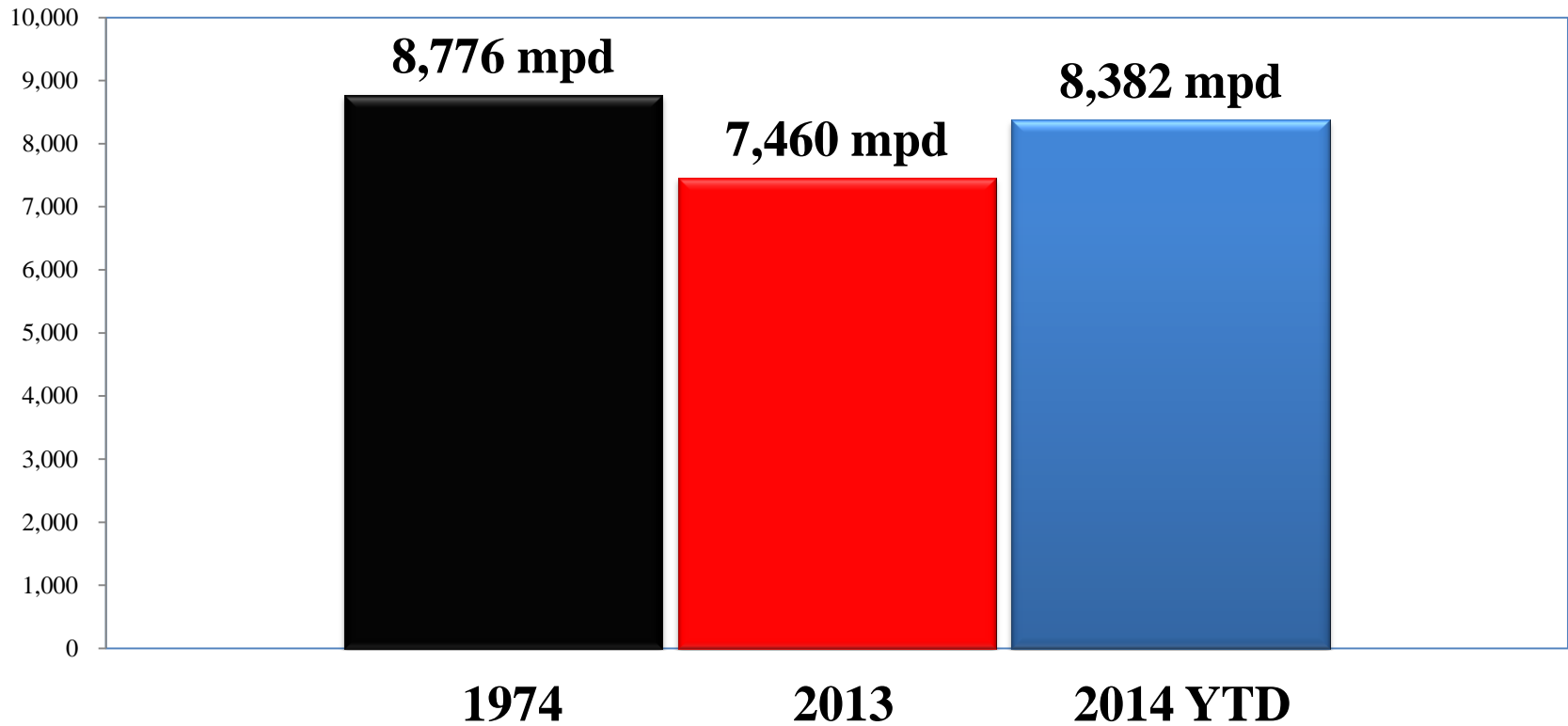
# Energy Policy and Conservation Act of 1975

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***An Act to increase domestic energy  
supplies and availability;***

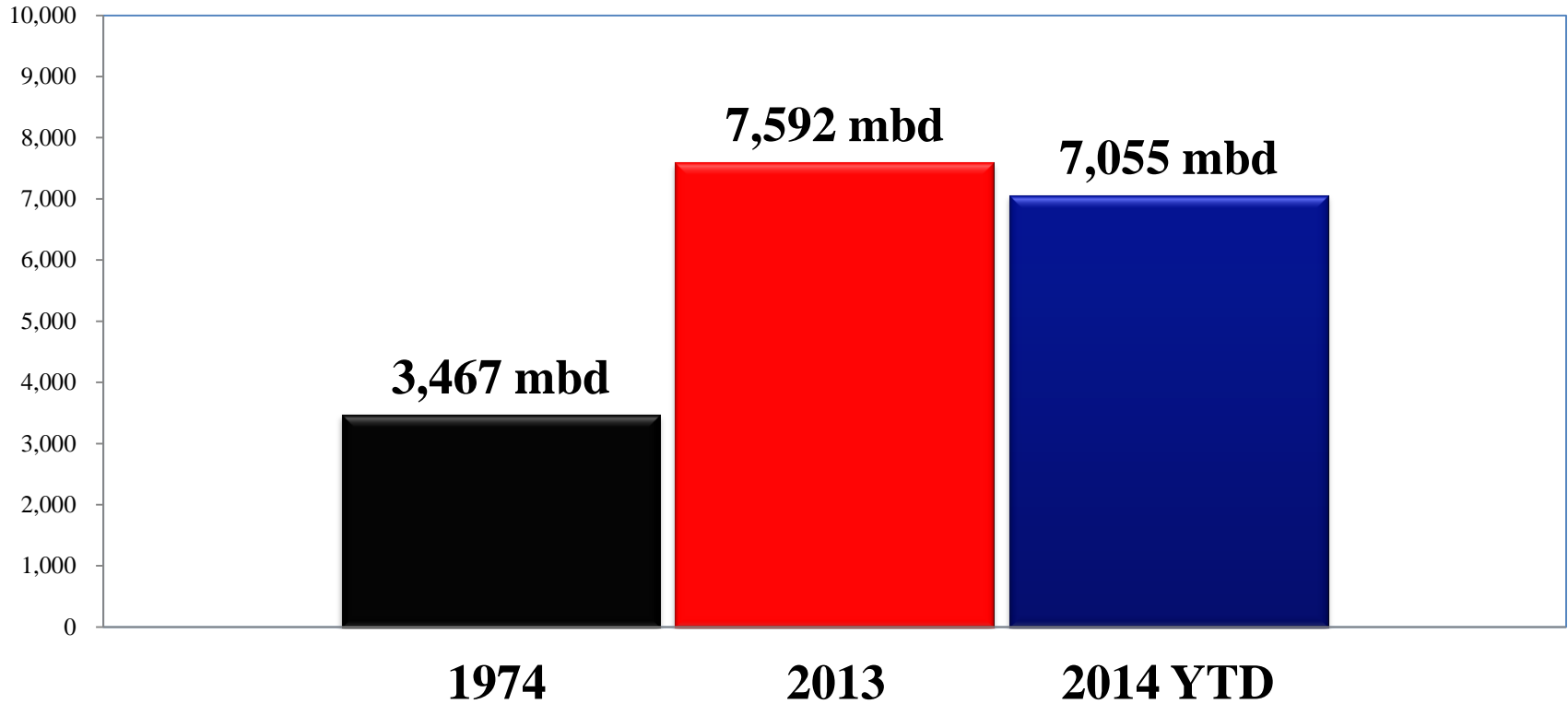
**An Act to move**  
**the United States toward greater**  
**energy independence and security,**

# Comparing U.S. Crude Oil Production



*Source: U.S. Energy Information Agency*

# Comparing U.S. Crude Oil Imports



*Source: U.S. Energy Information Agency*

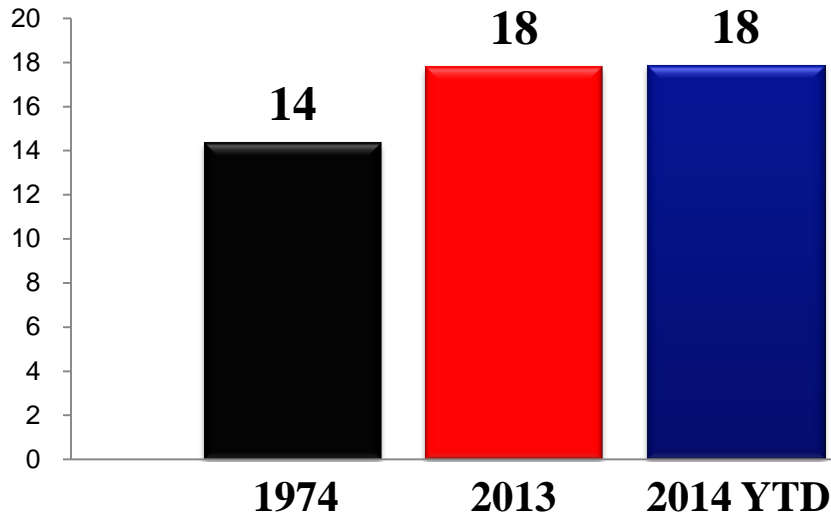
# Comparing U.S. Refining Production



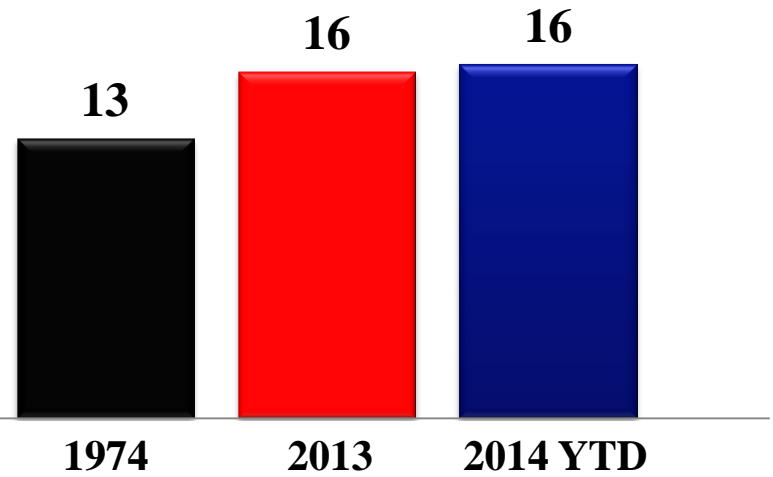
	<u>U.S. Production</u>	<u>U.S. Net Imports</u>	<u>U.S. Refineries</u>	<u>Utilization</u>
<b>1974</b>	<b>8,776 MB/D / 70.0%</b>	<b>3,467 MB/D / 30.0%</b>	<b>273</b>	<b>88.35%</b>
<b>2013</b>	<b>7,460 MB/D / 50.5%</b>	<b>7,592 MB/D / 49.5%</b>	<b>143</b>	<b>88.25%</b>
<b>2014</b>	<b>8,382 MB/D / 54.0%</b>	<b>7,055 MB/D / 46.0%</b>	<b>142</b>	<b>89.87%</b>
<b>YTD</b>				

*Source: U.S. Energy Information Agency*

## Operable Capacity - mmbd



## Gross Input - mmbd



Source: U.S. Energy Information Agency

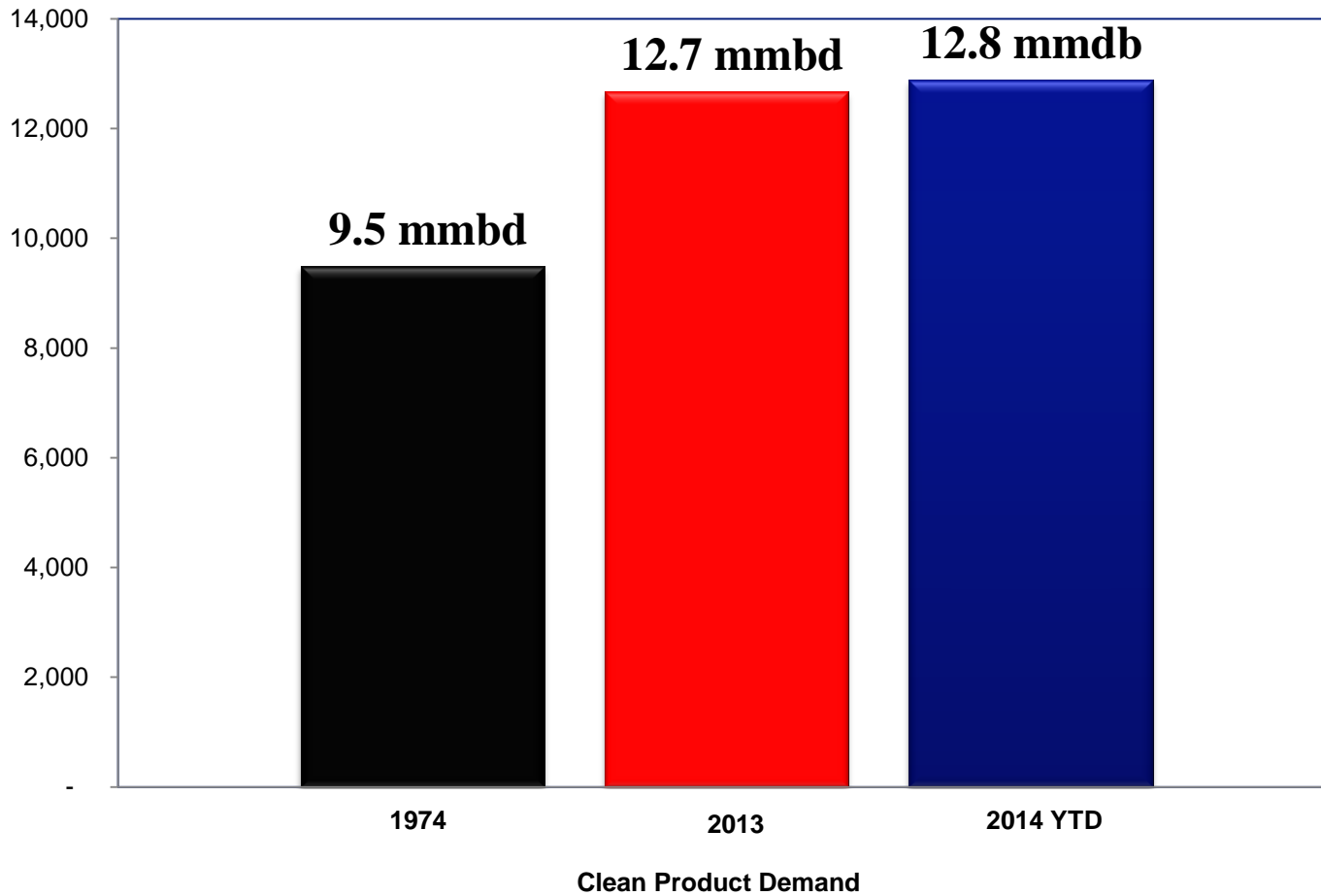
# Principal Middle East Importing Countries



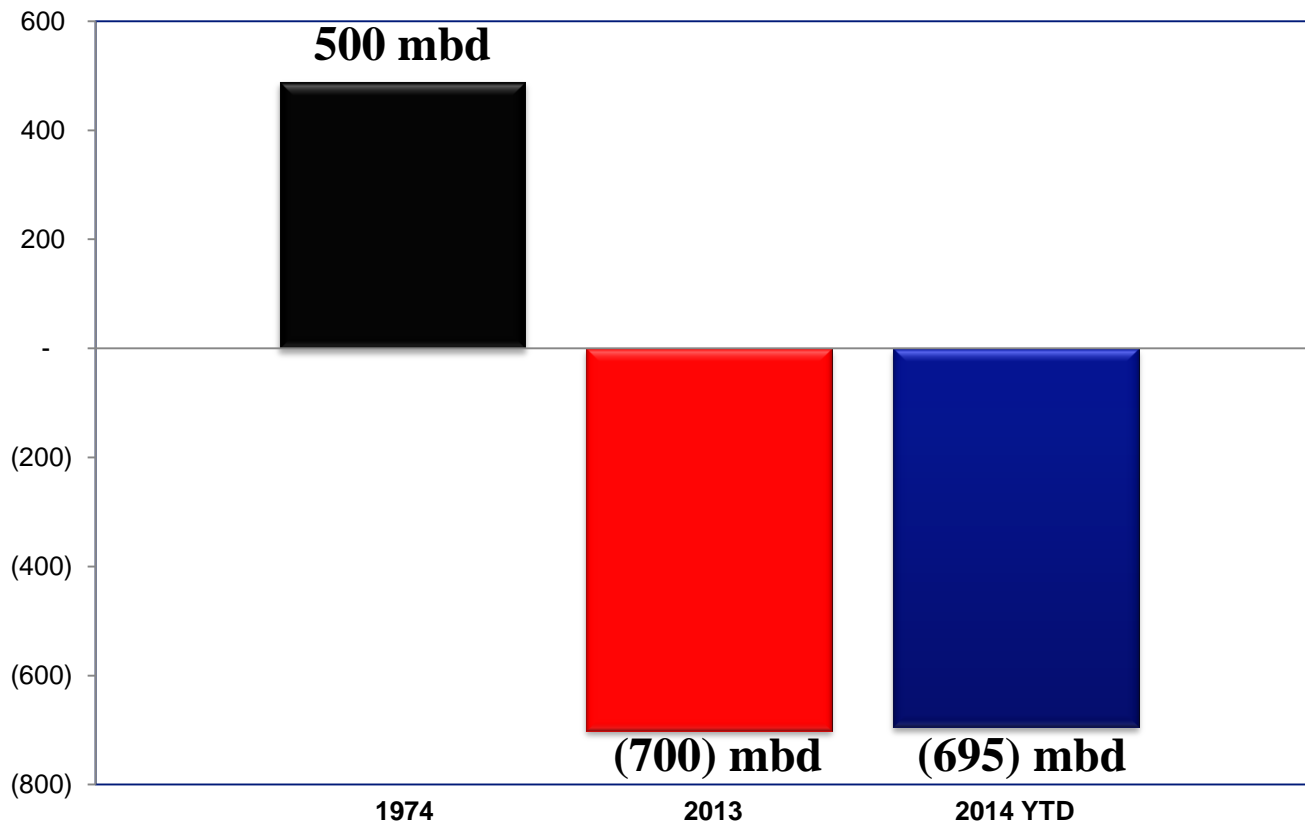
	1974	2014
<b>Saudi Arabia</b>	435	1285
<b>Iraq</b>	0	384
<b>Kuwait</b>	0	354
<b>TOTAL</b>	<b>435</b>	<b>2,023</b>



# Net Clean Product Demand



# Net Clean Products Imports and Exports



Net Clean Products Imports and Exports

# Repeal of Crude Export Ban Will Increase Gas Prices

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- Crude export ban has resulted in lower U.S. crude prices. That is why producers want law changed.
- EIA Report (October 2014) concluded:
  - ✓ Lower U.S. crude prices & low natural gas prices have lead to increased crude run by U.S. refiners and more gasoline production (page 14)
  - ✓ More U.S. gasoline production have resulted in declining U.S. gasoline prices vs. rest of the world (page 14)
- Only logical conclusion is that if Export Ban is lifted:
  - ✓ U.S. oil prices will rise
  - ✓ U.S. refiners will reduce gasoline production because less competitive
  - ✓ Less U.S. gasoline production will lead to higher U.S. gasoline pries.

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**Repeal Export Ban =  
Higher Oil Prices =  
Higher Gasoline Prices =  
Voter Anger**

*“There is nothing more uncommon than  
common sense “*

- Frank Lloyd Wright