

January 24, 2024

The Honorable Jennifer Granholm
Secretary
U.S. Department of Energy
Washington, DC 20585

Dear Secretary Granholm,

As trade and member associations representing the United States liquefied natural gas (LNG) value chain, we are deeply concerned the Biden administration is considering burdensome changes to the Department of Energy's (DOE) permitting process for U.S. LNG exports. Any action to halt U.S. LNG export approvals would be a major mistake that puts American jobs and allies at risk while undermining global climate goals.

The United States is the world leader in natural gas production, meeting record domestic demand and becoming the top exporter of LNG in 2023. Our nation's abundant supply of natural gas is an impactful geopolitical tool, helping insulate American consumers from increasing global instability while advancing American national interests and ensuring the energy security of key U.S. allies.

U.S. LNG blunted a potentially disastrous situation in 2022 following Russia's invasion of Ukraine, and Secretary Blinken emphasized that increased cargoes of U.S. LNG were critical to undercutting Vladimir Putin's meddling in Europe.¹ While our European allies have made significant strides in reducing their reliance on Russian natural gas thanks to American energy producers, Europe faces a considerable supply gap over the long-term that should be met by American energy, not hostile nations.² Moving forward with a pause on U.S. LNG export approvals would only bolster Russian influence and undercut President Biden's own commitment to supply our allies with reliable energy, undermining American credibility and threatening American jobs. An analysis of the President's pledge to Europe found that the benefits to the United States could include \$63 billion in capital expenditures, a GDP boost of \$46 billion, and 71,500 jobs supported annually from 2025-2030.³

Here at home, natural gas prices remain among the lowest in the world according to the International Energy Agency (IEA).⁴ A recent economic study found that U.S. LNG exports "*have not had any sustained and significant direct impact on natural gas prices.*"⁵ Another study determined that future U.S. gas production "*can satisfy both growing domestic consumption and export demand at relatively low*

¹ Secretary Antony J. Blinken Remarks Before U.S.-EU Energy Council Meeting, Department of State, April 4, 2023.

<https://www.state.gov/secretary-antony-j-blinken-remarks-before-u-s-eu-energy-council-meeting/>

² Top EU energy official says US gas will be needed for decades, *Financial Times*, September 24, 2023.

<https://www.ft.com/content/7e94bc82-c358-4a8c-b539-781d62dbc3c9>

³ *Study of Infrastructure Need to Expand US LNG Exports to European and Asian Allies*, ICF, July 18th, 2023. <https://www.api.org/-/media/files/misc/2024/01/icf-study-of-infrastructure-needed-to-meet-european-pledge.pdf>

⁴ *Gas Market Report*, IEA, May 2023. <https://www.iea.org/reports/gas-market-report-q2-2023>

⁵ *US LNG Exports and Prices*, LNG Allies, May 18, 2023. <https://bit.ly/41aqiUj>

prices...”⁶ In fact, while exports reached record highs in 2023, domestic prices declined 62% as U.S. natural gas production also surged to record levels—demonstrating this industry’s ability to meet rising global demand for natural gas while maintaining a well-supplied domestic market.⁷

Not only would curbing LNG export approvals hamper U.S. energy leadership and jeopardize American jobs, but it would undermine global efforts to reduce greenhouse gas (GHG) emissions. The U.S. leads the world in CO₂ emissions reductions largely thanks to coal-to-natural gas fuel switching in the power sector. At a time when global coal consumption has soared to record highs, eclipsing 8.3 billion tonnes in 2022, America can export our emission reduction success story to countries still heavily reliant on coal.⁸

DOE’s National Energy Technology Lab released studies in both 2014 and 2019 that showed U.S. LNG exports for European and Asian markets would significantly reduce life cycle greenhouse gas emissions when compared to coal use.⁹ Nearly eight years of operating experience and DOE’s own studies have demonstrated that LNG exports are squarely within the public interest. Throttling down U.S. LNG exports will eliminate an important tool in reducing global emissions and force quickly developing nations—specifically in Asia—to abandon plans to reduce emissions and increase coal consumption.

Our industry is proud to support our allies and global emissions goals, but the geopolitical and climate benefits of American energy exports cannot be maintained with a regulatory regime that moves at the whims of political pressure. We urge you to reject calls for DOE to prolong the review period or create new hurdles as it considers approvals for new LNG projects and terminals. This administration has already extended a process that took seven weeks during the last administration to an 11-month process on average. Restricting U.S. LNG exports any further could exacerbate the energy crisis in Europe, threaten U.S. jobs and force quickly developing nations to rely on coal for their growing energy needs.

Sincerely,

Alaska Oil & Gas Association
American Association of Professional Landmen
American Exploration & Production Council
American Gas Association
American Petroleum Institute
Center for LNG
Colorado Oil & Gas Association
Energy Workforce & Technology Council
GO-WV
GPA Midstream Association
GPSA Midstream Suppliers
Independent Petroleum Association of America

⁶ *Analysis of U.S. Natural Gas Market Price Impacts*, Am. Council for Capital Formation, May 22, 2023. https://accf.org/wp-content/uploads/2023/05/ACCF_NatGas_Market_052123.pdf

⁷ *U.S. Henry Hub natural gas prices in 2023 were the lowest since mid-2020*, Energy Information Administration, January 4, 2023. <https://www.eia.gov/todayinenergy/detail.php?id=61183>

⁸ *IEA says coal use hit an all-time high last year — and global demand will persist near record levels*, CNBC, July 27, 2023. [Coal consumption hit an all-time high in 2022, IEA says \(cnbc.com\)](https://www.cnbc.com/2023/07/27/iea-says-coal-use-hit-all-time-high.html)

⁹ *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied natural Gas from the United States: 2019*, National Energy Technology Laboratory, September 12, 2019. <https://netl.doe.gov/energy-analysis/search?search=LiquifiedNatGas>

Interstate Natural Gas Association of America
LNG Allies, The USLNG Association
Louisiana Mid-Continent Oil & Gas Association
Marcellus Shale Coalition
Montana Petroleum Association
National Association of Manufacturers
Natural Allies for a Clean Energy Future
Natural Gas Supply Association
New Mexico Oil & Gas Association
North Dakota Petroleum Council
Ohio Oil and Gas Association
Partnership to Address Global Emissions (PAGE)
Permian Basin Petroleum Association
Petroleum Association of Wyoming
Texas Alliance of Energy Producers
Texas Independent Producers & Royalty Owners Association
Texas Oil & Gas Association
Texas Pipeline Association
The Petroleum Alliance of Oklahoma
U.S. Chamber of Commerce
Utah Petroleum Association
West Slope Colorado Oil & Gas Association
Western States and Tribal Nations Natural Gas Initiative

cc: US Secretary of State Antony Blinken
US National Security Advisor Jake Sullivan
Senior Advisor to the President for Clean Energy Innovation and Implementation John Podesta
White House National Climate Advisor Ali Zaidi
Senior Advisor for Energy and Investment Amos Hochstein