

Congress of the United States

Washington, DC 20515

November 14, 2023

The Honorable Jennifer Granholm
Secretary
U.S. Department of Energy
1000 Independence Ave. SW
Washington DC 20585

Dear Secretary Granholm:

We write to urge the Department of Energy (DOE) to update how it determines whether new licenses for liquefied natural gas (LNG) exports are in the public interest. Under the Natural Gas Act, DOE is required to use determine whether it is in the public interest to export LNG to counties where the U.S. does not have an existing free trade agreement (FTA). We are concerned that DOE's current approach does not fully or accurately consider how LNG exports negatively impact the climate, environmental justice communities, or increase domestic energy prices. US LNG exports have doubled over the past four years, and projects currently under development are set to almost double exports again.^{1 2 3} DOE's case-by-case approach to approvals ignores the aggregate impact that the explosive growth in U.S. LNG exports is having on climate, communities, and our economy.

We encourage DOE to develop a generally-applicable approach, informed by updated climate and economic analyses, for how it will consider the aforementioned factors in LNG export permit determinations. This approach should be laid out in a transparent manner in guidance or rulemaking, which DOE should open to the public for comment. DOE also must ensure going forward that it consistently applies this approach in its review of all LNG export applications. DOE has never rejected an LNG export application on the basis of adverse impacts to the American people, and we urge DOE to consider at what point additional export licenses are no longer consistent with the public interest.

In particular, DOE continues to assess proposed LNG export projects using outdated and insufficient methods of measuring climate impacts. DOE's assumption that all LNG exports yield net climate benefits⁴ is both outdated and inconsistent with the latest climate science⁵, as is the assumption that project-specific emissions will be offset.^{6 7} Scientific reports, including a recent peer reviewed study⁸ from Brown University and RMI, have found that natural gas can be as bad for the climate as coal, when only small methane leaks are factored in. Analysis from the Sierra Club⁹ has found that lifecycle emissions of all existing and proposed LNG export terminals would be equivalent to 681 coal plants or 548 million gasoline-powered cars annually, putting domestic and global climate targets out of reach. The US Energy Information Administration (EIA)¹⁰ has also found that LNG exports are the driving force behind forecasted gas production growth. At a time when Americans across the country are experiencing ever-harsher climate impacts, it is imperative that DOE make decisions about additional LNG infrastructure in a way that fully takes into account the climate costs of these projects.

¹ EIA, <https://www.eia.gov/dnav/ng/hist/n9133us2A.htm>

² <https://www.eia.gov/todayinenergy/detail.php?id=42575>

³ <https://www.energy.gov/fecm/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>

⁴ https://www.energy.gov/sites/default/files/2022-06/draft-seis-0512-s1-alaska-lng-volume-1-2022-07_508.pdf

⁵ https://www.research.howarthlab.org/publications/Howarth_LNG_assessment_preprint_archived_2023-1103.pdf

⁶ <https://iopscience.iop.org/article/10.1088/1748-9326/ace3db>

⁷ <https://environmentalintegrity.org/news/boom-in-lng-could-add-more-than-90-million-tons-of-greenhouse-gases-a-year/>

⁸ <https://iopscience.iop.org/article/10.1088/1748-9326/ace3db>

⁹ <https://www.sierraclub.org/dirty-fuels/us-lng-export-tracker>

¹⁰ <https://www.eia.gov/outlooks/aeo/data/browser/>

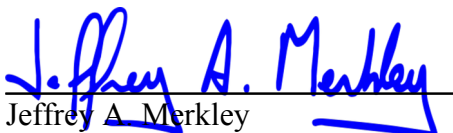
Increased LNG exports also have important implications for environmental (in)justice, and DOE should ensure that its public interest determinations follow the letter and spirit of President Biden’s Executive Order on Revitalizing our Nation’s Commitment to Environmental Justice for All.¹¹ LNG exports pollute communities along the whole value chain of LNG production, including those located near fracking wells and pipelines, in the areas where LNG is liquefied, and also in the communities overseas where it is imported and combusted. By exacerbating climate change, LNG exports also pose a threat to environmental justice at home and abroad, because the impacts of climate change fall most heavily on low-income communities and communities of color.


Finally, LNG exports drive up household energy burdens across the country. The EIA found that “higher LNG exports create a tighter domestic natural gas market ... increasing domestic natural gas prices”¹² and this link was on clear display when an explosion at Freeport LNG sent domestic gas prices plummeting and its announced restart caused them to rise sharply again.^{13 14} DOE’s public interest determination for LNG exports should consider the effect that these additional exports will have on US consumers already suffering from inflation, particularly low-income households, whose energy burden is typically three times higher¹⁵ than non low-income households.

It is critical that DOE assess the climate, environmental justice, and consumer impacts when determining whether exports are in the public interest, especially as the agency considers its current pipeline of 16 LNG export projects under review.¹⁶ With the agency’s pending decision on the Calcasieu Pass 2 (CP2) export application, in particular, the stakes could not be higher. Once the Federal Energy Regulatory Commission (FERC) issues a decision on the project, DOE will make its own determination regarding whether or not exports from CP2 exports to non-FTA countries are in the public interest. It is long past time for DOE to update and clarify how it determines whether LNG export projects are in the public interest, starting with the CP2 project. No public interest determination will be viewed as credible unless the perspectives of the public are heard, understood, and reflected in DOE’s decision on CP2 and across the board.

We thank you for your consideration and look forward to DOE’s swift action to improve both the process and the criteria by which the agency determines whether LNG exports are in the public interest.

Sincerely,


 Jeffrey A. Merkley
 United States Senator


 Jared Huffman
 Member of Congress

¹¹ <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/04/21/executive-order-on-revitalizing-our-nations-commitment-to-environmental-justice-for-all/>

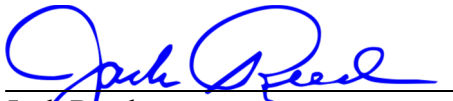
¹² EIA, https://www.eia.gov/outlooks/aeo/IIF_LNG/pdf/LNG_Issue_in_Focus.pdf

¹³ <https://www.houstonchronicle.com/business/energy/article/Natural-gas-prices-fall-after-Freeport-LNG-17230241.php>

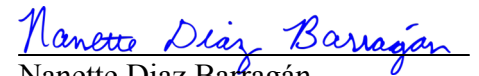
¹⁴ <https://www.oilandgas360.com/u-s-gas-prices-jump-as-freeport-lng-targets-full-restart-in-march-2023/>

¹⁵ www.energy.gov/eere/slsc/low-income-community-energy-solutions

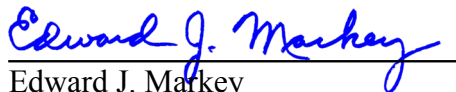
¹⁶ DOE, <https://www.energy.gov/fecm/articles/summary-lng-export-applications-lower-48-states>




Jack Reed
United States Senator



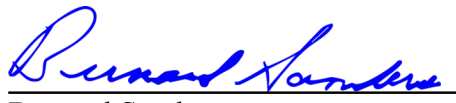
Nanette Diaz Barragan
Member of Congress



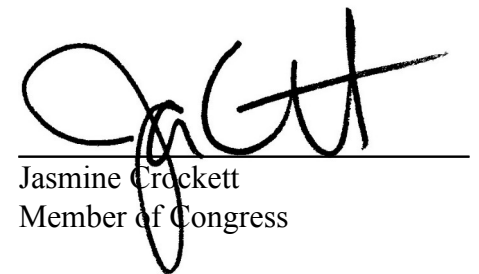
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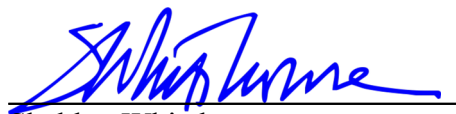
Jennifer L. McClellan
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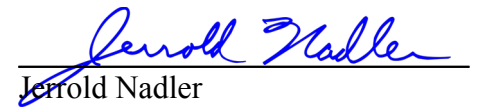
Bernard Sanders
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Jasmine Crockett
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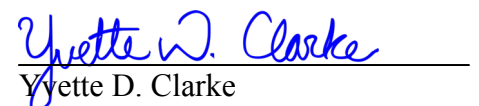
Sheldon Whitehouse
United States Senator



Jerrold Nadler
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Elizabeth Warren
United States Senator



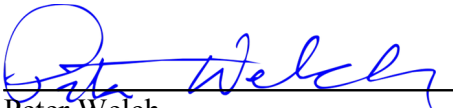
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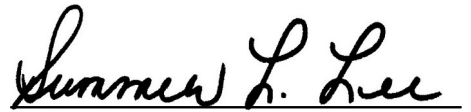
Chris Van Hollen
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Dan Goldman
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Summer Lee
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Tina Smith
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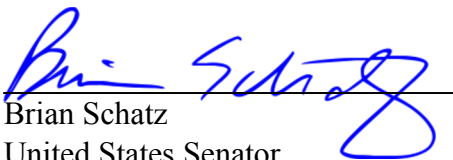
Greg Casar
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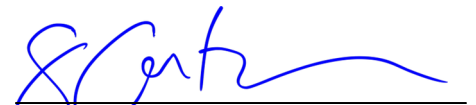
Cory A. Booker
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Katie Porter
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Brian Schatz
United States Senator



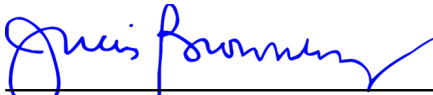
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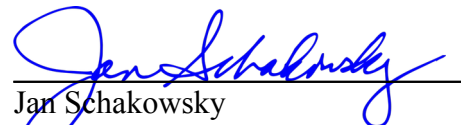
Betty McCollum
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Mike Levin
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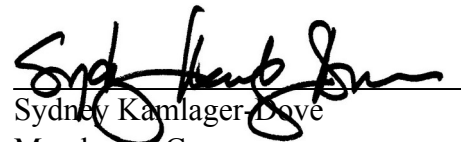
Alexandria Ocasio-Cortez
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Member of Congress



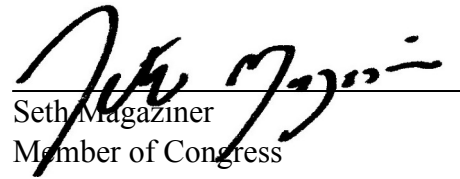
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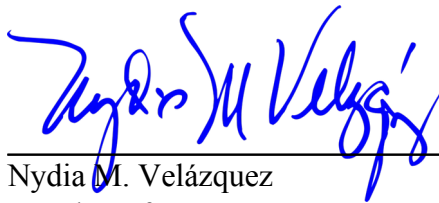
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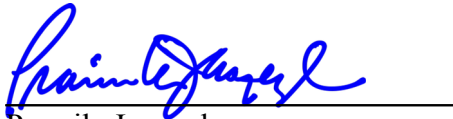
Dina Titus
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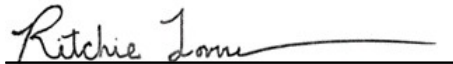
Chellie Pingree
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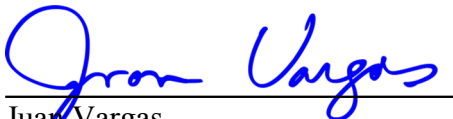
Bonnie Watson Coleman
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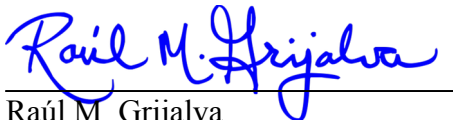
Mark DeSaulnier
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Robert C. "Bobby" Scott
Member of Congress

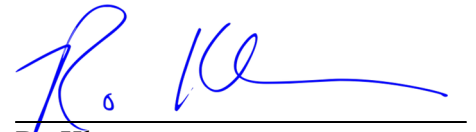


Raúl M. Grijalva
Member of Congress

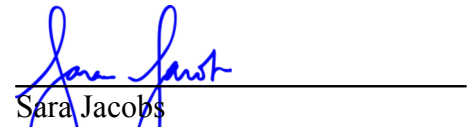



Eleanor Holmes Norton
Member of Congress

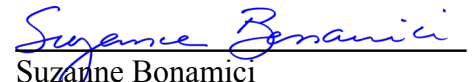

Tony Cardenas
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Ro Khanna
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Delia C. Ramirez
Member of Congress

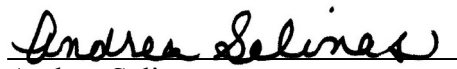

Sara Jacobs
Member of Congress

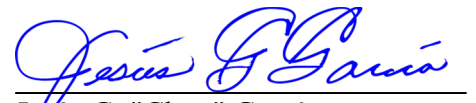

Dwight Evans
Member of Congress

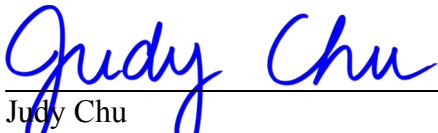

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Frederica S. Wilson
Member of Congress

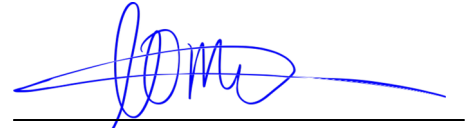

Kathy Castor
Member of Congress


Andrea Salinas
Member of Congress

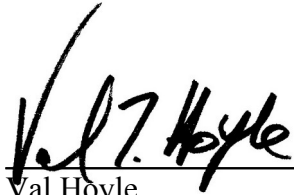

Jesus G. "Chuy" Garcia
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Ilhan Omar
Member of Congress



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