Congress of the United States

Washington, DC 20515

January 14, 2025

The Honorable Jennifer Granholm Secretary U.S. Department of Energy 1000 Independence Avenue, SW Washington, D.C.

Dear Secretary Granholm:

We write to urge the Department of Energy (DOE) to use its recently updated liquefied natural gas (LNG) analysis to determine whether proposed LNG export authorizations to countries without a free trade agreement with the United States are in the public interest.

American households are already struggling with energy prices, which are rising faster than inflation,¹ and we are grateful for the clarity that the recent DOE study provides on the economic impact of continued LNG exports. The analysis shows that increasing LNG exports will raise energy prices for heating and cooling costs for both American families and manufacturers. It shows that increased volumes of U.S. natural gas exports create domestic supply constraints that will ripple through the economy, particularly raising costs for small businesses and industries that rely heavily on natural gas.

The study also shows that increased LNG exports lead to heightened volatility in natural gas markets, leaving American consumers vulnerable to domestic and international price spikes, especially during extreme winters or broader geopolitical conflicts. This volatility – and its subsequent contribution to rising energy costs – could stifle job growth and further increase operational costs. These impacts not only undermine economic stability, but also threaten job security in energy-intensive sectors.

DOE's analysis found that continued approval of LNG export projects also threatens our ability to meet sciencebased emissions reduction targets by locking in decades of climate pollution and undermining efforts to tackle the climate crisis at home and abroad. The findings show that additional U.S. LNG exports displace more renewables than coal globally. The study could be strengthened by more closely evaluating the impacts of methane leakage from oil and gas wells, but its conclusion is sound: LNG exports are not a climate solution.

Furthermore, according to DOE's analysis, the amount of already approved LNG is more than sufficient to meet global demand from our allies for decades to come. This underscores that while LNG exports primarily benefit the oil and gas industry, hardworking, everyday Americans pay the price.

It is well-documented that rising energy costs disproportionately impact low- and middle-income families, as these households allocate a larger percentage – otherwise known as the household's energy burden – of their income to energy expenses. Historic patterns of disinvestment in minority communities show up in today's energy burdens: Black, Hispanic, and Native American households face dramatically higher energy burdens than the average American household.² Nationally, the scale of household energy burdens is staggering: 30.6

¹ https://www.utilitydive.com/news/us-electricity-prices-rise-customer-eia-outlook/710113/

² American Council for an Energy Efficient Economy. (2020, August 26). *Energy Burden Report*. American Council for an Energy Efficient Economy. <u>https://www.aceee.org/energy-burden</u>

million households face a high energy burden, while 15.9 million households experience a severe energy burden (exceeding ten percent of their income).³

DOE's analysis shows that continuing to permit LNG export terminals is not in the public interest. It will raise prices for over 30 million hardworking American families who are already struggling with rising costs and setback the Biden administration's manufacturing renaissance by increasing energy prices on manufacturers and other industrial users. LNG exports undermine U.S. and international climate goals and delay the deployment of renewable energy.

We urge you to immediately incorporate these findings into the public interest determinations for all pending LNG export proposals to reflect the devastating economic and environmental impacts of such exports. We are confident that these projects are not in the public interest.

Sincerely,

United States Senator

Jack Reed United States Senator

Bernard Sanders United States Senator

Sheldon Whitehouse United States Senator

Jared Huffman Member of Congress

Sean Casten Member of Congress

R. Meclica

Jennifer L. McClellan Member of Congress

Nanette Diaz Barragán

Nanette Diaz Barragán Member of Congress

3 American Council for Energy-Efficient Economy, *National and Regional Energy Burdens* (September 2020).

Edward J. Marke

Edward J. Markey United States Senator

Chris Van Hollen United States Senator

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Peter Welch United States Senator

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Ferrold Nadler Member of Congress

Nydia M. Velázquez Member of Congress

Betty McCollum Member of Congress

Telanie A. Stansbure

Melanie Stansbury Member of Congress

Raúl M. Grijalva Member of Congress

Geand H. Noton

Eleanor Holmes Norton Member of Congress

Notine Waters

Maxine Waters Member of Congress

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Delia C. Ramirez **O** Member of Congress

Katly Castor

Kathy Castor Member of Congress

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James P. McGovern Member of Congress

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Shri Thanedar Member of Congress

Ilhan Omar Member of Congress

Robert C. "Bobby" Scott Member of Congress

Gabe Amo

Member of Congress

Mike Quigley Member of Congress

Valerie P. Foushee Member of Congress