



BIDEN'S HARMFUL END TO LNG EXPORTS

The Biden administration recently announced they would indefinitely halt approving new liquified natural gas (LNG) export permits.¹ This action is part of the administration's continued war on fossil fuels and directly harms America and our allies.

BACKGROUND

- **What is Liquified Natural Gas (LNG)?**

- LNG is a clear, odorless, noncorrosive, and nontoxic liquid formed when natural gas is cooled to approximately -260 degrees Fahrenheit. This cooling process shrinks the volume of the gas by about 600 times, which makes it conducive for transportation and overseas shipment.²
- Despite what environmentalists may say, natural gas is not becoming scarce, and proven global reserves are increasing faster than demand. In 2022, natural gas was the most-produced energy source in the United States, comprising 43.5 percent of total energy.³ At the current pace of production, according to the U.S. Energy Information Administration, America is estimated to have enough dry natural gas for at least 86 years.⁴ (For more on the abundance of available American energy, see RPC's *2023 Environmental Indicators Report*.⁵)
- Nearly 187 million Americans use natural gas to heat their homes, warm their water, and cook their food, and more than 4.1 million American jobs are connected to the natural gas industry.⁶ In addition, global natural gas demand is expected to increase 46% by 2050.⁷

- **What did Biden do?**

- In January, the Biden administration announced a pause on approvals for new LNG export applications due to the alleged impact of LNG usage on the planet. Ironically, in the White House's statement, they conceded that the U.S. is the number one exporter of LNG and that such a supply is critical for our allies.⁸
- The Biden administration was already taking 11 months to process LNG export permits, compared to the 7 weeks it took for approval from Trump.⁹ In fact, Biden is reversing course from an LNG boom that began under the Obama administration and would otherwise be poised to continue.¹⁰
- This action is another in a long line of attacks on American energy by the Biden administration. These range from the slow-walking of approvals of federal leases for natural gas production to heavy regulations on essential American gas-powered appliances like stoves and furnaces.¹¹ (For more on these regulations, see RPC's guide *Biden's Regulatory Assault on American Homes*.)¹²

- **What consequences will this have?**

- This stoppage could delay a dozen or more LNG projects that are pending or in various stages of planning, including Louisiana's CP2, which would be the largest export terminal in the United States.¹³

- These projects represent jobs and major investments in local economies, allowing Americans to profit from our natural energy resources.
- CP2 would be a \$20 billion direct investment in Louisiana and create thousands of jobs, many of which would be permanent.¹⁴
- The United States is the world's top producer of natural gas. The next three are Russia, Iran, and China, respectively.¹⁵ Any weakening of our energy dominance strengthens these countries and could possibly allow our allies to become reliant on them for their energy.

POLICY SOLUTIONS

- Congress should pass H.R. 7176, which will eliminate the U.S. Department of Energy's requirement to authorize natural gas exports and instead give the Federal Energy Regulatory Commission sole authority over the approval process.^{16,17}
- Republicans in the House should also encourage the Senate to consider H.R. 1, the Lower Energy Costs Act.¹⁸ Among other things, this bill streamlines American energy production and reverses the anti-energy policies of the Biden Administration and Democrats in Congress. (For more on this imperative legislation, see RPC's guide "*Republican Energy Plan for America*."¹⁹)

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¹ Biden Pause on American LNG will Slow Economic Growth, Boost Emissions and International Adversaries. American Gas Association. <https://www.aga.org/news/news-releases/biden-pause-on-american-lng-will-slow-economic-growth-boost-emissions-and-international-adversaries/>

² Liquefied Natural Gas Exports. American Petroleum Institute. <https://www.api.org/oil-and-natural-gas/energy-primers/lng-exports>

³ Environmental Indicators. House Republican Policy Committee. <https://republicanpolicy.house.gov/sites/evo-subsites/republicanpolicy.house.gov/files/evo-media-document/environmental-indicators-report-final.pdf>

⁴ How much natural gas does the United States have, and how long will it last? U.S. Energy Information Administration. <https://www.eia.gov/tools/faqs/faq.php?id=58>

⁵ Environmental Indicators. House Republican Policy Committee. <https://republicanpolicy.house.gov/sites/evo-subsites/republicanpolicy.house.gov/files/evo-media-document/environmental-indicators-report-final.pdf>

⁶ Natural Gas. American Gas Association. <https://www.aga.org/natural-gas/>

⁷ The Editorial Board. Biden and the TikTok Anti-LNG Crusade. The Wall Street Journal. <https://www.wsj.com/articles/biden-lng-export-pause-white-house-tiktok-climate-bill-mckibben-3efb5287>

⁸ FACT SHEET: Biden-Harris Administration Announces Temporary Pause on Pending Approvals of Liquefied Natural Gas Exports. The White House. <https://www.whitehouse.gov/briefing-room/statements-releases/2024/01/26/fact-sheet-biden-harris-administration-announces-temporary-pause-on-pending-approvals-of-liquefied-natural-gas-exports/>

⁹ The Editorial Board. Biden Toys With an LNG Export Permitting Ban. The Wall Street Journal. <https://www.wsj.com/articles/biden-toys-with-an-lng-export-permitting-ban-752a62f4>

¹⁰ Saul Elbein. Biden bucks Obama's legacy on climate and gas with LNG export pause. The Hill. <https://thehill.com/policy/energy-environment/4433133-biden-bucks-obama-legacy-climate-gas-lng-export-pause/>

¹¹ Ben Lieberman. The War on Natural Gas – Pipeline Edition. Competitive Enterprise Institute. <https://cei.org/blog/the-war-on-natural-gas-pipeline-edition/>

¹² Biden's Regulatory Assault on American Homes. House Republican Policy Committee. <https://republicanpolicy.house.gov/sites/evo-subsites/republicanpolicy.house.gov/files/evo-media-document/bidens-regulatory-assault-on-american-homes-final.pdf>

¹³ Matthew Daly. Biden delays consideration of new natural gas export terminals, citing climate risk. Associated Press. <https://apnews.com/article/lng-exports-biden-europe-climate-russia-3c2bfd853c0d53531a677b142b009dbc>

¹⁴ Venture Global and Louisiana Governor John Bel Edwards Announce Proposed CP2 LNG Export Facility. PR Newswire. <https://www.prnewswire.com/news-releases/venture-global-and-louisiana-governor-john-bel-edwards-announce-proposed-cp2-lng-export-facility-301436519.html>

¹⁵ Natural gas. U.S. Energy Information Administration. <https://www.eia.gov/international/data/world/natural-gas/dry-natural-gas-production>

¹⁶ H.R.7176 - To repeal restrictions on the export and import of natural gas. 118th Congress. <https://www.congress.gov/bill/118th-congress/house-bill/7176>

¹⁷ Pfluger introduces the Unlocking Domestic LNG Potential Act. Odessa American. <https://www.oaoa.com/local-news/pfluger-introduces-the-unlocking-domestic-lng-potential-act/>

¹⁸ H.R.1 - Lower Energy Costs Act. 118th Congress. <https://www.congress.gov/bill/118th-congress/house-bill/1>

¹⁹ Republican Energy Plan for America. House Republican Policy Committee. <https://republicanpolicy.house.gov/sites/evo-subsites/republicanpolicy.house.gov/files/evo-media-document/gop-energy-package-guide-final.pdf>