



January 19, 2024

The Honorable Jennifer Granholm
Secretary, U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585

Dear Secretary Granholm:

On behalf of the Partnership to Address Global Emissions (PAGE), we write in response to recent reports that the U.S. Department of Energy (DOE) is considering updating the criteria it uses to determine whether an application for exporting liquefied natural gas (LNG) is in the public interest. DOE should not pursue a moratorium or de facto pause on issuing new export approvals during its consideration of additional public interest criteria and should not pursue a review process that results in a de facto moratorium on new approvals. We urge DOE to consider the following:

U.S. LNG provides an unprecedented opportunity to support our allies as they look for secure and less carbon intensive sources of energy. Global instability has made clear that the world lacks sufficient access to reliable, affordable, cleaner sources that can adequately replace coal-power generation, the largest source of power-related greenhouse gas (GHG) emissions. By introducing more supply to the world through U.S. LNG, we can bolster energy security while rapidly replacing coal.

When it comes to addressing global climate change, U.S. LNG is the single most powerful tool the world has to reduce global emissions by displacing coal use around the globe. Not only is natural gas a cleaner fuel, natural gas produced in the United States also carries a lower GHG emissions profile than the gas produced in most other regions of the world.

Over the last 15 years, prominent countries including Germany, the United Kingdom, Japan and the United States have successfully lowered GHG emissions, with natural gas playing a major role. In the U.S., which led reductions, 65% of the power sector emissions reductions came from coal-to-gas switching between 2005 and 2020.¹ In fact, the impact of just U.S. coal-to-gas switching was roughly the same as the progress of the other top five countries in emissions reduction combined.

Yet, global conflicts and supply instability have impacted the progress made and threatened the climate goals that we share. In 2021, coal accounted for 44% of emissions from fuel combustion, despite comprising just 27% of the global energy supply,² and its usage is on the rise. Coal

¹ EIA (2021), *Electric power sector CO2 emissions drop as generation mix shifts from coal to natural gas*, <https://www.eia.gov/todayinenergy/detail.php?id=48296>

² IEA (2023), *Greenhouse Gas Emissions from Energy Data Explorer*, IEA, Paris <https://www.iea.org/data-and-statistics/data-tools/greenhouse-gas-emissions-from-energy-data-explorer>.

consumption increased 3.3% in 2022, to 8.3 billion tonnes, reaching an all-time high.³ In the first half of 2023, demand for coal from the two largest consumers, China and India, grew by over 5%, more than offsetting declines elsewhere.

There is a proven solution that can be replicated beyond our shores. Global power sector emissions would be reduced by 30% if the world's top 5% worst emitting power plants switched to natural gas.⁴ And emissions could be reduced up to 50% if Carbon Capture Utilization and Storage (CCUS) is applied to those power plants. LNG from the United States could single-handedly underpin this effort, meaning that incremental U.S. LNG could have roughly the same impact as decarbonizing the entire United States.

Two-thirds of the world's economically recoverable natural gas is concentrated in just four countries: Russia, Iran, Qatar, and the United States. Guided by stringent regulatory standards, and produced and transported by responsible companies, the U.S. has the resources, solutions, and capabilities to quadruple its LNG capacity and provide a stable supply to our global allies who also want to decarbonize, reduce their reliance on Russian gas, and grow their economies.

In addition to its significant decarbonization potential, U.S. LNG holds vast potential for increasing employment and economic growth here at home while providing energy security to our allies.

The cumulative contribution to U.S. economic growth from the addition of more LNG plants is estimated to range from \$716 billion to \$1.267 trillion between 2013 and 2050, supporting 2 million to 3.9 million jobs during that period.⁵

Already deep into an energy crisis, Europe, fell deeper in 2022 following Russia's invasion of Ukraine, and the subsequent reduction in Russian gas supply to Europe pushed prices to historical highs. While the United States was able to divert existing LNG to Europe, with LNG imports into EU-27 countries and the U.K. increasing by 73% (6.3 Bcf/d) in 2022 compared with 2021,⁶ the lack of meaningful incremental supply in the global market and Europe's limited electric grid infrastructure capacity had the expected impacts—coal consumption reaching all-time highs (and growing) in 2023. This does not happen if feasible alternatives exist at scale.

The U.S. has the potential to greatly expand LNG exports by 2030. This would be crucial in meeting our parallel goals of displacing global coal (or as recent years show, tamping coal growth), while also shoring up the energy security of our allies.

³ IEA (2023), *Global coal demand set to remain at record levels in 2023*, IEA, <https://www.iea.org/news/global-coal-demand-set-to-remain-at-record-levels-in-2023>.

⁴ <https://www.smithsonianmag.com/smart-news/five-percent-power-plants-release-73-percent-global-electricity-production-emissions-180978355/>.

⁵ ICF (2018), *Calculating the Economic Benefits of U.S. LNG Exports*, Prepared for LNG Allies, <https://www.lngallies.com/jobs.pdf>.

⁶ U.S. Energy Information Administration, *Global liquefied natural gas trade volumes set a new record in 2022*, <https://www.eia.gov/todayinenergy/detail.php?id=57000#>.

Some of our closest allies, including important allies in the Indo-Pacific, rely on imports for upwards of 90% of their energy. U.S. LNG provides an unprecedented opportunity to help our friends and allies disentangle from other dirtier sources of energy and hostile nations.

This context was a key recognition of COP 28 and was memorialized in the UAE Consensus, which stated that transitional fuels such as U.S. LNG can “play a role in facilitating the energy transition while ensuring energy security.”

We urge the Biden-Harris Administration to heed the global call for solutions like U.S. LNG and avoid advancing misguided policies that inhibit the U.S. from contributing to decarbonization efforts beyond our borders. The decarbonization, employment, and geopolitical benefits of U.S. LNG are unmatched.

Sincerely,

Partnership to Address Global Emissions (PAGE)

cc: President Joe Biden; U.S. Secretary of State Antony Blinken; and U.S. Secretary of Defense Lloyd Austin; U.S. Special Presidential Envoy for Climate John Kerry; Assistant to the President and National Climate Advisor Ali Zaidi.

About PAGE

The Partnership to Address Global Emissions (PAGE) is a coalition of responsible energy companies, allied NGOs, labor unions and leading climate advocates dedicated to reducing global emissions by promoting U.S. policies that protect the climate, strengthen the economy, lower energy costs and bolster energy security through the production and export of cleaner natural gas. Learn more at <https://www.pagecoalition.com/>.