

FACT SHEET | Center for Energy & Environment **REFORMING DOE'S AUTHORITY OVER LNG** PERMITTING EXPORT CONTROLS

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President Biden's recent decision to pause the permitting of additional liquified natural gas (LNG) exports has been widely criticized as an assault on American economic, environmental, and security leadership. The decision underscores the outdated and unnecessary LNG export permitting framework, which is susceptible to abuse and should be reformed.

Section 3 of the Natural Gas Act (NGA) of 1938 requires that the Department of Energy (DOE) approve the import or export of natural gas that is "consistent with the public interest." Trade with countries that have a Free Trade Agreement (FTA) with the U.S. is categorically deemed in the public interest.

The Regulatory Issue: Government bureaucracy delays exports

- In the last three years, LNG export licenses have been gridlocked. Under the Biden Administration, the <u>average</u> time to receive an export license is 330 days, compared to just 49 days during the Trump Administration.
- This gridlock affects the ability of businesses to meet the growing demand for North American LNG, which is set to increase by 60% in 2026.
- The Biden Administration's recent pause on permits illustrates how this permitting framework can be capriciously weaponized.

The Impact: Stifled growth and lost opportunity to export American Energy

- These overly burdensome regulations produce a net loss for American families and businesses. Fewer LNG exports mean fewer job opportunities for American workers.
- Additionally, the energy needs of our allies are also placed at a disadvantage, as it prevents nations from receiving clean, affordable, and abundant U.S. LNG.

Solution: Exempt non-FTA countries from unnecessary DOE regulations $\sim R^{-1} \subseteq A$

- The permitting backlog can be remedied by reforming the NGA to exempt non-FTA countries from permitting restrictions.
- This would facilitate an increased number of LNG export terminals, quantity of LNG exported, and number of U.S. jobs.

Conclusion: The U.S. enjoys an abundance of readily available natural gas. By reforming the regulatory landscape that limits the export of natural gas, the U.S. can create more jobs and prosperity while providing safe and secure energy to our international allies. CF INS