



## **API Commends Energy & Commerce action on the “Unlocking our Domestic LNG Potential Act of 2023”**

API remains focused on working in a bipartisan manner to find common-sense, economically-sound solutions to not only maintain our energy independence, but also assist our allies around the world as they grapple with energy uncertainty resulting from Russia’s war in Ukraine. The *“Unlocking our Domestic LNG Potential Act of 2023”*, is a strong step in this direction.

- LNG importers around the world need policy certainty when they consider signing long-term contracts with US LNG projects. This legislation helps provide that certainty by removing the ability of this or future DOE’s to politicize natural gas exports and unnecessarily delay or withhold permits
- US LNG exports are needed now more than ever and will be vital to rebalancing global gas markets—especially those of our allies in Europe—in the absence of Russian pipeline gas. This is what energy leadership looks like; protectionist efforts to limit gas exports are misguided and will harm both the US and our allies
- This eliminates unfair treatment of natural gas exports and instead treats gas exports the same as oil, gasoline or any other exported commodity
- The United States is blessed with truly enormous gas reserves, more than sufficient to meet rising global LNG demand while still keeping costs affordable for US consumers and businesses
  - The US is, by a huge margin, the largest natural gas producer in the world
  - Already the US is the world’s largest LNG exporter, and indeed exports are at near record levels, yet US natural gas prices remain among the cheapest in the world
  - Since LNG exports began in 2016, there has been no clear relationship between US natural gas prices and rising export flows. Production increases have more than offset new export demand
  - In fact right now, with LNG exports surging, US natural gas prices are at the lowest levels since 2021

- Multiple studies by DOE and NETL—under the past 3 Administrations—have all shown that the US can continue to increase US LNG exports with a negligible impact on US natural gas prices
- The US LNG industry also drives enormous job creation and economic growth, both in coastal areas where the gas is exported but also in gas producing regions spread throughout the country

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