

Congress of the United States House of Representatives Washington, DC 20515-3605

October 24, 2024

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

Dear Secretary Granholm,

We write regarding recent media reports that the Biden-Harris administration conducted, or began to conduct, a review of the economic and environmental impacts of liquefied natural gas (LNG) in 2023, but then covered up its findings because they were favorable to U.S. LNG. As you know, on January 26, 2024, after succumbing to political pressure from environmental activists, President Biden announced an indefinite ban on the issuance of export permits to non-free trade agreement (FTA) countries while it conducts a review to consider the climate impacts of U.S. LNG. 2

Current law requires that natural gas exports to countries with which the U.S. has an FTA be approved without delay. For non-FTA countries, the Energy Secretary is required to approve export requests unless they find that those exports "will not be consistent with the public interest." The Natural Gas Act thus includes a rebuttable presumption favoring authorization of U.S. LNG exports. In previous Republican and Democratic administrations, the Department of Energy (DOE) has conducted environmental studies and permit reviews simultaneously and has overwhelmingly concluded exports are positive for the U.S. and global economy.

¹ Nick Pope, "Biden-Harris Admin Accused of Deceiving America on Its Way to Freezing Gas Exports," The Daily Caller, October 3, 2024. https://dailycaller.com/2024/10/02/biden-harris-administration-doe-accused-deceiving-america-freezing-gas-exports/; Jacobs, Nicole. "Public Records Lawsuit Suggests DOE Concealed LNG Export Study." Energy In Depth, October 4, 2024. https://www.energyindepth.org/public-records-lawsuit-suggests-doe-concealed-lng-export-study/

²"Fact Sheet: Biden-Harris Administration Announces Temporary Pause on Pending Approvals of Liquefied Natural Gas Exports." *The White House*, January 26, 2024. 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/

³ 15 U.S. Code § 717b https://www.energy.gov/sites/prod/files/2013/04/f0/2011usc15.pdf

Unfortunately, the DOE has chosen to stop reviewing and issuing non-FTA approvals while conducting its review. This illegal action is similar to the Biden-Harris administration's previous attempted ban on new onshore and offshore oil and gas production on federal lands, which was blocked by a federal district court. On July 1, 2024, that same court issued a preliminary injunction blocking the implementation of the LNG ban. Notably, the court observed that the "Export Ban does not cite any authority, nor does it explain why the Export Ban is necessary," considering, as the court further explained, that "it is in direct contravention" of the DOE's July 2023 decision, which concluded that "halt[ing] approval" of LNG exports has "no factual or legal basis."

The administration's decision to ban LNG exports while it conducts an unnecessary study has had negative global economic and environmental impacts. In its latest Global Gas Security Review, the International Energy Agency (IEA) found that global LNG supply is forecasted to grow at its slowest pace since 2020 amid the ban. Moreover, it found that while no U.S. LNG project has reached a final investment decision since the ban was put in place, "[t]he Middle East emerged as the most important driver behind new LNG project approvals in 2024." At the same time, the IEA expects global gas demand to reach record highs in 2024 and 2025, underscoring the need for new LNG supply.

At a time of significant geopolitical instability, the ban has not only discouraged planned and needed investments in natural gas production and processing, but it has also jeopardized the American economy, our energy security, and the security of our allies.

In court filings for the ongoing Freedom of Information Act (FOIA) case between the DOE and Government Accountability and Oversight (GAO), an independent watchdog group, the DOE "identified 97 potentially responsive documents totaling 4,354 pages" of LNG export studies performed by the National Energy Technology Lab (NETL) between January 1, 2023, and October 31, 2023.⁶

As GAO pointed out, "this confession that DOE indeed has copies of such a study on liquefied natural gas exports strongly indicates that the administration has been telling a spectacular nontruth to the public about the basis" of its ongoing review. In any case, there clearly seems to be something to hide, as DOE "employed motions seeking extensions of time, motions to stay proceedings, motions to tie unrelated cases together causing further delays, and outright refusal to provide even court-ordered answers."

⁴ The State of Louisiana v. President Joseph R. Biden, Jr. https://climatecasechart.com/wp-content/uploads/case-documents/2024/20240701 docket-224-cv-00406 ruling.pdf

⁵ International Energy Agency. *Global Gas Security Review 2024*. https://www.iea.org/reports/global-gas-security-review-2024

⁶Government Accountability & Oversight. 2024. *Joint Status Report*. https://govoversight.org/wpcontent/uploads/2024/09/9.13.24-JSR.pdf

⁷ Government Accountability & Oversight, "Yes, Louisiana, There Is a Scandal Pause." September 23, 2024. https://govoversight.org/yes-louisiana-there-is-a-scandal-pause/

On May 1, 2024, you appeared before the House Energy & Commerce Committee and stated that there is no existing study conducted by the Biden-Harris DOE, and that NETL and the Pacific Northwest National Lab (PNNL) are in the process of developing a study.⁸ It is now clear that this statement was likely false, as it appears the DOE had performed, or began to perform, a study on LNG exports in 2023.

The lack of transparency from DOE regarding this process is extremely unsettling. Therefore, we request answers to the following questions by November 8, 2024:

- 1. Was any analysis conducted by this administration prior to the January 26th announcement, specifically between January 1, 2023, and October 31, 2023? How was it determined—that is, based on what specific factors and evidence, that an updated study was needed?
- 2. Have the DOE leadership and/or anyone in the White House received any reports or results, even if preliminary, of the apparent LNG export study conducted during the first ten months of 2023? Did these reports conclude there is no credible basis to restrict LNG exports? Did the DOE reject those reports because the conclusions did not support restrictions on LNG exports?
- 3. You have stated that the PNNL, which has expertise in renewable energy, will be involved in updating the life-cycle analysis for US LNG exports, as well as the NETL. If NETL has expertise in natural gas, why is PNNL involved in the life-cycle analysis?
- 4. Did the DOE choose to involve PNNL in the 2024 study because the findings of the apparent 2023 studies performed by NETL failed to reach the political conclusion, specifically that U.S. LNG was bad for the environment, the economy, and our allies?
- 5. Does the DOE still plan to publish the study in January 2025, as you stated in your May 1, 2024, appearance before the House Energy & Commerce Committee?

We look forward to your response.

Sincerely,

August Pfluger

Member of Congress

Mike Carey

Member of Congress

⁸Rep. August Pfluger, "Questioned Department of Energy Secretary Granholm on the Biden Administration's 'pause' on LNG exports." *YouTube*, May 1, 2024. https://www.youtube.com/watch?v=u_IPtm2jvp0

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