



## **OEM Comments on Department of Energy's 2015 LNG Export Study**

In response to the Department's request for comments, Our Energy Moment (OEM) supports the findings of the 2015 LNG Export Study conducted by Rice University's Baker Institute and Oxford Economics.

The 2015 study, along with the previous 2012 DOE study performed by NERA Economic Consulting, confirm that liquefied natural gas (LNG) exports will create significant domestic economic benefits, supporting investment, job growth and municipal revenues in communities across 32 U.S. states where natural gas is produced. The latest DOE study strengthens the case for increased exports, finding that LNG exports over 12 (Bcf/d) will generate up to 35,200 jobs and add up to \$20.5 billion to the U.S. economy annually from 2026 through 2040 by incentivizing new investments in infrastructure and expanding markets for domestic goods.

Consistent with findings of the first DOE report, the 2015 DOE Study demonstrates that the United States will experience net economic benefits from LNG exports, and that economic benefits expand as LNG exports increase. Significantly, the 2015 study finds that in all scenarios in which LNG exports transpire above 12 Bcf/d, overall macroeconomic impacts of higher LNG exports are positive. The DOE should consider these benefits as additive to those identified in the 2012 DOE study in its evaluation of the cumulative benefits that will accrue owing to exports.

In addition to economic benefits, the 2015 LNG Export Study provides robust evidence that U.S. LNG exports will play a



constructive role in advancing environmental commitments entered by the global community in Paris during the 21<sup>st</sup> session of the U.N. Framework Convention on Climate Change. According to the 2015 study, U.S. LNG exports above 12 Bcf/d would reduce average natural gas prices in the Asia Pacific region between \$0.84 and \$2.24 (-4.6% to -12.4%) from 2026 to 2040.

By helping lower global prices, the 2015 LNG Export Study shows that U.S. LNG exports will facilitate broader adoption of low-carbon fuels like natural gas in developing economies. Increased natural gas use has played a significant role in reducing domestic greenhouse gas emissions over the last decade, and LNG exports would extend those same climate benefits on a global basis. According to a life-cycle analysis conducted by the National Energy Technology Laboratory for DOE, U.S. LNG exports to Asia could reduce life-cycle carbon emissions by up to 61% over a 100-year period when used to replace coal for electricity generation.

A diverse group of more than 80 business, civic and economic development organizations dedicated to raising awareness of the many benefits of expanded markets for liquefied natural gas, OEM applauds the DOE for its thorough review of the economic impact of LNG exports.