

February 12, 2016

Secretary Ernest Moniz
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Subject: Comments and Analysis of DOE report, Macroeconomic Impacts of LNG Export Studies

Dear Secretary Moniz:

On behalf of the Progressive Policy Institute (PPI), I would like to submit for the record the following comments concerning the Department of Energy's recently commissioned report, "Macroeconomic Impacts of LNG Exports Studies."¹

Overall, the United States has the world's fourth largest² technically recoverable shale gas reserves and the reserves are expected to increase due in large part to new technology and engineering advances. Given that global demand for natural gas is projected to grow at a rate of two percent per year, America's growing reserves create a significant opportunity for the U.S. to influence global energy markets through LNG exports.

The new DOE report concludes that impacts of increased LNG exports on the U.S. economy are a net positive and finds that economic gains generally increase with the amount of LNG exports. PPI agrees with this assessment³. In fact, as the second installment of commissioned studies by the DOE, this report notes that in the highest export scenario examined, 12-20 billion cubic feet per day, could translate into a "0.03 to 0.07% increase in GDP over the period of 2026-2040 or \$7-\$20 billion annually." Additionally, the report highlights that even with LNG exports; the U.S. will have enough natural gas to fuel both domestic and international demand. As the most recent report states, "rising liquefied natural gas (LNG) exports are associated with a net increase in domestic gas production."

Of course, the United States also has a responsibility to manage the sustainability of shale resources within a balanced energy policy that steadily reduces greenhouse gas (GHG) emissions. As the cleanest burning fossil fuel, increased use of natural gas for power generation in developed and developing nations has the potential to significantly reduce GHG emissions by displacing coal-based power generation. A perfect example is our nation's own decreased GHG emissions resulting from the shift away from coal to natural gas power generation.

¹ <http://www.federalregister.gov/articles/2015/12/29/2015-32590/macro-economic-impacts-of-lng-exports-studies#h-6>

² <http://www.eia.gov/analysis/studies/worldshalegas/>

³ <http://www.progressivepolicy.org/publications/policy-memo/exporting-u-s-natural-gas-the-benefits-outweigh-the-risk/>

The benefits of U.S. LNG exports for our nation's economy, global security, and the environment have been outlined in detail by both government and non-governmental sources. PPI urges the Obama Administration to move expeditiously to lift outdated restrictions on natural gas exports and restore free trade in energy. Thank you for the opportunity to comment.

Sincerely,

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