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The inclusion of the 2015 Macroeconomic Impact of Increasing U. S. LNG Import's is more a source of confusion than information.

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The study is a model based on information from another model. Everyone knows how the models are set up can determine the outcome. Without knowing how the models were setup I have very little faith in the outcome of either.

For the reasons above, I will deal with the 2014 Effect of Increased Levels of Liquefied Natural Gas Exports on U.S. Energy Markets report. Although this report is also model based, at least it's provided by a governmental agency, hopefully without bias.

As in the 2012 report, this current rendition does not consider the effects of the international LNG market.

1. Since the October of 2014 release of the report, the prices of LNG have tumbled. This combined with new LNG sources overseas, will limit the viability and numbers of any LNG facilities that can be supported in the US. This is reflected in several articles from reliable sources including Blumberg and Moody's.
2. With new sources coming online internationally keeping the price down and limiting the available money for new wells, increasing resistance to fracking in the U.S. and the shorter than expected productivity of shale gas wells, the assumption the US supplies will continue to raise at the rates predicted is in doubt.
3. The report states; "EIA's NEMS model is focused on the U.S. energy system and the domestic economy and does not address several key international linkages that may increase economic benefits". It is unclear whether these "key" linkages support or refute the benefits of exporting LNG. I would be reluctant to make the assumption that they do not support exporting LNG, but since they are not listed I don't know.

On page 18 the report states; "After 2025, increases in nuclear and renewable generation make up the largest share in the growth of generation from other fuel in the Reference, LOGR and HEG cases."

According to Forbes.com, "Southern Co. to build twin nuclear reactors in Georgia. They will be the first new nuclear reactors built in the US since the Watts Bar plant was completed in 1990".

It seems to be a bit of a stretch to say that nuclear will increase significantly especially in light of the 2012 nuclear disaster in Japan.

On page 9, the report assumes that 10% of the export volume will be used to in the liquefaction process and considered domestic consumption. Where this is used for the only for propose of exporting LNG, this gas should be included in the total amount gas used for export purposes because it does not support any domestic use.

Thank you for the opportunity to comment.

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