



27 July 2018

TO: DOE

VIA: <https://fossil.energy.gov/app/DocketIndex/Docket/Comment?docketId=10>

Subject: Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports — comments

Dear DOE:

Please accept the following comments from Oregon Wild concerning the DOE study concerning Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports. Oregon Wild represents 20,000 members and supporters who share our mission to protect and restore Oregon's wildlands, wildlife, and water as an enduring legacy. This includes protecting Oregon's environment from the grave harms of global climate change and ocean acidification caused by excessive use of fossil fuels (and logging).

These comments supplement and reinforce the relevant comments we submitted on this topic on or about 10 Feb 2016.

As explained in our earlier letter, we feel it is critical that DOE understand the profound implications of market imperfections related to fossil fuels that have such significant externalities. The market for fossil fuels, including LNG, is deeply flawed. As a result of these flaws, prices are artificially low because prices do not reflect the full costs of production. Market signals are therefore incorrect, resulting in skewed demand and supply, and an inefficient allocation of resources that fails to optimize public welfare as expected in a properly functioning market. In short, the price of natural gas is artificially low because there are significant externalities, such as global climate change and ocean acidification, that are not included in the price of gas. Low prices for fossil fuels, including LNG, result in artificially high demand and supply that far exceeds optimal levels. Building the Jordon Cove LNG Export Project, or other LNG infrastructure, will increase the supply of a commodity that is already oversupplied at a global scale.

Sincerely,

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