From:

Date:

Subject:

Attachments:

HP http://www.jftc.or.jp

To:

hirokazu.yokomizo

Public Comment on the 2012 LNG Export Study

Public Comment on the 2012 LNG Export Study.doc

Tuesday, January 22, 2013 11:56:50 PM

LNGStudy

To: United States Department of Energy

From: International Market Committee, Japan Foreign Trade Council, Inc.

Date: January 23, 2013

Public Comment on the 2012 LNG Export Study

The following are the comments of the International Market Committee of the Japan Foreign Trade Council, Inc. (JFTC) on the 2012 LNG Export Study. These comments are submitted in response to the invitation to provide feedback on this study which was commissioned by the U.S. Department of Energy. The JFTC is a trade industry group composed primarily of Japanese trading companies and trade organizations. The JFTC's International Market Committee is charged mainly with the examination of various issues related to overseas markets and the external release of the opinions and proposals formed based on those deliberations.

1. Conclusion

We support the study's conclusion that the export of U.S. LNG, including shale gas, would serve U.S. economic interests.

The United States has the potential to expand its LNG exports in a stable fashion, and there is increasing interest and demand in Japan for U.S. LNG as a new, cost-effective procurement option. The export of U.S. LNG to Japan will also contribute to the strengthening of Japan-U.S. relations by enhancing the energy security of Japan, a key U.S. ally and economic partner.

In light of this conclusion, we would like the U.S. government to approve LNG export licenses as soon as possible.

2. Background and Reason

(1) Benefits for the U.S. economy

Demand for LNG in Japan is expected to rise in the future with the dramatic increase in the operating rates of LNG-fired and other thermal power stations following the Great East Japan Earthquake. Many new projects to export LNG are under consideration in the U.S., and Japanese companies are also actively considering participating in such projects and importing LNG.

In light of this situation, the United States has the potential to dramatically

expand LNG exports in a stable fashion and reap direct economic benefits.

(2) Strengthening of relations with Japan, an important U.S. ally in Asia

For the United States, Japan is an important ally in Asia. The export of U.S. LNG will enhance Japan's energy security as well as Japan-U.S. relations. For Japan, the U.S. is the foundation of its foreign policy. It would be desirable for Japan to be able to strengthen relations in the field of energy. This will be in the national interests of both Japan and the United States as partners who are interdependent economically as well.