## Congress of the United States House of Representatives

Washington, DC 20515

February 10, 2022

The Honorable Jennifer Granholm Secretary U.S. Department of Energy 1000 Independence Ave., SW Washington, DC 20585

Dear Secretary Granholm,

U.S. Senators recently asked you "take swift action to limit U.S. natural gas exports" and said shutting down U.S. LNG export facilities is "in the best interest of" their constituents. Those claims are misguided at best, disingenuous at worst, because those increased energy costs are a direct result of their own policies. This comes as Americans are paying more at the pump, more for groceries, more to heat their homes, and more for everyday goods and services. Instead of owning their misguided policies, these Senators continue to stick it to the American people, making them suffer the repercussions of their own actions where it hits the most – their paychecks.

We want to work with this Administration to reduce energy costs for all Americans, but we have sounded the alarm since day one of the Biden Administration. The hypocrisy could not be any clearer. As a matter of fact, Senate Democrats acknowledged this exact response to their own energy policies in a 2020 report. That report stated, "As we institute domestic decarbonization policies that increase overall production costs..." It also states how these policies could "not only lead to an increase in total global emissions, but also the outsourcing of American jobs." Their report predicted these actions will make natural gas more expensive and less available for consumers. If they continue to pursue policies that are designed to make energy less available and more expensive, American families and American businesses who are already struggling with staggering inflation and supply shortages will continue to feel the pain. The American people deserve better than politicizing, and now trying to express surprise, alarm, and blame others for the energy price surges they caused.

Senator Elizabeth Warren once tweeted, "On my first day as president, I will sign an Executive Order that puts a total moratorium on all new fossil fuel leases for drilling offshore and on public lands. And I will ban fracking – everywhere." Senator Warren also has an extensive record opposing natural gas infrastructure that would help alleviate wintertime natural gas constraints by enabling the safe transportation of our nation's abundant resources from places like the Gulf of Mexico and Pennsylvania. Despite this record, Senator Warren wrote a letter to energy companies complaining about constrained natural gas supply that began, "I am writing regarding my concern

<sup>&</sup>lt;sup>1</sup> https://www.reed.senate.gov/imo/media/doc/letter to department of energy on lng 2-2-22.pdf

<sup>&</sup>lt;sup>2</sup> https://www.schatz.senate.gov/imo/media/doc/SCCC Climate Crisis Report.pdf

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> https://twitter.com/ewarren/status/1170070887887986690?s=20

<sup>&</sup>lt;sup>5</sup> https://www.warren.senate.gov/newsroom/op-eds/2014/08/12/berkshire-eagle-op-ed-we-can-do-better-than-pipeline-2 https://www.warren.senate.gov/files/documents/20160407%20Warren%20letter%20re%20CEP.pdf

about rising natural gas prices..." She can't have it both ways, and she is not the only one refusing to take accountability for their actions.

In 2018, Senator Ed Markey, a fellow Massachusetts senator, and self-proclaimed father of the Green New Deal, wrote to President Trump imploring him to pressure OPEC to increase production of oil in hopes of easing energy prices in the United States. Senator Markey consistently fights to end U.S. oil and gas and block every pipeline that could send low-cost energy to consumers. He can't have it both ways either.

Democrats are committed to taking down domestic energy production and it should come as no surprise why gas prices are at a seven-year high when President Biden signaled intent to shut down significant parts of U.S. production and prevent pipelines (safest way to transport energy) on his first day in office. On the campaign trail, President Biden said that he would not ban oil and gas: "we're not getting rid of fossil fuels for a long time." Less than one week later, that changed.

President Biden canceled existing energy production on America's public lands and waters and locked up additional acreage from energy production. He shut down the Keystone Pipeline and called the Colonial Pipeline hackers terrorists while facilitating construction by waiving sanctions on Russia's Nord Stream 2 pipeline in Europe. President Biden also recently asked the Federal Trade Commission, in a politically motivated effort, to shift focus away from the real causes of increasing prices at the pump by blaming the companies. Make no mistake, this was an attempt to divert attention away from his own policies, which were advocated for and endorsed by Democrat Senators, for skyrocketing inflation, including rising energy prices.<sup>8</sup>

Because of Democratic opposition to domestic pipelines, New England has needed to rely on natural gas from Russia – which includes Senators Markey and Warren's constituents. Democrats block natural gas from Pennsylvania but welcome it from Russia, ignoring the fact that Russian natural gas is more expensive and results in higher global emissions. In fact, Russian natural gas exported to Europe has a lifecycle emissions profile 41 percent higher than that of U.S. liquefied natural gas exported to Europe. Yet, the Biden Administration waived sanctions on Russia's Nord Stream 2 pipeline to Europe. In another gift to Russia, the U.S. has also increased our reliance on Russian crude under this Administration by 34%. Using today's crude oil pricing, this is the equivalent of sending Putin a check for \$64 million every day, funding Russia's aggression toward Ukraine.

At this point, any additional constraint on the export of U.S. Liquified Natural Gas (LNG) would only serve to further increase the cost to American consumers by discouraging further investment, exacerbating the trade imbalance, and "undermine confidence in the U.S. as a reliable supplier and cause tensions with international allies." <sup>10</sup> In fact, according to the EIA, since the U.S. began exporting LNG in 2016, the overall price of natural gas has generally become more stable. Even more so, the 2021 average price of natural gas was significantly below the 20-year average. <sup>11</sup> Further, the void caused by eliminating U.S. exports would only benefit Russia by expanding its

8 https://int.nyt.com/data/documenttools/ftc-gas-prices/92d93dca9793b8b4/full.pdf

 $\underline{consumers.html\#:} \sim : text = A\% \ 20 loss\% \ 20 of\% \ 20 confidence\% \ 20 in, the\% \ 20 medium\% \ 20 and\% \ 20 longer\% \ 20 term.$ 

<sup>&</sup>lt;sup>6</sup> https://www.warren.senate.gov/imo/media/doc/2021.11.23 natural gas oversight letters.pdf

<sup>&</sup>lt;sup>7</sup> https://www.democrats.senate.gov/imo/media/doc/Oil.pdf

<sup>9</sup> https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTTIM\_NUS-NRS\_1&f=M

<sup>10</sup> https://ihsmarkit.com/research-analysis/a-ban-on-us-lng-exports-would-hit-

<sup>11</sup> https://www.eia.gov/dnav/ng/hist/rngwhhdm.htm

global energy markets and political leverage. Ironically, it would not benefit New England because there is insufficient pipeline capacity to transport gas to this region. Again, you can't have it both ways.

This Administration is fumbling yet another international diplomatic moment with their handling of Ukraine, and this could severely impact the United States as other countries begin to curtail their energy production and trade to protect their best interests – something the Senators that signed that letter have no interest in doing. When the United States is the world's largest natural gas producer with plenty of supply, any effort to limit exports to our allies is not the answer.

Sincerely,

Garret Graves
Member of Congress

Andy Barr Member of Congress

Dan Crenshaw Member of Congress

Brian Mast Member of Congress Bruce Westerman Member of Congress

Buce Western

Stephanie Bice Member of Congress

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