

**OVERSIGHT OF THE BIDEN
ADMINISTRATION'S PAUSE ON
LIQUIFIED NATURAL GAS EXPORTS**

HEARING

BEFORE THE
SUBCOMMITTEE ON ECONOMIC GROWTH, ENERGY
POLICY, AND REGULATORY AFFAIRS
OF THE

**COMMITTEE ON OVERSIGHT AND
ACCOUNTABILITY**

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

SECOND SESSION

APRIL 18, 2024

Serial No. 118-103

Printed for the use of the Committee on Oversight and Accountability



Available on: *govinfo.gov*,
oversight.house.gov or
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U.S. GOVERNMENT PUBLISHING OFFICE

55-544PDF

WASHINGTON : 2024

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- * Letter, from House Democrats, to President Biden, February 1, 2024, re: LNG; submitted by Rep. Fallon.
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OVERSIGHT OF THE BIDEN ADMINISTRATION'S PAUSE ON LIQUIFIED NATURAL GAS EXPORTS

Thursday, April 18, 2024

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY
SUBCOMMITTEE ON ECONOMIC GROWTH, ENERGY
POLICY, AND REGULATORY AFFAIRS
Washington, D.C.

The Subcommittee met, pursuant to notice, at 9:31 a.m., in room 2154, Rayburn House Office Building, Hon. Pat Fallon [Chairman of the Subcommittee] presiding.

Present: Representatives Fallon, Waltz, Brown, Norton, Krishnamoorthi, and Khanna.

Also present: Representatives Higgins and Pfluger.

Mr. FALLON. This hearing on the Subcommittee of Economic Growth, Energy Policy, and Regulatory Affairs will come to order.

I want to welcome everyone and our witness, Mr. Crabtree.

And without objection, the Chair may declare a recess at any time.

I recognize myself for the purposes of an opening statement.

We are here today to examine the Biden Administration's announcement of a pause on LNG, liquefied natural gas, exports to non-free trade agreement countries, which appears to be nothing more than electioneering and a bending of the knee to the leftist environmental activists. I will admit I could not believe it happened when it did, and if it was a pause of a week or two, maybe that could be something that would be digestible. The fact that it has gone on now for months is something that is very perplexing, and this is the reason for the hearing.

In doing so, however, the Administration is undermining our country's national security and energy independence. The Administration, along with leftist activist organizations, have made it abundantly clear that they wish to end all fossil fuel use and reach Net Zero emissions by 2050 at any cost. This effort would be laughable, except that it is eviscerating our economy and hurting hard-working Americans across the country. In fact, the left's policies have consistently ignored the energy benefits, jobs, revenues, investments, and educational opportunities that come with LNG facilities across the United States.

In 2019, America officially became a net exporter of energy and now leads the world in LNG exports. I found it interesting that in my home state of Texas, we actually produce more natural gas than the entire country of China. We take great pride, and we should take great pride, in the fact that we are an exporter and that we have states like Texas that can outperform and outproduce large nation-states like China. However, this Administration's pause has caused a great alarm and uncertainty, particularly with our European allies.

The United States' LNG producers and exporters are rightfully alarmed by the pause. They need predictability in order to move forward into the future. In fact, 16 states' attorney generals [sic] have now sued the Department of Energy, arguing that the DOE did not have clear congressional authorization to issue a pause and violated major questions of doctrine when they did. State-level representatives in Texas have gone as far as to create a House Select Committee on Protecting Texas LNG Exports to mitigate the negative consequences of the pause on the LNG industry and the state energy sector as well. It is going to affect the Texas economy as well as the United States economy, and I commend them for these efforts.

One key issue with this LNG pause is understanding the Federal Government's legal authority to make the decision. It is unclear whether the pause is even necessary to update the public interest analysis the Department seeks to update. When acting on an LNG export permit application to a non-free trade agreement country, the Department conducts a public interest analysis that takes a number of criteria into account. Many, including several of us in Congress, question whether the Department and the Biden Administration should have applied those same criteria to their decision to pause LNG exports. Had they applied those criteria, it seems the Administration would have easily decided against an LNG export pause.

You have to ask yourself, what was the domestic need for the pause. What would be the effect on job creation? What were the international considerations, and what would be the pause's effect on the environment, which it is purportedly intended to benefit? If the Biden Administration was truly considering environmental impacts of LNG exports, it would have dismissed the role LNG plays in the world's energy mix.

LNG produces 40 percent less carbon dioxide than coal and 30 percent less than oil, which solidifies LNG as the cleanest fossil fuel in the mix. The Biden Administration and the Department have defended the pause by arguing that our operational capacity for LNG exports remains at high levels. True, but for how long because we are talking about moving forward and what is going to happen in the mid and near future. Americans do not need to read between the lines to understand that this pause is a political decision in an election year to shore up an election base.

Our witness, Brad Crabtree from the Department of Energy, leads the Department's Office of Fossil Energy and Carbon Management. His office has been tasked to assist in the review and update to the public interest the analysis for LNG exports. I want to

thank Mr. Crabtree for appearing here today and for your willingness to testify on this important issue.

One thing to also consider, when you have a war between Ukraine and Russia, this is an absolute gift to Vladimir Putin inasmuch as one of the main destinations for liquified LNG exports is Europe, and allies desperately need it, and I do not want them buying it from Russia.

And with that, I yield to the Ranking Member, well, now it is going to be acting Ranking Member, Ms. Norton from Washington, DC, for her opening statement.

Ms. NORTON. Thank you, Mr. Chairman. Thank you, Chairman Fallon, and thank you to the witness for being with us here today.

As a matter of good government, I have always held that Congress should use the most up-to-date facts and analysis when crafting policy. I would expect Federal agencies to do the same. Members of Congress should encourage agencies to study issues before making consequential policy choices. Outdated data leads to outdated policy.

Back in January, when the Department of Energy paused future permits for liquified natural gas, or LNG, export terminals, they did so with the goal of making better policy. DOE is taking the opportunity to update its public interest analysis to include current economic climate change and global energy security considerations. Over the last 5 years, global events and new research have shifted the economic and environmental factors that DOE should consider when making LNG export facility permitting determinations. DOE must also closely scrutinize the greenhouse gas emissions associated with the LNG production lifecycle and its disproportionate effect on minority communities.

The Biden-Harris Administration has wisely pumped the brakes or new permits to examine all potential effects on the American people. This temporary and limited pause on permits will in no way affect our ability to assist allies across the globe. To help defund Vladimir Putin's war of aggression against Ukraine, the United States has stopped export capacity to meet the European allies' energy needs. DOE has already approved permits to supply enough LNG to support Europe, with capacity to spare.

New research indicates that producing LNG emits more greenhouse gases than previously estimated. Natural gas system leaks spew greenhouse gases into the atmosphere. New satellite measurements reveal that prior estimates fell woefully short of understanding the scope of LNG production's environmental impact. Previous analysis also failed to account for the disproportionate damage LNG export projects have on disadvantaged communities. These export projects emit toxic gases that can increase cancer and lung disease risks. Yet corporations, focused solely on profits, keep building new export sites near low-income and minority communities. I applaud DOE's work to take a moment to update their research related to these projects.

As part of President's Justice 40 Initiative, these studies must focus on decreasing the energy and environmental burden on disadvantaged communities. The Biden-Harris Administration has not chosen to stymie industry. It seeks simply to carve a policy path forward using up-to-date research and evidence. Using science and

facts is not anti-energy. It is pro-people, pro-communities, and just commonsense.

This hearing makes a mountain hill out of a molehill. The permitting pause affects only export projects awaiting approval by DOE. DOE has already authorized permits for facilities that, when operational, will amount to a 600-percent increase in LNG capacity. Moreover, DOE leadership does not expect this pause to last more than a year. We are all here today talking about a drop in the LNG export budget bucket compared to the massive expansion in export capacity the Biden Administration has already enabled. This whole endeavor is just one more chapter in the Majority's false claim that the Biden-Harris Administration is waging some sort of "war on energy."

I once again return to the facts, which show that the United States has never produced more fossil oils than right now. LNG export capacity has increased more than 30 percent since 2021. More importantly, this Administration and congressional Democrats have made historic investments in clean energy through the Inflation Reduction Act, which will reduce energy costs for American families, invest in a healthier future, and combat climate change by bringing us closer to a 100 percent renewable energy future. I follow the facts and listen to experts. The Biden-Harris Administration has committed to do the same.

The natural gas permitting pause is just that, a pause to gather more evidence to make sure our policies are the right ones. I do not understand why some of my colleagues object to evidence-based policymaking. Maybe they would rather have this hearing than working with the Administration to move beyond harmful fossil fuels, like LNG, and support policies that embrace renewable energy sources. Thank you, Mr. Chairman, and I yield back.

Mr. FALLON. Thank you very much. Today, we are joined by Brad Crabtree, who serves as an Assistant Secretary of the Office of Fossil Energy and Carbon Management at the United States Department of Energy. Thank you, Mr. Crabtree, for being here and for your testimony.

Pursuant to Committee Rule 9(g), the witness will please stand and raise your right hand.

Do you solemnly swear or affirm that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CRABTREE. I do.

Mr. FALLON. Thank you. Please let the record show the witness answered in the affirmative.

Please take your seat, and let me remind the witness that we have read your written statement, and it will appear in full in the hearing record. Please limit your oral testimony to 5 minutes. I think you know the drill: 4 minutes green light, 1 minute yellow light, and then kind of try to wrap it up, and then the red light. If you go a little bit over, you will be forgiven. I now recognize Mr. Crabtree for his opening statement.

**STATEMENT OF MR. BRAD CRABTREE
ASSISTANT SECRETARY
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT
U.S. DEPARTMENT OF ENERGY**

Mr. CRABTREE. Good morning, Chairman, Ranking Member Norton—

Ms. NORTON. He needs to speak into the microphone.

Mr. FALLON. Sir, could you speak into the microphone? Thank you.

Mr. CRABTREE. Sorry. I thought I pushed it.

Good morning, Chairman Fallon, Ranking Member Norton, Congressman Higgins. I appreciate the opportunity to be before you today and to testify at today's hearing regarding the Department of Energy's announcement of updates to our economic and environmental analyses that support public interest determinations for liquified natural gas export applications to countries with which we do not have free trade agreements. We are required under Section 3 of the Natural Gas Act to undertake such determinations. I look forward to sharing some background on that announcement and a status update of where we are today.

Let me begin with the unprecedented transformation brought about by U.S. natural gas production. In less than 2 decades, the shale revolution has fundamentally changed America's energy prospects. We have gone from a Nation poised to become a major natural gas importer to the world's top producer and exporter of natural gas, both of which are relatively new roles for our country. Over the past 2 years, American natural gas has made a decisive difference in helping Europe to meet its energy supply challenges following the Russian invasion of Ukraine, as well as the broader energy security needs of our Asian and other international allies and partners.

Last year, U.S. LNG exports reached a new high, averaging nearly 12 billion cubic feet per day, and exports are expected to increase to over 14 billion cubic feet next year as new projects come online. With authorized projects currently under construction, our export capacity is set to reach over 26 billion cubic feet per day. That is more than double our current level, and our export capacity will be 40 percent greater than any other country by 2030, even after accounting for other countries' announced capacity additions. And our level of authorized exports to countries in which we have no qualifying free trade agreement goes well beyond these numbers. We have authorized exports over 48 billion cubic feet per day to non-FTA countries. This is 4 times our actual current LNG export levels and nearly twice the anticipated export volumes at the end of this decade. This level of authorized exports to non-FTA countries represents nearly 45 percent of our current domestic natural gas production.

To summarize, our export posture is world leading and will grow dramatically during the remainder of this decade, regardless of future DOE export approvals. This context makes clear why it is so important that we take this moment to evaluate the impacts of authorizing further exports beyond the very large volume of exports that we have already approved. We need to understand how additional exports beyond 48 billion cubic feet per day—again, nearly

half our domestic production—would impact our economy, communities, domestic consumers, and manufacturers, international partners, and the environment. To that end, on Friday, January 26, DOE announced that we are undertaking a review of our analyses that we rely on for public interest determinations of applications for proposed exports, again, to non-FTA countries. While this update to our analysis is being completed, DOE will defer making determinations on all pending non-FTA applications.

Regular updates to economic and environmental analyses have long been a critical component of DOE’s public interest determinations under the Natural Gas Act, Section 3(a), and in the past, we have also deferred decisions on those determinations pending completion of analyses. In 2012, DOE temporarily deferred its review of 15 then-pending applications to export LNG until it completed its review of public comments, which occurred several months later in 2013. Two years later, in 2014, DOE announced plans to undertake new economic studies to gain a better understanding how even higher levels of U.S. LNG exports, at levels between 12 and 20 billion cubic feet of natural gas, would affect the public interest. Those studies were then published in late 2015.

By early 2018, DOE again determined that a new economic study was warranted, given both the total volume of non-FTA exports authorized at that time, again, equivalent to 21.35 billion cubic feet of natural gas per day, and the additional volumes of LNG requested for export in then pending applications. Accordingly, 6 years ago, in June 2018, DOE published its fifth and most recent economic study, entitled, “Macroeconomic Outcomes of Market-Determined Levels of U.S. LNG Exports.” DOE provided notice of all of these economic studies in the Federal Register and solicited public comment. These public comment processes have been an invaluable part of our decisionmaking.

Additionally, beginning in 2014, DOE undertook studies to evaluate lifecycle greenhouse gas and other environmental impacts associated with LNG exports. The established framework for making public interest determinations relies on economic and environmental analyses to inform DOE of the potential impacts of additional exports. As we explained in an order denying a petition for rulemaking brought by several environmental groups last summer, “because the U.S. LNG market and related issues, including climate change considerations and global energy security, are all dynamic, the LNG export program is best served by continuing to update the economic environmental studies, analytic approaches, and public interest factors that DOE considers in an iterative fashion based on developing facts and circumstances.” Our current economic and environmental analysis is consistent with last summer’s order.

To carry this out, we are partnering with two of our national laboratories, the National Energy Technology Laboratory and Pacific Northwest National Laboratory, to support the underlying modeling work, which is well underway. This effort will be similar to past updates. However, one key difference is that when those past updates were undertaken, the reality of U.S. LNG exports was speculative or, at best, nascent. Now, after several years of burgeoning U.S. natural gas production exports, we have significant

data and global events and trends to draw on. We are working quickly to complete this work and to have it ready for public comment. We are planning for a 60-day public comment period, and together with that process, we estimate the update will be completed by the end of the first quarter of 2025.

I would note in conclusion, we have a strong record of defending our Natural Gas Act determinations because they have relied on well-supported and up-to-date analyses. Absent our current update to those analyses, future applicants whose non-FTA applications are approved would face litigation challenges from organizations alleging that DOE improperly relied on outdated analyses.

Thank you, and I look forward to your questions.

Mr. FALLON. Thank you, Mr. Crabtree.

Without objection, Representative Higgins of Louisiana and Representative Pfluger of Texas are waived onto the Subcommittee for the purpose of questioning the witness at today's hearing.

Without objection, so moved.

And now, I recognize myself for 5 minutes of questions.

Mr. Crabtree, do you believe that President Biden is completely aware that there is a complete 100-percent pause on new permits for LNG exports to non-FTA countries?

Mr. CRABTREE. I am sorry?

Mr. FALLON. OK. Sorry. Did you not hear me?

Mr. CRABTREE. Apologies.

Mr. FALLON. That is OK. I will speak in the microphone. Do you believe that President Biden is completely aware that there is a 100-percent pause on new permits being issued for LNG exports to non-FTA countries?

Mr. CRABTREE. We have deferred decisions on only those pending applications that are above the authorized levels of 48 billion cubic feet. That is the decision.

Mr. FALLON. OK. Do you believe that he is completely aware of that decision, that you just—

Mr. CRABTREE. The entire Administration, I believe, is aware of that.

Mr. FALLON. OK. I find it interesting that when Speaker Johnson spoke to the President about this issue, President Biden was completely unaware, and he said, no, we have not done that, so that is interesting and alarming at the same time. The Biden Administration's announcement on the LNG pause occurred on the 26th of January, which is almost 3 months ago, we have since heard all sorts of indications from the Department and the Administration regarding its anticipated length. So, the question is, when will the pause end? I think you might have just answered it. Are you saying the first quarter, 2025?

Mr. CRABTREE. Yes. The Secretary has been very clear about that publicly, and I have as well.

Mr. FALLON. So, almost an entire year. Here is another question. The Biden Administration is seeking to bring, I think, a crushing end to U.S. energy production involving the use of fossil fuels in any place, in any form. Meanwhile, liquified natural gas is wildly abundant, and it is a clean source of energy that leads the world in exporting. So, why the pause when I believe under the Obama Administration, what you just mentioned, there was a pause, but

they were issuing conditional permits. Why not issue conditional permits?

Mr. CRABTREE. No. In 2012, the economic analysis was being undertaken, and there were 15 applications, decisions upon which were deferred until the analysis was complete.

Mr. FALLON. And how long did that analysis take?

Mr. CRABTREE. Well, the public comment was incorporated, and the results of the studies were finalized in early 2013.

Mr. FALLON. So, how long did it take?

Mr. CRABTREE. I believe—

Mr. FALLON. Was it 2 months, a month, a year?

Mr. CRABTREE. I believe it was about a year, but I would like to get back to you for the record to be precise on that.

Mr. FALLON. So, your testimony is that they did not issue any permits for that year?

Mr. CRABTREE. In 2012—

Mr. FALLON. 2012.

Mr. CRABTREE [continuing]. My understanding is no, but again, I will confirm that.

Mr. FALLON. OK.

Mr. CRABTREE. My understanding is that they were issued in 2013.

Mr. FALLON. OK. My colleague mentioned in her opening statement that “This no way affects our allies across the globe.” Do you believe that? Do you agree with that statement that this pause in no way affects our allies across the globe?

Mr. CRABTREE. It does not affect allies in terms of near-to medium-term energy security supply because we are going to be doubling our export capacity by 2030, and we have an additional 22 billion cubic feet of authorized volumes that do not yet have a final investment decision.

Mr. FALLON. So, do you think that they are not alarmed and/or concerned?

Mr. CRABTREE. They are not alarmed. We have briefed our allies extensively.

Mr. FALLON. Really? OK. That is interesting because I have spoken with some of our allies, and they are very alarmed, and they want this pause lifted, every single one of them that we have talked to.

Mr. CRABTREE. Well, I have met with—

Mr. FALLON. Their Ambassadors. OK.

Mr. CRABTREE. I have met with my direct counterparts in multiple countries—

Mr. FALLON. And they do not care at all.

Mr. CRABTREE [continuing]. On the basis of our position. They want to know, long term, the direction of our policy, but they are not alarmed.

Mr. FALLON. So, it is your testimony that they would prefer it to be reauthorized in 2025 and not as soon as possible.

Mr. CRABTREE. What I would say is there are different perspectives in different countries.

Mr. FALLON. And I think our European allies are the ones that I have been talking to, and they are very alarmed about what is going on, in addition to the fact that they want to wean themselves

off of Putin's gas. Mr. Crabtree, the *Wall Street Journal* detailed the outside influence of groups who sought to pressure the Biden Administration to halt new approvals of LNG export facilities. Further, *Bloomberg* reports that the work of a researcher, who "openly admitted that his research on LNG lifecycle emissions was prematurely released, with the ultimate goal of getting rid of natural gas entirely," was a clear factor in the Biden Administration's decision to announce the pause. This research was not peer reviewed. Are you familiar with the work that we are referring to?

Mr. CRABTREE. The work was not peer reviewed. I am familiar with it. I would argue that that is, actually, a basis for our decision is that there is conflicting analysis from both sides about lifecycle analysis, about domestic economic impacts, and we—

Mr. FALLON. I am limited on time, so I apologize, but I just need to ask you this. As assistant Secretary of the Fossil Energy and Carbon Management Office, is it important that research, relied on by the FECM to do its work, is scientifically sound and peer reviewed?

Mr. CRABTREE. That is exactly why we have involved our National Labs to participate with us and technical experts from DOE offices to do this work.

Mr. FALLON. Do you anticipate that this researcher's work will support the DOE's update to its public interest analysis?

Mr. CRABTREE. Well, their work is the basis for our public interest analysis. I am not predetermining the outcomes of what we come up with on the economic and environmental analysis, but it is precisely why we are doing it is their expertise and to bring that to bear.

Mr. FALLON. OK. And my time has expired, so the Chair now recognizes acting Ranking Member Norton for her 5 minutes of questions.

Ms. NORTON. Thank you. Mr. Chairman. I ask unanimous consent to submit for the record this article from S&P Global Commodity Insights, entitled, "U.S. LNG Pause to Have No Short-Term/Mid-Term Impact on EU Supply Security EC."

Mr. FALLON. Without—I am sorry.

Ms. NORTON. Thank you. This report quotes a spokesman from the European Commission who says they have been in close contact with DOE on the matter and continue to have a "solid" energy partnership.

Mr. FALLON. Without objection, so ordered.

[Chart.]

Ms. NORTON. Mr. Crabtree, the Department of Energy's pause on LNG exports will have almost no impact on the United States' ability to support LNG globally. Looking at this chart on the screen, you will see that DOE's pause on exports affects only a small fraction of potential export capacity. The affected capacity is represented in the red bar on the chart. All the remaining green bars on the chart represent LNG export capacity that either already exists, is under construction, is permitted awaiting construction, or awaiting approval from another unrelated agency. This chart shows that DOE already has already permitted nearly 7 times the amount of capacity than this pause will affect. So, Mr. Crabtree, how long do you estimate the export pause will last?

Mr. CRABTREE. So, we have stated publicly—the Secretary, again, and myself—that we anticipate this work—

Ms. NORTON. Speak up a little bit, please.

Mr. CRABTREE. The Secretary and I have both indicated publicly that we anticipate this work being done within a year. And I would note that in your chart, the 14 billion cubic feet that you have in the last two rows is accurate. That is the capacity that is currently being deferred for decisionmaking. We have committed to 48 billion cubic feet in terms of authorized exports. Again, that is 4 times our current actual exports of 12 billion cubic feet. So, to put that into context, with the additional 14 billion cubic feet in the last two rows, that would take the United States to the neighborhood of 60 billion cubic feet of authorized capacity, which is well over half of our domestic natural gas production.

I would note that the United States has the world's largest economy. We have a major industrial and manufacturing base and 330 million people. We rely extensively on our natural gas resource for our own domestic economy. And so, our current export commitment of 48 billion cubic feet per day, 45 percent of our production, is a very, very substantial export commitment.

Ms. NORTON. Mr. Crabtree, is DOE's permitting process a barrier to U.S. exports of LNG?

Mr. CRABTREE. In the near to medium term, the commitments we have already made will allow us to essentially double our export capacity by 2030, so, no.

Ms. NORTON. Mr. Crabtree, DOE has already permitted significant LNG export capacity that is not yet built. Why is that?

Mr. CRABTREE. Well, so, in the United States, we are different than the country of Qatar. Qatar is the world's second largest exporter. The Government of Qatar and Qatar Energy are the same. It is a state-owned company. We approve FERC and MARAD a permit construction siting in operation of terminals. The role of the Department of Energy is to authorize their exports to non-free trade countries. But after that, our industry is a fully private sector enterprise. Those projects are financed in the private sector, and so you have 22 billion cubic feet of capacity represented across a wide range of projects that have been approved by Department of Energy for export, but they have not been able to finance their projects in the private sector up until this time. I think it is fair to say that some of those projects may not move forward, some will, but that is a private sector decision. We have authorized their exports, but we do not get involved in financial investment decisions. That is not our role.

Ms. NORTON. So, we have determined that the global and domestic LNG production effects of DOE's pause are not consequential, but the reason for the pause is quite consequential. For far too long, when DOE evaluated LNG export authorization requests, it did not consider the detrimental effects on disadvantaged communities. LNG export sites come at a cost to local communities and industries where they operate. Studies have found that living near LNG export facilities may cause serious health concerns, including asthma, heart disease, cancer, *et cetera*. On top of that, in Louisiana, a new LNG terminal destroyed the local shrimp industry

when it wrecked the wildlife habitats and eliminated docking space.

Mr. Crabtree, can you commit today to ensuring that DOE's forthcoming public interest analysis will incorporate and consider environmental justice concerns and effects on existing local industries?

Mr. FALLON. And the gentlelady's time has expired. I am going to let you answer, but if you could just do it quickly. Thank you.

Mr. CRABTREE. Thank you, Mr. Chairman. Ranking Member Norton, we are undertaking an assessment of local and community impacts from the development of liquified natural gas production. I would just quickly note that compared to 2018, when we last updated our economic analysis, our capacity was 4 billion cubic feet. We are now at 14. One of the fastest-growing industries in the world is U.S. natural gas production and export, and the geographic footprint of that is concentrated on the Gulf Coast of the United States. So, we will be looking at the whole range of impacts, some of those that you have referenced, like environmental justice, as well as the economic and jobs benefits where they occur.

Mr. FALLON. The gentlelady's time has expired. The Chair now recognizes our good friend, Representative Higgins from Louisiana.

Mr. HIGGINS. I thank the Chairman and the Ranking Member, and I appreciate the Committee allowing me to waive here. Mr. Crabtree, we appreciate you being here today, sir.

You realize, of course, that the actions that you have taken on behalf of the executive for whom you work, it is impacting thousands and thousands of American lives and jobs. You can speak to the amount of LNG export that has been maintained, and you can dangle those numbers before the American people, but that is growth of the industry that was created by the industry and an appetite from the world for clean, reliable, affordable energy.

So, my district in South Louisiana has become, over the course of a very quick couple of decades, the epicenter of LNG export for the entire country. And we feed clean, affordable, reliable energy to the entire world, primarily before the interruptions from this executive branch, many of which were led by you, or at least you are at the point of that spear that you are being forced to wield. Prior to the executive's interference, the American LNG industry had been feeding reliable, affordable clean energy to our allies across the world, and because of various interruptions that have been planned and calculated, interruptions to American energy production and dominance and export, our European allies have had to rely on other sources for their raw energy product to power their grids across the continent.

And now you have, Iran is selling 90 percent of its raw energy product to China. That means China is feeding Iran billions and billions of dollars. Russia is deeply engaged in renewed energy supply across Europe because the reliability of that supply chain has been crippled by Biden Administration policy decisions. And, my brother, Mr. Crabtree, you are a part of this, man. We do not understand what happened between the summer of last year and January of this year. My colleagues are going to get into that.

The timeline that you put forth in your advisement of the pause sounds very cool. We are just going to chill for a little while we

take a closer look for a few months. But you knew that a pause that you were initiating generally requires over a year to renew normal permitting. Is that correct? Historically, doesn't it take over a year? Didn't you say in this hearing, a little while ago, next year? Will be done in a year?

Mr. CRABTREE. We have committed to delivering this work within a year, so—

Mr. HIGGINS. OK. So, a year.

Mr. CRABTREE. Yes, sir.

Mr. HIGGINS. OK. Not a few months? Because your letter said a few months.

Mr. CRABTREE. No—

Mr. HIGGINS. So, let us just move on.

Mr. CRABTREE. To clarify, to clarify—

Mr. HIGGINS. What happens—

Mr. CRABTREE [continuing]. To clarify, a few months to provide the analysis for public comment.

Mr. HIGGINS. There was an illusion of this, just slight, pause that was put forth by this executive. Now the year's time for renewal, that brings us past November 2024, does it not? I am pretty sure that brings—

Mr. CRABTREE. We are committing to complete the analysis in the—

Mr. HIGGINS. Yes. So, we are past the election, my brother. Do you see a pattern developing here? Do you have communications, Mr. Crabtree, in my remaining time, with the Biden Administration officials regarding LNG permitting pause that took place between the summer of last year and January through today in this hearing? Do you have communication, emails, telephone calls, *et cetera*?

Mr. CRABTREE. With whom, Congressman?

Mr. HIGGINS. The Biden Administration officials, people you work for.

Mr. CRABTREE. So, we have had extensive discussions from—

Mr. HIGGINS. Extensive discussion.

Mr. CRABTREE [continuing]. Within the Department of Energy—

Mr. HIGGINS. I am advising you, in my remaining 10 seconds, to preserve that stuff. How long have you been building your career at DOE, Mr. Crabtree?

Mr. CRABTREE. I was confirmed beginning of May 2022.

Mr. HIGGINS. How long you been building your career to get to that point?

Mr. CRABTREE. I worked on energy policy for the better part of 30 years—

Mr. HIGGINS. Thirty years. You got 30 years into this thing. You realize you are being set up as a sacrifice on the Green New Deal altar?

Mr. CRABTREE. I disagree with that, sir.

Mr. HIGGINS. I am going to offer you whistleblower protection, sir. I am going to offer you whistleblower protection. Remember that statement, because we will protect you, sir. Mr. Chairman, I yield.

Mr. FALLON. The Chair now recognizes Representative Brown from Ohio.

Ms. BROWN. Thank you, Mr. Chairman. The Biden-Harris Administration is supercharging our Nation's energy independence while combating the climate crisis, one of the greatest challenges and responsibilities of our generation. Congressional Democrats and President Biden are committed to a bold, effective, and expansive climate agenda, which is already creating tens of thousands of clean energy jobs across the country. I was proud to vote in favor of the Inflation Reduction Act, Bipartisan Infrastructure Law, and the CHIPS and Science Act. These laws all made historic investments in our energy sector, and I am glad to say these efforts are already yielding great success. In 2023, the United States boasted the highest level of energy independence our country has seen in over 70 years.

This January, the Biden-Harris Administration announced a pause in the approval of pending and future liquefied natural gas export projects as part of an effort to update the current outdated process, while developing a modern approach to assess how projects serve the best interests of the American people. So, Assistant Secretary Crabtree, how has the Biden-Harris Administration demonstrated a commitment to energy independence?

Mr. CRABTREE. Well, Representative, I think you have summarized it well in the sense that we have, obviously, the Bipartisan Infrastructure Law passed in 2021, which provided extensive funding across energy industries, energy and climate investments. The Inflation Reduction Act provides several hundred billion dollars' worth of tax credits to incentivize a whole range of technologies that are essential both to meet our climate goals, but also, as you point out, to sustain and even improve U.S. energy independence.

And I think the facts speak for themselves. We are dramatically expanding a whole range of clean energy alternatives even as the United States has become the largest oil and gas producer and exporter in the world today. And that expansion continues even as the same time we are committing to decarbonize that oil and gas production in use and also to manage methane emissions to near zero by 2030. And I would note that we have the support and participation of the oil and gas industry in that effort as well.

Ms. BROWN. Thank you. And, Assistant Secretary Crabtree, how will the pause on liquid natural gas export projects positively impact American energy independence now or in the future?

Mr. CRABTREE. Well, I would just note I need to go back to the fact that we have already made authorization decisions for 48 billion cubic feet of exports. We are currently at capacity. We are currently exporting 12 billion cubic feet, and then of the 14 billion cubic feet that is operating in terms of capacity, we have another 12 billion cubic feet that will be online by 2030. So, we are already No. 1 in the world in terms of our natural gas exports. We will be No. 1 in the world in 2030, 40 percent ahead of Qatar, which is the second ranked exporter today. So, what I would argue is that our decisions are not impacting U.S. energy independence because the decisions DOE has already made will allow a doubling of our export capacity, which contributes to our larger domestic energy inde-

pendence, along with all the other investments in other energy resources and technologies that we are making.

Ms. BROWN. And I would not call those dangling numbers for the American people. They are facts. Last, what factors does the Department of Energy take into consideration when measuring what is in the best interest of the public?

Mr. CRABTREE. So, we take a broad range of factors into account. We take domestic energy supply, natural gas supply, and its availability to consumers and to industry. We look at natural gas prices, again, for households, but also for industrial producers and manufacturers. Also, distributional consequences, how these price changes affect who. We look at demand in the future, what is the demand both for the natural gas here at home, but also our exports. Importantly, and ever more so following the Russian invasion of Ukraine, we look at energy security not only for ourselves, but our allies. And then finally, we look at environmental impacts, and that includes traditional environmental impacts that you might imagine from project development, but also greenhouse gas emissions, both methane and carbon dioxide emissions, associated with natural gas production, processing, liquefaction, and export.

Ms. BROWN. Thank you. Contrary to the claims by my Republican colleagues, in 2023, the United States set a new high for natural gas production. In fact, today the U.S. is the world's single largest liquid natural gas exporter. While my Republican colleagues continue to put the interest of large corporations and Big Oil first, Democratic policies are building clean energy infrastructure for the next generation. This translates to lower energy, water, and fuel costs for American families, both at home and at the gas pump. And as we expand our energy independence, Democrats continue to work on building the clean energy sector for the future.

The Inflation Reduction Act provides hundreds of billions of dollars in loan guarantees and subsidies for clean energy to expand domestic clean power production, growing our energy independence, and leading the world. Although my Republican colleagues are once again attempting to undermine that transformational legislation, I will continue to work to build, expand, and defend it. Thank you.

Mr. FALLON. The Chair now recognizes our good friend from Florida, Mr. Waltz.

Mr. WALTZ. Assistant Secretary Crabtree, do you recall signing and issuing the July 18, 2023 Department of Energy denial to the Sierra Club's rulemaking petition on DOE's natural gas export policy?

Mr. CRABTREE. Yes, Congressman, I do.

[Chart]

Mr. WALTZ. And with that decision, you stated, as we have up here for the American people to see, "DOE's continuing development of LNG export policy has accounted for changes"—say again—"accounted for changes in environmental, energy, economic, and other relevant considerations." I would also like to bring your attention to the excerpt for that decision here, that it says, "Insofar as petitioners"—the Sierra Club in this case, a well-known environmentally focused group that, by the way, have been petitioning the

DOE for over a decade to do this and repeatedly denied, including yourself—so, “insofar as petitioners are asking DOE to halt approval of pending applications to export LNG until DOE completes a final version of its policy guidelines, we find there is no factual or legal basis for such an action at this time.” That is from you. But then 6 months later, after you signed this denial, the Administration announced its decision to pause pending decisions on export permitting for LNG to non-free trade agreement countries.

So, what factual or legal basis suddenly emerged? What happened in 6 months—

Mr. CRABTREE. Sure.

Mr. WALTZ [continuing]. To justify implementing this pause that you agreed was “well-functioning” and adaptable to “changing economic and environmental circumstances.” What changed?

Mr. CRABTREE. I am happy to answer that question. The Sierra Club, in their petition, was basically asking us to fundamentally roll back our adjudicatory process to our orders and our determinations and proceed with the rulemaking. And the point we were making in that order is that our process has been sustained in litigation, our past approvals of projects, because we look at these projects on a case-by-case basis and look at the evolving LNG—

Mr. WALTZ. For many years—

Mr. CRABTREE [continuing]. Natural gas and LNG.

Mr. WALTZ. Right. So, what changed?

Mr. CRABTREE. And in that very order, we essentially make the case for the very thing we are doing today, which is updating our economic and environmental analysis because it is very clear, based on the—

Mr. WALTZ. But—

Mr. CRABTREE. Its very cure, is based on the litigation approach of various stakeholders, that our determinations, any future approvals we make would have been subject to litigation, and that is in that order.

Mr. WALTZ. But in the time I have remaining, we are saying it is fine, the process is fine, but then in 6 months, we need to update everything. And let me tell you what a lot of the American people—

Mr. CRABTREE. That is not what it said. That is not what it said.

Mr. WALTZ. But that is essentially what we have done, right?

Mr. CRABTREE. No, that is not true.

Mr. WALTZ. But I will tell you what people suspect. We suspect this is an election year. We expect this is a political play to the Democratic base. And let me just tell you, I mean, you have industry estimating that global demand for LNG could rise as much as 50 percent by 2040, and the thing that concerns me is that Russian LNG exports to the EU have grown since 2021. They are selling just as much as they ever did through China and through India. Is it in the public interest to cripple Russia’s LNG exports?

Mr. CRABTREE. Congressman, there are so many differing views of future market demand. That is actually an argument for our pause. We have 22 billion cubic feet of exports that we have authorized—

Mr. WALTZ. Is it in—

Mr. CRABTREE [continuing]. That have not been able to get—

Mr. WALTZ. Is it in the——

Mr. CRABTREE [continuing]. FID in the marketplace——

Mr. WALTZ [continuing]. Public interest?

Mr. CRABTREE. No, we have not——

Mr. WALTZ. We are voting on the Ukraine package today. Is it in the public interest to cripple Russia's LNG? That is a "yes." I would think that would be an easy "yes."

Mr. CRABTREE. We are crippling their——

Mr. WALTZ. They are selling just as much——

Mr. CRABTREE. That is because we are doubling our exports——

Mr. WALTZ [continuing]. As they ever did, so we are spending against our——

Mr. CRABTREE [continuing]. Between now and 2030, sir.

Mr. WALTZ. So, look, I sit on the Intelligence Committee, on the Armed Services Committee. If we drop the price of global oil and gas below a certain point, Russia is done, Mr. Secretary, and for that matter, Iran is done. And yet we are literally spending against ourselves as they are selling just as much as they ever did. Ninety percent of Iran's is going to China, by the way. Look, you are——

Mr. CRABTREE. Between now——

Mr. WALTZ. Look, you are parsing some things here, but this is about long-term signals, and you just stated that our allies are not being affected. I just sat down with the Speaker of the Parliament of Lithuania right on the front lines, and she said, we buy 80 percent of our gas through Texas and through Louisiana at your government's request, and now, she said, we are making political and industry decisions to go in a different direction from the United States because we do not know if it is going to be there long term. I also sat down with officials from Japan and South Korea, and we know Japan has moved away from nuclear, they are trying to go back. They said we are trying to get off. You guys are beating us up for buying Russian gas. Where is North American gas? Where is it going to be in the next 5, 10 years? What is going to happen if President Biden gets reelected?

They are making long-term decisions, and the signal you have sent to our allies, Mr. Secretary, is a big question mark. They do not know, at least they are telling me, and I take it at face value. I do not think politics are at play for them. They are trying to get onto North American gas and off of Russian gas, and this pause has sent all the wrong signals. Thank you, Mr. Chairman. I yield my time.

Mr. CRABTREE. To help them get off Russian gas, we are going to be providing another 12 billion cubic feet of capacity between now and 2030.

Mr. FALLON. All right. We are going to go ahead, and the Ranking Member and myself are going to ask an additional 2 minutes of questions.

I think it is important to state that economics 101, particularly when you are talking about energy, is production levels today are not determined by what is happening today. Production levels today in energy are determined by policies and decisions that happened years ago, whether that is 2 years ago, 4 years ago, 6 years ago. Do you believe, Mr. Crabtree, that stability and predictability are important when we are talking about energy production?

Mr. CRABTREE. Investment certainty is important to industries that are capital intensive and have projects that take years—

Mr. FALLON. So, you would agree that energy production is capital intensive?

Mr. CRABTREE. What I would argue is that—

Mr. FALLON. Mr. Crabtree, it is just—

Mr. CRABTREE. The certainty of our regulatory decisions are also important—

Mr. FALLON. Mr. Crabtree, do me a favor.

Mr. CRABTREE [continuing]. If we are subject to litigation.

Mr. FALLON. Mr. Crabtree, I have been overly polite. Can you please just answer the question? Do you believe that energy production is a capital-intensive endeavor?

Mr. CRABTREE. Yes—

Mr. FALLON. That is a simple question.

Mr. CRABTREE [continuing]. Capital intensive.

Mr. FALLON. That is not a trick question.

Mr. CRABTREE. I just said that, yes.

Mr. FALLON. OK. All right. Do you believe that stability and predictability are important when you are talking about capital intensive endeavors? Again, not a trick question.

Mr. CRABTREE. It is important, but also, the certainty of our regulatory decisions is important to investors, and that is—

Mr. FALLON. So, when you have this analysis, couldn't you do the analysis and continue to approve new liquified natural gas exports or exporting permits?

Mr. CRABTREE. The challenge is there are—

Mr. FALLON. No. Could you do that?

Mr. CRABTREE. There are 14 billion cubic feet of projects that—

Mr. FALLON. All right. Let us try it again. Could you do that, though? Could this Administration, could your Department do this analysis, but at the same time, we will say synchronously, also be approving new liquified natural gas permits?

Mr. CRABTREE. Not without approving them and having them subject to legal risk because our analysis for the environmental analysis is 5 years old. Our economic analysis is 6 years old.

Mr. FALLON. You can do it. The past Administration did not have a pause.

Mr. CRABTREE. No, but the Obama Administration did. In 2012, we had 15 projects pending, and they deferred the decisions on those projects until the analysis was completed, and then it was—

Mr. FALLON. So, these are political policy decisions.

Mr. CRABTREE. Mr. Chairman, I would note that our approvals in the past have all been sustained in courts of law because we have updated analysis—

Mr. FALLON. Mr. Crabtree?

Mr. CRABTREE [continuing]. And now we are 5 and 6 years out from our last update.

Mr. FALLON. A very simple question. Are you a political appointee?

Mr. CRABTREE. I am a political appointee.

Mr. FALLON. OK. Thank you. I yield to the Ranking Member.

Ms. NORTON. Mr. Crabtree, would you like time to walk through the administrative process? Mr. Waltz would not give you time to explain.

Mr. CRABTREE. Well, so, thank you, Ranking Member Norton. We have economic and environmental analysis that we are required to use in our decisions of determining whether a given export application is in the public interest. And over the course of the program, beginning in 2012, on a periodic basis, we have had to update the economic and environmental analysis, subject to changing circumstances in the marketplace. In the initial years, those analyses and, frankly, the industry itself were suggesting much lower levels of exports than we are actually already at today, let alone what we have approved for the future. And so, our process now is consistent with what we have done in the past. Our last environmental analysis was updated 5 years ago. Our economic analysis was updated 6 years ago. Based on previous practice, it is time for us to update that analysis.

A lot has changed in the world. We are the largest producer and exporter of natural gas in the world. We had COVID that we came out of, supply chain crises, the Russian invasion of Ukraine. It is a dramatically different environment that we are operating in today. And so now, as part of our process, as we did in 2012, we are deferring decisions on those applications until we complete this economic and environmental analysis. And what I would argue gets lost in the public discussion is that our previous approvals for industry have been sustained in the courts, and even in 2017, the courts specifically acknowledged the updating of our analyses as a basis for that, and any future decisions we might make will be subject to litigation risk if we do not take this step today.

Mr. FALLON. The gentlelady's time has expired. The Chair now recognizes Representative Pfluger from Texas for 5 minutes of questions.

Mr. PFLUGER. Thank you, Mr. Chair, and for waiving on. It was a shock on January 26 to hear the President announce his, what I think he is calling a pause, but what the industry is calling a ban on LNG exports to non-free trade agreement countries. Mr. Crabtree, how many free trade agreement countries exist?

Mr. CRABTREE. I do not remember the exact number. I would have to go back and check, but 80—

Mr. PFLUGER. Fourteen.

Mr. CRABTREE. Eighty percent of the natural gas market is non-free trade agreement countries.

Mr. PFLUGER. Eighty percent?

Mr. CRABTREE. Yes.

Mr. PFLUGER. Is non-free trade agreement countries?

Mr. CRABTREE. Correct.

Mr. PFLUGER. OK. So, we have 14 free trade agreement countries that comprises 20 percent of the—

Mr. CRABTREE. That is correct. Korea is the large market that is a free trade country with respect to natural gas.

Mr. PFLUGER. OK. So, DOE undertaking steps in the usual process, in accordance with DOE's past practice, to update the analyses that DOE has long determined are necessary to make a reliable assessment of the public interest. How many Bcf was promised, Bcf

a day, Bcf a year, any metric you want, was promised to Europe by President Biden about a year ago?

Mr. CRABTREE. The agreement with the EU promised 15 billion cubic meters, so—

Mr. PFLUGER. All of those to free trade agreement countries?

Mr. CRABTREE. No, that was to the European Union, which is, collectively, the world's largest natural gas market.

Mr. PFLUGER. All of those free trade agreement countries?

Mr. CRABTREE. No, they are not.

Mr. PFLUGER. OK.

Mr. CRABTREE. They are non-free trade agreement.

Mr. PFLUGER. Exactly the point. So, was it determined at that point in time that they were in the public interest? Did the President making that statement promising that amount to the EU—

Mr. CRABTREE. No.

Mr. PFLUGER [continuing]. To non-free agreement countries.

Mr. CRABTREE. Based on regulatory decisions made in previous administrations and this one, plus efforts to make sure that cargoes got to Europe that were actually committed cargoes to East Asia, we were able to not only meet that commitment, but succeeded it substantially.

Mr. PFLUGER. So, I want to know why DOE is not following precedent to consider the LNG export authorization applications while updating the study. Why are you deviating from past—

Mr. CRABTREE. We are following precedent. I just got done explaining in response to the Chairman's questions that in—or, sorry, the Ranking Member's questions—in 2012, there were 15 applications pending to non-free trade area countries, and the decisions on those applications were deferred until the economic analysis was updated. Public comments were incorporated. That process was completed in 2013, after which—

Mr. PFLUGER. How many current projects are in works that do not have approval, that need the approval, that would meet the requirement and meet the demand and meet the supply that was promised by the President to the EU or other non-FTA countries?

Mr. CRABTREE. I can get you the specific number of projects, but the volume of exports, beyond what is operating, the capacity is 12 billion cubic feet under construction, and 22 billion cubic feet have been authorized but do not yet have FID, if that is your question.

Mr. PFLUGER. No. The question really is why is it taking longer? Why are you not following precedent when this pause has happened, and yet the President stated previously in statements like he made about the EU and the promise that we were going to send a certain volume over there, why now are we pausing it?

Mr. CRABTREE. Well, we met that commitment and exceeded it, sir.

Mr. PFLUGER. But this is not happening.

Mr. CRABTREE. By a large measure.

Mr. PFLUGER. You met it on that day, but for the future commitments that we have, for the future contracts that we have, let me—

Mr. CRABTREE. We have capacity, nearly equivalent to our current entire export capacity, is coming online in the next 6 years, nearly a doubling, sir.

Mr. PFLUGER. Mr. Crabtree, I will reclaim my time. Thank you for that. The fact is that there are many countries right now that are looking for LNG and are looking for contracts. Are they asking you for 1-year contracts, 2-year contracts? What does a typical contract look like, a request from a country that we are dealing with?

Mr. CRABTREE. Contracts vary, but the United States' LNG sector is financed liquefaction terminals based on long-term contracts. Most companies have a small percentage of short-term—

Mr. PFLUGER. Fifteen, 20 years.

Mr. CRABTREE. Yes, exactly. Yes.

Mr. PFLUGER. OK. So, the decision to pause—I call it a ban because I think industry agrees with that—the decision to ban LNG exports starting on January 26, has industry received that positively? Have you had discussions with industry, and which companies have you talked to since then?

Mr. CRABTREE. It depends on which energy sector you are referring to. We have domestic manufacturers and industrial companies that are actually concerned about committing even more than 48 billion cubic feet of our domestic natural gas supply to export. And so, we have heard from them that they think this is prudent.

Mr. PFLUGER. Prior to January 26, which companies did you personally deal with to make this decision?

Mr. CRABTREE. I have met with many companies.

Mr. PFLUGER. Can you give me a list? Can you tell me four of them right now?

Mr. CRABTREE. Well, I have met with all of the major LNG producers.

Mr. PFLUGER. I understand, but just tell me three or four.

Mr. CRABTREE. Well, there are not that many, so—

Mr. PFLUGER. Just name them.

Mr. CRABTREE. I have met with all of the major companies that operate liquefaction terminals, most of the major natural gas producers. Also met—

Mr. PFLUGER. Can you name three or four of them?

Mr. CRABTREE. Well, they are well known. There is only—

Mr. PFLUGER. It should be easy, right? So, just name three of them. Name two of them.

Mr. CRABTREE. Well, there is—

Mr. PFLUGER. Mr. Crabtree, you are the Department of Energy—

Mr. CRABTREE. I mean, are you asking me to provide you with a list?

Mr. PFLUGER. No. I am asking you right now, just name one of them.

Mr. CRABTREE. Well, Cheniere is an example.

Mr. PFLUGER. OK. So, you met with Cheniere prior to January 26? Were they in agreement—

Mr. CRABTREE. I have been meeting with these companies since the day I was confirmed, sir.

Mr. PFLUGER. Were they in agreement with the Administration's decision? Was Cheniere in agreement with the Administration's decision?

Mr. CRABTREE. The LNG companies are concerned about the decision.

Mr. PFLUGER. Very concerned about the decision. We finally got somewhere. I will yield back.

Chair. The Chair recognizes Mr. Khanna for his 5 minutes of questions.

Mr. KHANNA. Mr. Chairman, I know that the companies may be concerned about the decision, but this President has one concern: lowering prices for the American people. Now, I find it amusing, sometimes, my Republican friends, you could say a policy is going to reduce prices for the American people, help lower electricity bills, they may applaud it. Then you say it happens to also be good for climate, they will stop applauding. We are bringing manufacturing back to America. Great. It happens to also be decarbonizing. Oh, we cannot support that.

The reality, Mr. Crabtree, is this is a policy that puts Americans first, right? I mean, this is a policy that is actually going to lower electricity bills for Americans because President Biden cares more about Americans' electricity bills than anyone else in the world. He is the American President. And you have testified that we have seen periods during which U.S. LNG exports had a noticeable influence on domestic prices. Can you explain why the President's policies in prioritizing Americans over people elsewhere in the world for electricity bills is helping lower electricity prices for Americans?

Mr. CRABTREE. So, Congressman, I mentioned earlier in the hearing that we have seen an enormous increase in natural gas production and export. During the timeframe of this program at the Department of Energy, we have gone from effectively zero in 2015 to 14 billion cubic feet.

Mr. KHANNA. More than tripled, correct?

Mr. CRABTREE. Well, more than tripled.

Mr. KHANNA. Yes.

Mr. CRABTREE. Yes, and then we have also authorized 3-and-a-half times that volume for export already committed, and there are 12 billion cubic feet under construction. So, up until this point, with the exception of the, you know, the supply crisis following the Russian invasion of Ukraine, we have seen very low natural gas prices in the United States. We saw a spike in that market situation, that supply crisis. What we need to look at, though, is as we contemplate much higher volumes of exports, far beyond anything if you look at both what we have authorized, the 48 billion cubic feet and then the 14 billion cubic feet of projects that are pending, collectively, that takes us in the neighborhood of 60 billion cubic feet, which is well above half of U.S. domestic natural gas production.

The Department of Energy has never analyzed exports at that level, and we are duty bound to look at that and see what the domestic price and supply and other considerations are. Along with the needs of our allies and the environmental considerations, we have to look at all of that—

Mr. KHANNA. Let me help you out a little bit, maybe help out the Biden messaging. Isn't it true that the EIA project projects that if the President had not taken this policy, you would have American consumers paying 10 percent more in their electricity bills?

Mr. CRABTREE. Well, the EIA does, in their projections, does associate an incremental increase in price based on given levels of increased export.

Mr. KHANNA. Isn't a simple way of saying this is the President's policy is saving Americans' electricity bills 10 percent, whereas what the Republicans want without this pause would mean higher electricity prices for Americans because of their ideological commitment to utility companies and LNG companies?

Mr. CRABTREE. We are very concerned that any future decisions we make do not lead to higher domestic prices, sir.

Mr. KHANNA. My sense is that this is the President's total priority, and you heard from my colleague on the other side, they care about the companies. This President cares about lowering prices for Americans, and it also happens that it is good for climate disasters. Can you explain, Mr. Crabtree, how much climate disasters have cost the U.S. taxpayers over the last year?

Mr. CRABTREE. I am sorry, I do not have that data at hand—

Mr. KHANNA. Of course.

Mr. CRABTREE [continuing]. But we have been seeing for many years a steady increase both in the number of disasters and their intensity, and, therefore, their costs.

Mr. KHANNA. Ninety-two billion dollars, 500 deaths in those disasters. I just want to summarize, Mr. Crabtree, that the President's policies primarily are motivated by lowering energy prices for American consumers at a time of inflation. The big contrast is that many of my colleagues and friends on the other side care about the companies. That is why they are asking you, did you meet the companies. While you are not maybe meeting with all the companies, our President is meeting with folks in Pennsylvania and Ohio who are facing too high electricity bills, and his policies are with them in mind, lower their electricity bills. If he had not done this, they would be paying 10 percent higher. Is that a fair summary of the President's policies here?

Mr. CRABTREE. That is a fair summary. For the record, though, it is important. I want to emphasize that in my job, in the 2 years I have been in this job, I have met with all stakeholders. I have met with industry, both natural gas and LNG industry. I have met with other industries—

Mr. KHANNA. But do you prioritize the American people first?

Mr. CRABTREE [continuing]. And I have met with environmental and community groups and other stakeholders. We have an open door. We are taking improvements from all parties, so I just want to make that clear.

Mr. KHANNA. That is fair. I yield back.

Mr. FALLON. The Chair now recognizes Ms. Norton for her closing statement.

Ms. NORTON. Thank you, Mr. Chairman. We have heard in this hearing today the United States has grown to be the world leader in liquified natural gas exports in less than a decade. The Department of Energy has already permitted more than 50 billion cubic feet of LNG export capacity. That total of new export capacity eclipses the United States' daily energy use. As I showed earlier, the Biden Administration has paused only a small fraction of possible permits. The Administration paused new permits to perform

a long-overdue update of public interest studies that currently do not reflect reality.

Updating the Nation's permitting policies based on modern information and data is just good government. The world has changed in the last 5 years. Russia invaded Ukraine, leading Europe to end all LNG purchases from Vladimir Putin, leaving them searching for new sources of natural gas. The United States seized this opportunity to help our allies hurt Vladimir Putin and rise from fourth in natural gas exports globally to first in just a few years. At that time, American exporters doubled their capacity.

At the same time, the Inflation Reduction Act and Infrastructure Investment and Jobs Act supercharged domestic green energy production. The Biden Administration has America on a clean energy path that allows us to move forward from fossil fuels like LNG. In the meantime, DOE must update its LNG export public interest analysis to account for the detrimental impacts on the communities that house LNG export locations. Previous assessments overlooked the disproportionate impact on underserved communities and ignored critical questions of environmental justice. I commend the Biden-Harris Administration's actions to right these historical wrongs.

This hearing boils down to a made-up war on energy and an attack on evidence-based policymaking. President Biden and congressional Democrats have charted a path to renewable, affordable energy for all Americans. Thank you, and I yield back.

Mr. FALLON. Thank you very much. I just want to correct the record. Since 2012, the pause that occurred then, and before the studies were complete in 2014 and 2015, the DOE actually issued seven conditional projects. The precedent appears clear to me. And also, we rose to prominence in historical high production levels in the 10-year period where there were zero LNG export bans. And I will say once again, the production levels today are determined by policies and decisions from years ago. The industry wants stability and predictability.

I talked with former Secretary of State Mike Pompeo, and I found something that he said very interesting, that when he was talking to other diplomats, heads of state, *et cetera*, and his counterparts around the world, that he had a lot more pliancy and flexibility when he was negotiating things that were unrelated to energy because of the production levels that occurred during the Trump Administration, and because these nation-states wanted, needed, need what we have an abundance of.

The Biden Administration is simply unserious about energy independence, and I do think there is a war on energy. You can ask the energy industry, and I did not come to Congress, despite what one of my colleagues said, to do the bidding of anyone other than the American people and certainly not the energy sector. I want the free markets to reign, and I found it very interesting as well that, apparently, Joe Biden can prevent natural disasters. I was unaware of that, so that is very interesting. And I do think there is a war on American energy, though, and it is very clear. You can ask the energy industry, and you can see what President Biden did on day one, was canceling the Keystone XL Pipeline and emptying our Strategic Petroleum Reserve.

We had a hearing on that, on the Strategic Petroleum Reserve, and how it is essentially—I do not know what the exact number is as it is now updated—but it is about half of what it was when he came into office. That is absolutely inexcusable, particularly when Mr. Crabtree talked about precedent. The precedent was, when we were drawing down the Strategic Reserve, we were drawing it down sometimes 10 million barrels here, 20 million here, right after a natural disaster, or I think it was the incursion in Libya. We have never drawn it down 200, 300, 350 million barrels ever, and that just happened before a midterm election, so, that is inexcusable.

And I do think that the ban on liquified natural gas exports is also inexcusable because when you have capital-intensive industries and projects, they need reliability, they need stability, they need predictability. They are risking a lot. When they invest that money, there is no guarantee that there is going to be a return, and we all use the energy that they produce. I found it also interesting that at a State of the Union address, the President of the United States said we may need—may need—fossil fuels 10 years from now. I find that remarkable. I think we are definitely going to need them moving forward.

The Department says that because the U.S. leads the world in LNG exports, it needs to update its public interest analysis for LNG permitting, and that requires a pause in permitting. It does not require a pause. You can do both. Again, you can do it at the same time. The update to the analysis will include new studies on LNG's climate impact. After the pause's announcement, White House national climate advisor, she could not even answer questions when asked about the amount of greenhouse gas emissions that this pause would cut in the short term. And there is a good reason to think it will not reduce emissions at all, and I sure as hell think it is not going to prevent any natural disasters.

You know, listen to what 10 of my democratic colleagues wrote President Biden on February 1, 2024, urging him to support U.S. LNG exports, and this is a quote: "If U.S. LNG replaced international coal use by 2030, it would have the equivalent climate impact of electrifying every vehicle in the United States, installing rooftop solar on every U.S. home, and doubling our current wind capacity." That is some bipartisan commonsense. They also wrote, "Every molecule of US LNG exported helps limit the growth of global emissions."

Why then is the Biden Administration willing to say goodbye to one of the most important tools in the tool shed for reducing emissions? The liquified natural gas pause sends the wrong message to the world, as do other clearly political decisions against U.S. energy interests. I think, again, for the record, we should note that this pause, this ban, will only be lifted after the November elections this year. We have heard testimony today explaining how the pause is not affecting domestic price adversely, and how the operational capacity of our LNG exports remains at high levels. What these numbers do not indicate are the market conditions for new LNG facilities and LNG exports which, ultimately, impact prices and our ability to export. LNG is a global commodity. The prices fluctuate based on markets. It is just more coincidental that domes-

tic prices have gone down slightly in the last 3 months. What these numbers do not indicate are market conditions for new LNG facilities and LNG exports, which, ultimately, again, impact the prices and our ability to export.

And to quote, again, one of my Democratic colleagues on February 1 in the letter to President Biden, “It is time to dispel the false narrative that U.S. LNG exports have an impact on domestic prices.” Another quote: “Despite record high LNG exports, U.S. natural gas prices have collapsed since February 2022.” So let us be clear. United States’ LNG exports have not had any sustained and significant direct impact on natural gas prices domestically. Exports of LNG have the potential to add \$73 billion to the U.S. economy and create thousands of, as my colleague, Mr. Higgins said, well-paying jobs. This is economics 101, and really, it is kind of free market for dummies in which the Department of Energy needs to have a lesson in.

Meanwhile, Russia is laughing in our faces. Think about who was pleased by this ban or pause. I think Vladimir Putin and the Kremlin was very happy with it. You know, newspapers in Russia are writing “now it is not Russia but the United States that wants to bring Germans to their knees by denying new American LNG export potential.” Many European Parliament members have expressed regret and concern over the pause in the announcement that came in January. They wrote, “The decision not to allow permits to proceed undermines America’s allies and the Western order more broadly and will give succor to our adversaries and those who wish to divide us. We should reconsider.”

I would like to submit for the record the European Parliament letter and House Democrats’ February 1, 2024 letter to President Biden in the record.

Without objection, so ordered.

The question becomes, if it is not the U.S. supplying affordable and clean and abundant energy to the world, who is going to do it? I think some nefarious actors are going to be very pleased. Our allies around the world are relying on us. We need to provide leadership. We have what not only they want, but what they need, and we need to provide consistent energy supplies at affordable prices. Instead, this Administration has chosen to intentionally create uncertainty within the markets at a time when global tensions are growing increasingly high, particularly considering what is happening in the Middle East right now. America is uniquely situated to provide the world with affordable energy, and it is a blessing, and, you know, we should not hinder our own energy security. The rest of the world will be watching closely the decisions that we make here in Washington, and we urge the Department of Energy to reevaluate and reverse this misguided decision.

I want to thank our witness for coming today, and with that, this Committee hearing is adjourned.

Nope. Nope. One minute.

And with that, and without objection, all Members have 5 legislative days within which to submit materials and additional written questions for the witnesses, which will be forwarded to the witnesses.

Mr. FALLON. If there are no further business, without objection, the Subcommittee stands adjourned.
[Whereupon, at 10:49 a.m., the Subcommittee was adjourned.]

