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ONE HUNDRED SEVENTEENTH CONGRESS

## Congress of the United States

## House of Representatives COMMITTEE ON ENERGY AND COMMERCE

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Majority (202) 225-2927
Minority (202) 225-3641
March 2, 2022

The Honorable Jennifer Granholm Secretary of Energy U.S. Department of Energy 1000 independence Ave., Southwest Washington, D.C. 20585

## Dear Secretary Granholm:

We write with great concern for energy security in the United States and Europe following Russia's invasion of Ukraine. We urge you to act immediately to approve pending liquefied natural gas (LNG) export authorizations that have been delayed by the Department of Energy (DOE). Doing so will provide immediate relief to U.S. workers, energy consumers, and our allies who must diversify away from Russian supplies and funding Putin's war chest.

We are inspired by the people of Ukraine, who are fighting for their self-determination and their freedom. In this moment, we are reminded of the importance of energy security here in the U.S. and abroad. DOE was established in the 1970s to reduce our dependence on foreign oil and protect America's energy security. As we consider the vital role of energy, we believe that American energy is the most effective deterrent to Putin and his aggression. Now more than ever, it is time for DOE to regain focus on its core mission, flip the switch, and unleash American oil and gas production and exports.

Unfortunately, it is now clear that the Administration's anti-American energy polices have weakened our energy security by contributing to the U.S. and Europe's growing dependency on Russian oil and natural gas. Since President Biden took office, the Administration has revoked the permit for the Keystone XL pipeline, imposed a moratorium on fossil energy development on Federal lands and waters, and stifled U.S. energy production through bureaucratic delays and regulatory uncertainty. As a result, the prices of crude oil and many energy commodities have risen to seven-year highs, U.S. inflation is surging, and Russia has strengthened its grip on European energy supplies and global markets.

It is past time to restore energy security as a central goal of American energy policy. As you know, the United States is the world's leading producer of natural gas and is on track to be the world's largest exporter by the end of 2022. America must unleash our vast reserves of energy. U.S. energy workers can produce significantly more oil and natural gas than they do today, which will boost our economy, and improve both American energy security and the security of our allies, who are currently dependent on Russian oil and natural gas.

At present, a lack of pipeline and LNG export capacity is hampering our ability to respond to global energy price spikes and support allies in Europe. Regulatory uncertainty and delays surrounding pipeline approvals have already led to the cancelation of at least four major U.S. pipeline projects that could have served more than 25 million homes. The cancelation of these four pipelines has already restricted nearly 10 percent of U.S. natural gas production.<sup>2</sup> And other pipelines, like Line 5, which is critical to providing fuels to Michigan and Ohio, are under threat. We are concerned that politically motivated opposition to other proposed infrastructure projects will inflict further damage to our energy industry.

We understand there is a growing list of pending projects to increase America's pipeline and LNG export capacity that have been inexplicably delayed by DOE. Taken together, we understand the proposed export projects would create U.S. jobs, encourage additional U.S. production growth, and enable the U.S. to deliver several billion cubic feet per day of natural gas to our allies in Europe and around the world.

Pursuant to the Natural Gas Act (P.L. 75-688), DOE maintains limited authority to review applications for the export of natural gas. Applications for cross-border pipeline exports must be granted without modification or delay. LNG export authorizations to non-Free Trade Agreement countries must be granted unless it is found to be inconsistent with the public interest. DOE's delay in approval of the pending applications is unacceptable, especially given that DOE has conducted three extensive macroeconomic studies concluding that the United States would see net economic benefits from exports of domestically produced LNG.<sup>3</sup>

In light of our oversight responsibilities over national energy policy, and to assist with our assessment of America's energy security challenges, we ask that you respond to the following by March 9, 2022.

1. How much oil and LNG is imported into the U.S. and what amount comes from Russia? What steps is the Administration taking to reduce our reliance on Russian imports?

<sup>&</sup>lt;sup>1</sup> U.S. Energy Information Administration. (December 9, 2021). *U.S. liquefied natural gas export capacity will be world's largest by end of 2022*. https://www.eia.gov/todayinenergy/detail.php?id=50598

<sup>&</sup>lt;sup>2</sup> See Letter to Department of Energy Secretary Granholm from Toby Rice, President and CEO of EQT Corporation. (February 16, 2021).

<sup>&</sup>lt;sup>3</sup> See U.S. Department of Energy. (June 12, 2018). *LNG Export Studies*. https://www.energy.gov/fecm/downloads/lng-export-studies. In 2012, 2015, and again in 2018, DOE has released studies to assess the macroeconomic impacts of LNG exports.

- 2. How much Russian oil and natural gas is imported by Ukraine and other countries in Europe?
- 3. How much oil and LNG do we currently export to Ukraine and other European countries? What steps is the Administration taking to expeditiously increase exports to Ukraine and other European countries?
- 4. Please provide a list of all natural gas import and export applications that are pending before DOE. Please also include a description of the application, the schedule for final decision, and an explanation for any delays that may prevent the project from meeting its proposed in-service date.
- 5. Explain what steps DOE is taking to expedite the authorization of new pipelines and LNG export capacity to encourage U.S. natural gas production growth and to support European energy security.

We appreciate your prompt attention to this request. Please have your staff work with our Minority Committee staff to address any questions about complying with this request.

Sincerely,

Cathy McMorris Rodgers Republican Leader

Republican Leader

Committee on Energy and Commerce

Fred Upton

Republican Leader

Subcommittee on Energy

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