



The Secretary of Energy

Washington, DC 20585

March 21, 2022

The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

Dear Representative McMorris Rodgers:

Thank you for your March 2 letter urging the Department of Energy to act immediately to approve pending liquefied natural gas (LNG) export authorizations.

Oil and gas production dropped dramatically in recent years, due in part to the pandemic and in part due to structural adjustments in the industry and its capital financing. As the Nation emerged from the pandemic, demand rose. This mismatch in supply and demand caused an uptick in oil and gas prices in late 2021. This situation was further exacerbated by the unprovoked invasion of Ukraine by Russia, which continues to jar global energy markets and drive-up energy prices.

In recent weeks, I have been meeting with domestic energy producers as well as with producing countries to encourage production and grow available supplies. The U.S. Energy Information Administration's (EIA) latest Short-Term Energy Outlook shows that the U.S. market is poised to reach record natural gas and near-record crude oil production levels in 2022.

Right now, energy security is more important than ever. Vladimir Putin's unjustified and unprovoked invasion of Ukraine is already disrupting global oil markets and increasing oil prices. The United States has been coordinating with our allies and partners around the world to increase global energy security. We are prepared to help our allies and leverage our role as a net exporter of oil and natural gas, while minimizing harm to American families. That is why I chaired an emergency meeting of the International Energy Agency on March 1, 2022, where all 31 member countries committed to release a collective 60 million barrels of oil from strategic petroleum reserves. The United States agreed to contribute half—President Biden authorized a release of 30 million barrels from the Strategic Petroleum Reserve. The President also signed the Executive Order banning all imports of Russian oil, natural gas, and coal and limiting investment in Russia's energy sector. This means Russian energy will no longer be accepted at U.S. ports, and the American people will deal another powerful blow to Putin's war machine. And we stand prepared to take additional measures if conditions warrant.

The President and I believe strongly that Americans should have access to affordable energy. As the U.S. economy recovers from the pandemic and as demand for energy increases, the President is looking at every available tool to reduce prices for hard-working Americans and their businesses, including the Low-Income Home Energy Assistance

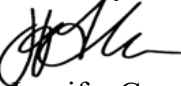
Program (LIHEAP) and the Department of Energy's (DOE) Weatherization Assistance Program to help support families facing high heating costs.

The President's American Rescue Plan included \$4.5 billion for LIHEAP on top of the annual budget for this program. LIHEAP helped provide over five million homes with an average of \$439 to help with heating costs in 2020. Further, the Bipartisan Infrastructure Law provides \$3.5 billion to expand DOE's Weatherization Assistance Program. I am working quickly to release these funds so low-income homeowners can realize the benefits of improved energy efficiency. The Administration will continue to work directly with states to get energy assistance funds deployed.

While we strive to maintain domestic energy security and affordable prices for Americans, we are also determined to support our allies' efforts to reduce their dependency on Russia. On March 16, DOE issued two orders that enable the currently operating Sabine Pass (LA) and Corpus Christi (TX) LNG projects to export additional LNG to non-free trade agreement countries, which includes the member nations of the European Union. With this action, every operating U.S. LNG export project has authority to export all of its approved capacity to both free trade countries and non-free trade agreement countries alike. So far in 2022, approximately 75 percent of U.S. LNG exports have gone to Europe. Overall, U.S. LNG exports are at all-time highs and at or near the operating capacity of over 12 billion cubic feet per day (Bcf/d). U.S. LNG exports are expected to further increase throughout this year and 2023 as additional capacity comes online.

At the same time, we must address climate change and deploy more clean energy at home and around the world. Clean energy is diverse, cheap, and reliable. Best of all, clean energy is homegrown. It will make us more energy independent and less vulnerable to price shocks from volatile oil and gas markets. The Bipartisan Infrastructure Law, coupled with the President's full climate agenda, will give American families and businesses more options for cleaner and more affordable energy – options that will help protect them and the U.S. economy from the price volatility associated with today's energy mix. Moreover, with the global clean energy market on pace to exceed \$23 trillion by the end of the decade, the shift to clean energy is also creating good-paying jobs and a highly talented energy workforce to power the future. By scaling up the development and deployment of clean energy technologies, DOE is helping to put Americans in construction, skilled trades, advanced manufacturing, and engineering jobs to expand clean energy supply chains, build clean energy infrastructure, and ensure that clean energy solutions can benefit every American worker and community.

The imperative to stop our reliance on fossil fuels in order to protect the climate has long been clear, but high energy prices only reinforce the need to diversify our energy sources. We are on the cusp of the most important transition human society has ever seen, and I hope 2022 will be the year the world – and the United States – takes giant steps to improve energy security and tackle climate change.

Sincerely,

Jennifer Granholm