

**Written Testimony of John Beard, Jr.**  
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House Committee on Energy and Commerce  
Subcommittee on Energy, Climate, and Grid Security

Field Hearing on “Biden’s LNG Export Ban: How Rush-to-Green Politics Hurts Local Communities and  
U.S. Energy Security”

Monday, April 8, 2023

Good afternoon Chairman Jeff Duncan and members of the subcommittee.

Thank you for inviting me here today and for coming to my hometown of Port Arthur, Texas. Members and their staff have an open invitation to visit our community and learn first hand about the impacts liquified natural gas infrastructure has had on Port Arthur’s public health and local economy.

I am a longtime resident who spent decades working for the oil and gas industry and served the people of this town as a city council member and mayor pro-tem; I have seen the devastating impacts firsthand.

**Port Arthur as a sacrifice zone.**

Port Arthur is a sacrifice zone, a community inundated with over 120 years of pollution from industries that take their profits and leave us with toxic waste that harms our air, water, and bodies. Since the early 1900s, the oil, gas, and petrochemical industries have extracted incredible profits from Port Arthur while endangering the lives and health of community residents. When compared to people living just 25 miles away, residents of Port Arthur are much more likely to suffer from conditions such as heart and respiratory ailments, nervous system disorders, and other complications due to our proximity to hazardous facilities. Today, dozens of oil refineries, liquid natural gas (LNG) terminals, chemical manufacturing plants, and other polluting facilities are located just feet from homes, businesses, schools, and places of worship.

Port Arthur is home to facilities like Motiva, the largest refinery in America, that flares gas and release harmful methane emissions; TotalEnergies, the third highest emitter of benzene in America; Valero, with over 600 air quality violations in a recent 5 year period; OxBow Calcining, with over 11,880 tons of sulfur compounds and particulate emissions yearly; German Pellets, which emits sawdust and odors laced with formaldehyde used in making wood pellets; and Cheniere’s Sabine Pass LNG, with its constant flaring, and formaldehyde emissions in excess of EPA exposure limits.

- According to the EPA, the 28 largest emitters in Jefferson County (where Port Arthur is located) emitted more than 27 million metric tons of greenhouse gas emissions in 2022 alone.
- Much of Port Arthur is in the 90th percentile or above for incidence of heart disease and the 90th percentile for asthma. Furthermore, cancer rates among African Americans living in Jefferson County are 16% higher than that of the average Texan.<sup>1</sup>
- Nearly 29% of Port Arthur’s residents have no health care coverage, making it nearly impossible to receive the treatment they need.<sup>2</sup>

I, and members of my community here in the audience today, live in the shadow of these massive dirty energy facilities. When the Members of Congress leave here today, it is us – the community of Port Arthur – that are left to breathe in this toxic air day in and day out.

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<sup>1</sup> State Cancer Profiles - Incidence Rates Table, National Institutes of Health, National Cancer Institute, <https://statecancerprofiles.cancer.gov/incidencerates/index.php?stateFIPS=48&areatype=county&cancer=040&stage=211&race=00&sex=0&age=001&type=incd>.

<sup>2</sup> “The End of the Line for an Economic Myth,” Environmental Integrity Project, <https://environmentalintegrity.org/what-we-do/oil-and-gas/the-human-cost-of-energy-production/port-arthur-texas/>.

This is why the Biden Administration's pause on the approval of some LNG projects is just common sense. It gives the Department of Energy time to understand the full impacts of these projects on communities like Port Arthur and make a more informed public interest determination. Previous reviews of public interest determination have lacked a comprehensive consideration of the cumulative impacts on environmental justice communities, which is why communities like Port Arthur continue to be burdened with heavy industrial pollution.

The purpose of the pause is to ensure federal agencies act in the public's best interest— not in the interest of oil and gas corporations that are bringing in record profits. The U.S. has rapidly become the largest exporter of gas. This pause ensures that unconstrained gas exports do not jeopardize our national security, harm American families with higher energy bills, increase air and water pollution, or make important climate solutions out of reach.

That evaluation should look not only at the cumulative public health impacts, but also the climate impacts of such projects. Climate change is impacting my community, with more intense and frequent hurricanes, as well as rising sea levels. Since 2005, Port Arthur has been hit by 5 major hurricanes, the last, Harvey in 2017, dumped a U.S. record 60.58 inches of rain in the city and vicinity. Communities across the country are experiencing increasing frequency and intensity of droughts, wildfires, floods and other perils, which scientists are telling us are a direct result of climate change. These impacts are a double whammy from the fossil fuel industry for my community and the fact that these are not considered in evaluating projects that researchers are telling us are worse for the climate than coal.

**The economic costs of dirty energy are too high.**

LNG exports also make energy more expensive for Port Arthur and communities across our country. Research shows that if pending LNG projects affected by the pause are approved, the price of natural gas for electric power here in Texas will go up 42%!<sup>3</sup> LNG export terminals would increase natural gas costs for American households, businesses, and industry by 9 to 14% each year. Annual heating bills for an average American household heating with natural gas could increase by \$20 to \$40 per year.<sup>4</sup> Families, especially families with less wealth, are already struggling with inflation. We cannot afford to have our electricity prices nearly double! We'd also see prices go up 13% in South Carolina and Virginia, 24% in Utah, and on and on in all of your districts<sup>5</sup>.

There's no question that the cost of living is the most essential concern for countless Americans – and curbing the expansion of LNG exports could show the administration is working to provide some relief.

- Currently, as a result of LNG exports, domestic consumers will face \$14.3 billion in higher annual energy costs, according to an analysis from Public Citizen.<sup>6</sup> The Institute for Energy Economics and Financial Analysis put it plainly: "LNG exports have raised natural gas prices for U.S. households."<sup>7</sup>

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<sup>3</sup> Slocum, Tyson. "LNG Exports Cause Domestic Energy Insecurity," *Public Citizen*. <https://www.citizen.org/wp-content/uploads/LNG-Consumer-Cost-Fact-Sheet-09.11.23.pdf>.

<sup>4</sup> Ibid.

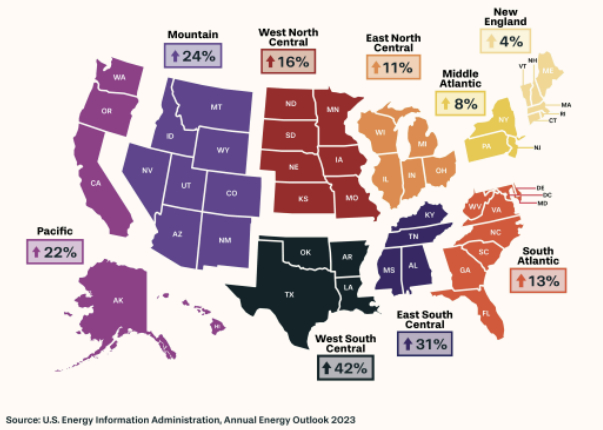
<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Williams-Derry, Clark. "LNG exports have raised natural gas prices for U.S. households," *Institute for Energy Economics and Financial Analysis (IEEFA)*, Nov. 30, 2023, <https://ieefa.org/resources/lng-exports-have-raised-natural-gas-prices-us-households>.

## Projected Percent Increase in the Price of Natural Gas for Electric Power Driven by LNG Exports, by U.S. Region

If the U.S. continues the rapid buildout of LNG export facilities, continued long-term LNG exports could significantly increase the price of natural gas delivered to electric utilities, resulting in increased costs for U.S. consumers.



- Meanwhile, the U.S. Energy Information Administration released an analysis on May 23, 2023 concluding that increased LNG exports directly result in higher energy prices for American consumers: “higher LNG exports create a tighter domestic natural gas market (all else held equal), increasing domestic natural gas prices.”<sup>8</sup>
- In 2021, the Wall Street Journal reported “that natural-gas exports are pushing domestic prices higher...The pinch shows a growing tension between exporters and buyers who have enjoyed cheap gas for more than a decade. Some manufacturing and chemical companies have built entire businesses around low U.S. gas prices...Utilities from the Pacific Northwest to New England have filed regulatory requests to raise rates for natural gas this winter, citing a supply squeeze as a result of higher global demand...the U.S. is exporting a larger share of its natural gas than it ever has, and shale producers aren’t quickly ramping up in response to high prices...some of the biggest natural-gas producers have vowed to keep investments in production growth low.”<sup>9</sup>
- The U.S. Energy Information Administration determined that the shutdown of Freeport LNG in Texas following the June 2022 fire drove “down the wholesale price of natural gas by almost one-third as a result of reduced demand.”<sup>10</sup> Further build-out of LNG facilities will only exacerbate an inherently volatile industry.

**The pause on LNG exports has support both domestically and internationally.**

<sup>8</sup> York, Stephen, “Issues in Focus: Effects of Liquefied Natural Gas Exports on the U.S. Natural Gas Market,” March 16, 2023, *U.S. Energy Information Administration*, [https://www.eia.gov/outlooks/aeo/IIF\\_LNG/](https://www.eia.gov/outlooks/aeo/IIF_LNG/).

<sup>9</sup> Eaton, Collin, “Natural-Gas Exports Lift Prices for U.S. Utilities Ahead of Winter,” *The Wall Street Journal*, Nov. 7, 2021, <https://www.wsj.com/articles/natural-gas-exports-lift-prices-for-u-s-utilities-ahead-of-winter-11636281000>.

<sup>10</sup> “Today in Energy: Fire causes shutdown of Freeport liquefied natural gas export terminal,” *U.S. Energy Information Administration*, June 23, 2022, <https://www.eia.gov/todayinenergy/detail.php?id=52859>.

Contrary to the narrative of this hearing, President Biden's pause has broad support both here and abroad. Our allies have told us that they do not want our gas. A letter from over 60 Members of the European Parliament pointing out that Europe does not need more gas and imploring the Biden Administration to evaluate the impact of LNG on US communities, as well as our shared climate.<sup>11</sup>

Public health leaders, environmental organizations, and citizens from across the United States have all voiced their concern about the Department of Energy's record on LNG export license approvals. Those engaged include:

- 60+ members of Congress signed a letter urging DOE to update how the agency determines if new licenses for LNG exports to non-free trade agreement countries are in the public interest by accounting for climate, environmental justice, and economic considerations.<sup>12</sup>
- More than 230 climate, environmental justice, faith, economic, and public health organizations signed a letter urging the rejection of CP2 and an overhaul of the DOE's public interest determination.<sup>13</sup> These include For A Better Bayou, Louisiana Bucket Brigade, Sierra Club, League of Conservation Voters, Natural Resources Defense Council, Franciscan Action Network, Friends of the Earth, Oil Change International, Food & Water Watch, Third Act, Bold Alliance, Center for Biological Diversity, Center for Oil and Gas Organizing, Vessel Project of Louisiana, Greenpeace USA, Gen-Z for Change, and many more.
- Nearly 500,000+ Americans have signed petitions to stop CP2 and LNG exports.<sup>14</sup> 240,000+ were generated from social media influencers encouraging their followers to join the campaign, while organizations including Hip Hop Caucus, Sierra Club, Action for the Climate Emergency, Third Act, Fossil Free Media, League of Conservation Voters, Greenpeace, Earthjustice, and others generated tens of thousands more. The first batch of these signatures was delivered to DOE on November 30 in an event featuring frontline leaders and broadcast by TV outlets nationwide.
- A coalition of 30 national and local public health organizations, representing a combined 70,000+ health professionals and members, signed a letter to President Biden urging him to stop the buildout and deny permits to Venture Global's CP2 LNG terminal.<sup>15</sup>

Further research done by Data for Progress and Fossil Free Media confirms these results.<sup>16</sup> In a nationwide poll done in November 2023, Data for Progress found:

- 60% of voters support limits on natural gas exports by a 2-to-1 margin and want to see new export facilities paused until the proper reviews are completed.

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<sup>11</sup> Letter from 60 Members of the European Parliament to President Joe Biden, Jan. 25, 2024, <https://www.marietoussaint.eu/actualites/lettre-joe-biden>.

<sup>12</sup> Bicameral letter from 60+ Members of Congress to U.S. Department of Energy, Nov. 14, 2023, <https://www.merkley.senate.gov/merkley-huffman-barragan-mcclellan-colleagues-new-liquified-fossil-gas-licenses-not-in-the-publics-interest/>.

<sup>13</sup> Letter from 230 climate, environmental justice, faith, economic, and public health organizations to U.S. Department of Energy, Dec. 11, 2023, [https://www.sierraclub.org/sites/default/files/2023-12/External%20Organization%20Stop%20CP2%20LNG%20Sign%20On%20Letter\\_Dec%2011.pdf](https://www.sierraclub.org/sites/default/files/2023-12/External%20Organization%20Stop%20CP2%20LNG%20Sign%20On%20Letter_Dec%2011.pdf).

<sup>14</sup> Petition for the Biden Administration and the U.S. Department of Energy to stop CP2 LNG, <https://www.sierraclub.org/cp2-lng-gulf-dirty-fuels-campaign>.

<sup>15</sup> Letter to President Biden from 30 national and local public health organizations warning the health impacts of LNG, [https://www.gulfwithoutlng.org/health?utm\\_campaign=C%26S+-+LNG+%7C+A+Gulf+Without+LNG&utm\\_source=twitter&utm\\_medium=social&utm\\_content=Dr%26s+Sign+On+Letter](https://www.gulfwithoutlng.org/health?utm_campaign=C%26S+-+LNG+%7C+A+Gulf+Without+LNG&utm_source=twitter&utm_medium=social&utm_content=Dr%26s+Sign+On+Letter).

<sup>16</sup> "Voters Support Limiting Natural Gas Exports," *Data for Progress*, Nov. 14, 2023, <https://www.dataforprogress.org/blog/2023/11/14/voters-support-limiting-natural-gas-exports>.

- Voters across partisan lines support a proposal to pause all LNG export projects until their impact on local communities, the environment, and energy prices are properly assessed.

I thank President Biden and the Department of Energy for working towards a robust and thorough evaluation of the cumulative impacts of the fossil fuel industry on communities like Port Arthur. I urge Congress to not use communities disproportionately burdened by the fossil fuel industry, and who are supportive of the pause on LNG export project approvals, as bargaining chips. The pause should not be tied to other critical legislative packages and traded away to benefit dirty energy's blind pursuit of profits.

Thank you for the opportunity to testify.

John. Beard, Jr.