

United States Senate

WASHINGTON, DC 20510

October 5, 2017

The Honorable Rick Perry
Secretary, U.S. Department of Energy
1000 Independence Avenue SW
Washington, D.C. 20585

Dear Secretary Perry,

We write in support of the Department of Energy's (DOE) proposed rule (RIN 1901-AB43) to expedite the approval of small-scale exports of natural gas. We appreciate this proposal and the series of steps the Department has taken to decrease burdensome regulations and increase the United States' energy security.

Companies involved in the U.S. natural gas industry, throughout the entire supply chain, stand to be major beneficiaries of this proposed rule. As stated by the Department, this proposed rule will primarily service consumers in small-scale natural gas export markets in the Caribbean, Central America, and South America. The Caribbean small-scale LNG export market represents a relatively untapped outlet as the United States only exported approximately three billion cubic feet of natural gas to the region in 2016.¹ Increasing exports of U.S. liquefied natural gas (LNG) will decrease Caribbean and Central American reliance on Venezuelan fuel oil, increase economic opportunities, and offer a cleaner-burning fuel source for those nations.

The LNG export market is a growing and promising opportunity, and the United States is well positioned to meet the anticipated four to five percent annual growth in global natural gas demand.² According to the Energy Information Administration, the U.S. has an estimated 2,355 trillion cubic feet of technically recoverable natural gas, enough to last an estimated 86 years at current consumption rates.³ As the United States has increased LNG exports in recent years, natural gas prices have remained low for domestic energy users.

U.S. natural gas offers a cleaner alternative to the fuel sources relied upon by many Caribbean, Central American, and South American countries. In 2014, Jamaica generated over 90% of its

¹ (2017, August 31). *U.S. Natural Gas Exports and Re-Exports by Country*. Retrieved from https://www.eia.gov/dnav/ng/ng_move_expc_s1_a.htm.

² *Shell LNG Outlook 2017*. Retrieved from http://www.shell.com/energy-and-innovation/natural-gas/liquefied-natural-gas-lng/lng-outlook/jcr_content/par/textimage_1374226056.stream/1488553856456/88c077c844a609e05eae56198aa1f92d35b6a33cc624cf8e4650a0a6b93c9dfb/shell-lng-outlook-2017-overview.pdf.

³ (2017, July 25). *Frequently Asked Questions*. Retrieved from <https://www.eia.gov/tools/faqs/faq.php?id=58&t=8>.

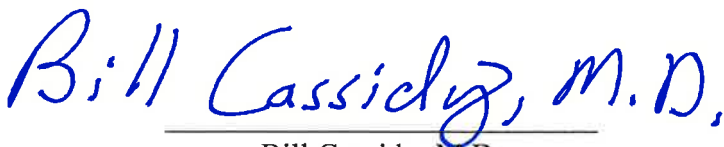
electricity from fuel oil, with no electricity generated by natural gas.⁴ If this rule is implemented, cheap U.S. LNG could offer countries like Jamaica a cleaner fuel source with which to generate electricity.

The current permitting process for LNG export facilities is expensive, and small-scale projects often are not cost effective under current conditions. Reducing the time and investment required for small-scale exports will benefit U.S. production, manufacturing, and construction jobs while also reducing trade deficits with the importing country. Increasing LNG exports, even on a small scale, will positively impact the economies of the United States as well as the economies of those receiving U.S. natural gas.

This rule would expedite the exportation of natural gas, creating well-paying jobs in the United States and contemporaneously offering a cleaner burning and inexpensive fuel source for Caribbean countries. Without this rule, U.S. investment will remain sidelined and our allies in the Caribbean will continue to pay higher energy prices for less reliable fuel sources. The federal government should facilitate U.S. natural gas exports, and we support policies that make U.S. natural gas more accessible.

We support this proposed rule, and look forward to working with you and the Department to advance our shared goal of United States energy dominance.

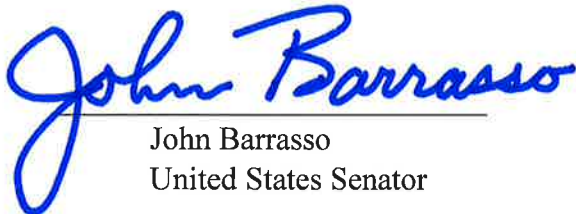
Sincerely,



Bill Cassidy, M.D.
United States Senator



Lisa Murkowski
United States Senator



John Barrasso
United States Senator

⁴ 2017. *Jamaica: Electricity and Heat for 2014*. Retrieved from <https://www.iea.org/statistics/statisticssearch/report/?year=2014&country=Jamaica&product=ElectricityandHeat>.