

Chairman Manchin's Opening Remarks During a Full Committee Hearing to Examine the Administration's Pause on LNG Export Approvals and the Department of Energy's Process for Assessing LNG Export Applications

- The committee will come to order.
- Before we move to today's business, I want to extend condolences on behalf of our entire committee and staff to Senator Barrasso, who this past weekend laid to rest his extraordinary wife Bobbi.
- It's clear that Bobbi's loved ones will cherish her memory as a leader for the great state of Wyoming and a devoted wife and mother.
- Turning to the purpose of today's hearing, we are meeting to get to the facts on the administration's pause of new LNG export approvals to non-Free Trade Agreement countries, like our friends in Europe.
- Of course, I believe that our first priority is ensuring that none of our exports harm U.S. families, businesses, or our economy.
- Beyond that, we also have a responsibility to our allies and trading partners who may have no other choice but to turn to countries that don't share our values if they can't count on American support.
- The United States has shown that we can do both of those things.
- Over the past seven years, our LNG production has ramped up from essentially no exports in 2016 to a peak capacity of around 14 billion cubic feet (bcf) per day today, which is about 14% of current U.S. production capacity and more than any other exporting nation.

- To support these increased exports, we're producing more energy than ever in our country—4.7 billion barrels of crude oil and 37 trillion cubic feet of gas in 2023.
- And during that time, our domestic natural gas prices have remained flat on average—the average Henry Hub price was about \$2.50 both in 2016 and in 2023.
- But at the same time as we're producing and exporting more than ever, American consumers are also using a record amount of gas—now more than 32 trillion cubic feet annually.
- So let me be clear—a lot has changed in a few years and there are sensible reasons to update the market assessments that DOE uses when reviewing export applications to ensure the trajectory we're on won't risk harming American families and businesses.
- But these types of decisions should be firmly based on facts, not politics.
- Unfortunately, the administration hasn't actually done its new market assessment yet or presented us any facts that justify this pause at all.
- They do throw around some data points—for example they tout that the U.S. is on track to export 26 billion cubic feet per day by the end of this decade, between facilities currently operating and those now under construction.
- But my question is this: where is the analysis showing that 26 is the magic number?
- It seems to me that 26 billion cubic feet per day is just what happened to be in the hopper when the White House made the political calculation to pause export approvals.

- The White House has gone out of its way to signal that the pause is a political ploy intended to get votes in an election year—it’s all about politics, not economics and not based in facts.
- Between the two statements issued by the White House announcing the pause, climate and environmental issues are mentioned more than 35 times. All combined, consumer costs, energy security, and helping our allies are mentioned less than half as much.
- In one egregious example that clearly politicizes this issue, the White House statement accuses “MAGA Republicans” of “willfully denying the urgency of the climate crisis.”
- This statement is just intended to antagonize and will not help solve any actual problems. It shows disregard for any efforts to build bipartisan support on a reasonable, sensible approach to protecting both consumers and the environment.
- Shockingly, in the White House statements there is no reference at all to the crisis created by Putin’s invasion of Ukraine, to the growing instability in the oil and gas producing regions in the Middle East following Hamas’s attack on Israel, or to any other crisis that U.S. LNG exports can help address.
- Again and again, this White House has shown that it is so concerned with indulging radical climate activists that it’s willing to play politics with our energy security and that of our allies.
- This reminds me all too well of the administration’s misguided and unlawful pause on oil and gas leasing which I know my fellow committee members will recall.
- Simply put: politicizing LNG exports is reckless and dangerous, and it could empower and enrich Russia, Qatar, and Iran.

- Deputy Secretary Turk, if I'm correct, DOE is just now beginning its new analysis of the economic impacts of our growing export levels. If that is the case, this pause should be reversed immediately.
- Facts must come before action, not the other way around.
- Unfortunately, it seems the White House has already sided with climate activists determined to block any more LNG exports, and I am deeply concerned the White House will put its thumb on the scale at DOE to get the political outcome they want.
- And with actions like this that have direct impacts on our own economy and countries around the world, I'm disappointed that this administration has attempted to avoid seeking the advice and consent of the Senate by changing the title of their climate envoy.
- I'm confident that today's hearing will paint a clear picture regarding the facts about the LNG market and motivations behind this pause.
- I am grateful that Deputy Secretary Turk has joined us once again today to answer these serious questions.
- Mr. Turk, I commend you for always being willing to appear before this committee, even on contentious topics such as this.
- I'm also glad to have our second panel of experts from the energy sectors in both the U.S. and Europe to help us understand the facts about trans-Atlantic LNG trade and the impacts on each of our respective economies.
- And with that I'll turn it over to Ranking Member Barrasso for his opening remarks.

- Thank you, Senator Barrasso.
- We have two panels of witnesses today. For our first panel, we have the Honorable David Turk, Deputy Secretary of Energy. Mr. Turk, we'll now turn to you for your remarks.
- Thank you. Now we'll turn to questions for Deputy Secretary Turk.
- We'll now thank Mr. Turk and bring up our second panel. For our second panel we have:
 - Mr. Charlie Riedl, Executive Director of the Center for LNG;
and
 - Dr. James Watson, Secretary General of Eurogas
- Mr. Riedl, we'll begin with your remarks.
- Thank you. Now we'll turn to Dr. Watson.
- Thank you all again for being here with us and for your testimony. We'll now turn to questions for our second panel.