

# The Climate Costs of America's LNG Exports

The U.S. Department of Energy (DOE) has an unmissable opportunity to determine that new LNG exports aren't in the public interest.

**Big Polluters have rapidly expanded liquified "natural" gas (LNG) export infrastructure across the American Gulf South over the past decade.** In the process, fossil fuel corporate giants have <u>poisoned</u> frontline communities, <u>exploited</u> consumers, and <u>shipped</u> planet-heating climate pollution to the rest of the globe. How could this dirty fossil expansion possibly be in the public interest? Spoiler alert: It isn't.

That's why it was a huge deal when the Biden-Harris administration announced a historic\_pause on reviewing LNG export applications to non-Free Trade Agreement (FTA) countries. This pause was hard-fought-and-won by Gulf Coast <u>leaders</u> and <u>activists</u>, and it showed that the Biden-Harris administration is <u>willing to take a stand</u> against the fossil fuel industry.

As part of the LNG pause, the U.S. Department of Energy (DOE) announced that it would <u>review</u> the environmental and economic analysis that informs the agency's decision-making process for approving new LNG exports. This analysis helps DOE determine whether LNG export terminals are in the "public interest"—and therefore, if these dangerous mega-projects get approved or not. **This gives DOE an unmissable opportunity to correct the agency's track record of recklessly rubber-stamping these harmful mega-projects.** But ahead of DOE's updates to the public interest determination analysis, Big Polluters and Republicans are <u>trying to undersell</u> the grave environmental, economic, and community costs of LNG. Their goal? To maintain the approvals of these dirty and lucrative mega-projects. Fossil fuel corporations have long lined their pockets at the expense of our climate and frontline communities, while systematically greenwashing the harms associated with LNG export infrastructure. And Republicans, who have unapologetically supported a profit-driven fossil fuel agenda, have leapt to the defense of Big Polluters' business interests. After 16 Republican Attorneys General filed a motion to put the LNG pause on hold, a Trump-appointed judge in Louisiana recently granted a preliminary injunction to halt the Biden-Harris LNG pause.

Let's be clear: This preliminary injunction is a <u>paper tiger</u>. There is nothing in the order compelling DOE to approve new LNG export authorizations. **DOE still has clear statutory authority to robustly update the analysis that underpins its LNG public interest determination (PID)—and that's exactly what it should do.** No sound analysis that accounts for the full climate and environmental justice harm inflicted by LNG exports could possibly determine that these facilities are in the public interest. The future Harris administration's DOE would have full authority to complete an ambitious public interest determination update, which is slated to be finished in the first quarter of 2025.

This memo spotlights the climate harms associated with LNG exports, showing that new LNG export authorizations are plainly not in the public interest. We offer three big takeaways:

1. LNG is a climate disaster—and it disproportionately harms frontline communities in the Gulf South. We'll trace the lifecycle climate pollution of LNG across the supply chain, including through the mega-project export terminals, showing that they harm our planet and poison communities living in southwest Louisiana and Texas, who bear the brunt of <u>fossil fuel racism</u>. We'll also show that LNG expansion is wildly out of step with our national and international climate goals, a finding that must be taken into account in DOE's updated PID studies.

- 2. A second Trump administration would spell an LNG disaster for our climate, as well as communities living near export terminals. This memo will analyze public statements by former President Trump and the Heritage Foundation's Project 2025 agenda to show that their LNG policies would further unleash climate chaos.
- 3. The Harris administration's DOE has a historic opportunity to get the public interest determination process right. Drawing upon their clear legal authority under the *Natural Gas Act*, DOE can update its analysis to fully account for the tremendous cost of LNG export terminals to climate, frontline communities, public health, and our economy. Full accounting for these costs would clearly show that new LNG export authorizations are not in the public interest. You can read our detailed policy recommendations on page 17.

While this memo focuses on the climate costs of LNG exports, there's a full range of environmental justice, economic, biodiversity, and <u>global security</u> reasons why LNG exports are not in the public interest. To learn more, we recommend these resources:

LNG infrastructure disproportionately harms low-income communities and communities of color. Frontline leaders, like Roishetta Ozane from the <u>Vessel</u> Project, have written <u>extensively</u> on deep injustices caused by LNG facilities sited on the Gulf Coast, including health impacts. The Bullard Center <u>details</u> the cumulative impacts of LNG buildout in Louisiana and Texas, amplifying the experiences of <u>frontline leaders</u> in the Gulf. This <u>article</u> clearly outlines the history of fossil fuel racism, while the Louisiana Bucket Brigade <u>spotlights</u> the numerous harms of Cameron LNG and Calcasieu Pass on local communities.

**Ending the LNG pause could** <u>increase</u> **the price of "natural" gas for domestic consumers,** according to <u>Energy Innovation</u>. <u>NRDC</u> points out the increased volatility risks of additional LNG facilities. And that's not to mention that climate pollution from building new fossil fuel infrastructure could supercharge future economic costs associated with climate damage.

### LNG 101: What is Liquified "Natural" Gas?

Liquified "natural" gas (LNG) is fossil gas that has been <u>super-cooled</u> and condensed into a liquid state, allowing it to be stored and shipped to destinations around the globe. Once LNG arrives at its destination, it is typically reconverted to fossil gas (also branded as "natural" gas) and <u>combusted</u> to generate electricity, heat homes or businesses, and is used in certain cooking or industrial processes.

Contrary to Big Polluters' greenwashing efforts, LNG is far from a "clean" fossil fuel. LNG is mostly composed of methane, a highly potent greenhouse gas that is <u>84-87 times more potent</u> than carbon dioxide over a 20-year timeframe. Methane pollution is emitted throughout the gas supply chain, <u>lost</u> through regasification and liquefaction facilities, <u>leaked</u> from pipelines and wells, and intentionally flared. Carbon pollution is also emitted, mainly through upstream emissions, the energy-intensive liquefaction process, and during end-use combustion. Meanwhile, LNG terminals <u>release</u> harmful air pollutants like nitrogen oxides, sulfur dioxide, carbon monoxide, and volatile organic compounds that pose health risks to nearby communities. Recent <u>analysis</u> from the Bullard Center finds that the location of LNG facilities in the Gulf are typically sited in areas that are disproportionately home to communities of color with low incomes.

Fossil fuel companies will point out that when "natural" gas is combusted, it emits less carbon dioxide pollution than coal or oil. This framing misrepresents the real climate impacts and often <u>fails</u> to accurately measure the full supply chain impacts of LNG, including the carbon and methane pollution from production, shipping, energy-intensive conversion liquefaction and regasification processes, leakage, flaring, and more. For more details on LNG's lifecycle pollution, <u>go to page 8</u>.

## America's Reckless Expansion of LNG Exports

The United States is currently the world's <u>largest LNG exporter</u>. But this wasn't always the case. Throughout the 1990s and 2000s, America's LNG export rates were relatively <u>low</u> and flat. All this changed in 2016, when <u>Lower 48</u> states began exporting LNG, particularly from the <u>Gulf Coast</u> in southwest Louisiana and Texas. This export <u>spike</u> was a direct result of the shale boom when fossil fuel companies widely started using the environmentally damaging practices of hydraulic fracturing (also known as fracking) and directional drilling to extract fracked "natural" gas. The subsequent glut of "natural" gas supply fuelled the LNG export frenzy, allowing Big Polluters to ship and offload their products to overseas markets to make a quick buck—at the expense of frontline communities and our planet.

Unflinching Republican political <u>support</u> has also supported the rapid expansion of LNG exports. With the oil and gas industry regularly making eye-popping political <u>donations</u>, including to former President <u>Donald Trump</u> and Members of Congress in Texas and Louisiana—like <u>Rep. August Pfluger</u> (R-TX), <u>Senator Ted Cruz</u> (R-TX), <u>Rep. Steve Scalise</u> (R-LA), and <u>Rep. Mike</u> <u>Johnson</u> (R-LA) in 2023—it's no surprise that the GOP is <u>trying</u> to keep LNG exports flowing fast on the Gulf Coast.

But making the podium as the planet's top LNG exporter is only a race to the bottom. America's LNG exports are coming at the devastating expense of frontline communities, public health, our economy, and meeting our climate commitments. Fortunately, the Biden-Harris administration has created a critical opportunity right now to tackle LNG exports.

# The Unmissable Opportunity: Reviewing DOE's Public Interest Determination

If a fossil fuel company wants to export LNG from the United States, it must obtain several <u>permits</u> from the federal government. The Federal Energy Regulatory Commission (FERC) will first decide if a company is allowed to build the export facility. The U.S. Department of Energy (DOE) is then <u>tasked</u> with the regulatory responsibility of evaluating if a fossil fuel company should have a permit to export LNG.

Under the <u>Natural Gas Act</u>, any company that wants to export LNG to countries with which the United States does not have a Free Trade Agreement (FTA) must secure authorization from DOE. If this company is exporting to non-Free Trade Agreement countries, DOE must <u>authorize</u> exports "unless ... it finds that the proposed exportation ... will not be consistent with the public interest."

This means that DOE has the responsibility—and clear legal authority—to determine whether a new LNG export terminal authorization is in the public interest. DOE <u>arrives</u> at its decision through a "public interest determination" that evaluates <u>several criteria</u>, including the environmental and economic impacts of the proposed export.

DOE's most recent analysis of the <u>economic</u> and <u>environmental</u> impacts of LNG exports was <u>published</u> in 2018 and 2019. But since then, the United States has started exporting <u>more LNG</u> than ever before, with <u>exports tripling</u>. Domestic <u>LNG prices skyrocketed</u>. Climate pollution is rapidly heating our planet and cascading us toward catastrophic <u>climate tipping points</u>. And to date, DOE has never rejected LNG export permits on the grounds of harm to public interest.

But then in January 2024, DOE <u>announced</u> a common-sense pause on LNG exports to non-FTA countries until it reviews the environmental and economic

analysis that underpins the agency's "public interest" decision-making process.

This is an unmissable opportunity for DOE to use its clear legal authority to rigorously update the environmental and economic analysis underpinning the federal agency's public interest determination. This means fully accounting for the climate, economic, environmental justice, and economic costs of new LNG export terminals. (For specific policy recommendations, please go to page 18.) Fully accounting for these costs will clearly demonstrate that new LNG export terminals are not in the public interest.

#### Louisiana Judge Will Not Derail DOE's Public Interest Determination Analysis

In July 2024, a Trump-appointed judge <u>granted</u> a preliminary injunction that put the Biden-Harris administration's LNG pause on hold. This comes after 16 Republican Attorneys General filed a <u>motion</u> in the U.S. District Court for the Western District of Louisiana <u>requesting</u> a stay on the LNG pause. This preliminary injunction requires DOE to proceed with evaluating pending LNG applications. Fortunately, the Biden administration has since <u>appealed</u> the Louisiana federal court decision, which takes the case to the 5th U.S. Circuit Court of Appeals.

Here's the critical takeaway: This preliminary injunction does not order DOE to issue any specific decisions. It does not require the authorization of any new LNG export facilities. **The order does not stop DOE from exercising its clear statutory authority to update the economic and environmental studies that will be used in its public interest determination analysis.** To this end, DOE must rigorously update its data and analysis to fully account for the environmental justice and climate harms inflicted by LNG exports. Truly accounting for these harms will show that new LNG export facilities are not in the public interest. For more analysis, you can read Evergreen's blog on the Louisiana court order <u>here</u>.

## LNG's Climate Harms Are Plainly Not in the Public Interest

Frontline organizations on the Gulf Coast are already fighting against fossil fuel racism, health-harming pollutants, and the <u>cumulative impacts</u> of LNG buildout. As frontline organizations lead the push against this extractive industry, community members living near LNG facilities, like Cameron LNG or Venture Global's Calcasieu Pass, are experiencing carcinogenic pollutants, flaring that lights up the night sky, and facilities that <u>under-report</u> climate pollution. LNG export terminals are <u>known to emit</u> carbon monoxide, sulfur dioxide, and volatile organic compounds that are associated with a <u>long list</u> of serious health issues.

Meanwhile, communities in the Gulf Coast are already living on the frontlines of the climate crisis. When Hurricane Beryl tore through the Caribbean and the Atlantic earlier this month, killing <u>dozens</u> including <u>at least nine people in</u> <u>Texas</u> and one in Louisiana, it showed what 1.2C of planetary heating since the industrial revolution looks like—in the same communities that the LNG industry treats as <u>sacrifice zones</u>. As climate disasters rain down on communities fighting back against Big Polluters, it's clearly not in the public interest to authorize exporting a dangerous substance that only fuels the fire.

#### LNG Inflicts Climate Harms Across the Supply Chain

At every stage of its lifecycle, LNG and fossil gas (also branded as "natural gas") leach planet-warming climate pollution and harmful chemicals into our environment and communities.

**Extraction and Transportation:** Fossil gas is <u>extracted</u> from underground reservoirs using the environmentally damaging processes of fracking and horizontal drilling. This <u>involves</u> drilling deep holes into rocks to access the gas. Sand, water, and a cocktail of toxic chemicals are injected into the ground to release the fossil gas. This generates toxic wastewater, contributing to the risk of water contamination in nearby communities. The resulting "raw"

#### Liquified "natural" gas produces dangerous pollution across its lifecycle.



#### **Extraction and Pipeline Transport**

- Carbon dioxide pollution
- Methane pollution
- Air and water pollution for nearby communities
- Environmental damage to vegetation, soil, and wildlife
- Risk of chemical spills and leaks

#### Processing and Liquefaction

- Carbon dioxide pollution
- Methane pollution, including flaring
- Air permit violations
- Carbon monoxide, sulfur dioxide, and volatile organic compounds (VOCs)

#### Shipping

- Carbon dioxide pollution
- Methane pollution



#### Regasification and Combustion in Destination Country

Carbon dioxide pollution
Methane pollution

fracked fossil gas is transported in pipelines to processing facilities, where the gas is treated and contaminants are removed.

#### **Processing and Liquefaction:**

Once treated at a processing facility, the fossil gas is piped onward to liquefaction facilities that are usually located near export terminals. Fossil gas is in a gaseous state at room temperature—and converting fossil gas into a liquid state makes it easier for Big Polluters to store and transport it over long distances. At these liquefaction facilities, fracked fossil gas is treated and super-cooled through a highly energy-intensive process called liquefaction, where it converts from a gaseous state to a liquid state. To liquefy fossil gas into LNG, additional fossil gas is burned, releasing carbon and methane pollution in the process. The U.S. Energy Information Administration (EIA) estimates that roughly 7 percent to 15 percent of LNG feed gas is used for the liquefaction process.

In addition to creating climate pollution, LNG terminals release harmful air pollutants that are associated with <u>health impacts</u> like headaches, respiratory illnesses, certain types of cancer, and damage to reproductive systems. Export terminals are <u>located</u> in areas that are chronically overburdened by environmental injustices, including "Cancer Alley," Houston, Port Arthur, Corpus Christi, and other Gulf South communities.

**Shipping:** LNG is loaded onto a tanker and shipped to a destination country. During this process, greenhouse gas pollution is <u>released</u> from the fuel-burning ship engines, with emissions depending on the type of tanker used. Methane pollution can occur through intentional <u>venting</u> or system leaks.

**Regasification and Combustion:** Upon arrival to the destination country, LNG is reconverted to a gaseous state and typically transported through pipelines. Ultimately, the "natural" gas is combusted, releasing a significant portion of its life cycle carbon pollution into the atmosphere and in turn, heating the planet.

#### Spotlight: Calcasieu Pass 2 (CP2) LNG Export Terminal

Venture Global's Calcasieu Pass (CP2) is a "<u>carbon mega bomb</u>" slated to be built in southwest Louisiana. If completed, CP2 would be the <u>largest LNG export terminal</u> in the United States.

This fossil fuel project would result in dire environmental justice and climate harms, providing a key case study for DOE that new LNG export terminals are clearly not in the public interest. The CP2 LNG liquefaction and export facility would threaten local air quality, public health, and livelihoods of local fisherpeople, layering on decades of cumulative pollution from the region's chemical-industrial corridors. The Gulf South's oil and gas industries are <u>sited</u> near predominantly Black American, Hispanic American, Indigenous, and low-income communities, compounding a history of fossil fuel racism. Over its lifetime, the CP2 LNG project would <u>emit</u> about 20 times the annual greenhouse gas pollution of the Willow Project, an oil drilling project in Alaska. FERC's

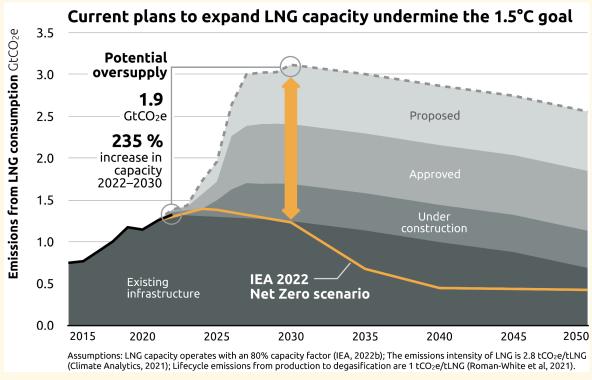
own analysis <u>found</u> that the social cost of greenhouse gasses from building and operating CP2 would amount to almost \$25 billion.

The Federal Energy Regulatory Commission (FERC) <u>voted</u> in June 2024 to approve permits for the CP2 proposed mega-project. In addition to FERC's approval, Venture Global also requires DOE's rubber stamp before it can start exporting LNG to non-Free Trade Agreement (FTA) countries. CP2 demonstrates why the Biden-Harris administration's DOE must seize this opportunity to update the studies underpinning its LNG public interest determination, in such a way that fully accounts for the costs to climate, public health, and communities.

#### A Healthier, Safer Climate Means No New LNG Expansion

**New LNG puts key climate goals out of reach.** The International Energy Agency (IEA) <u>finds</u> that if we want to meet a global "net-zero emissions by 2050" (NZE) scenario, LNG demand can be met with existing plants that are already in operation. Meanwhile, the IEA <u>finds</u> that LNG projects currently under construction are "<u>not necessary</u>."

Our planet cannot afford to lock in dirty infrastructure. Boosting more LNG export capacity could entrench LNG infrastructure, locking in climate pollution for <u>decades</u> to come. The resulting carbon pollution will have a long tail, as the world races to limit warming to meet the Paris Agreement. IEA <u>finds</u> that a deluge of recently announced LNG projects "raises the risk of significant oversupply."



Replicated with permission from Climate Action Tracker

## LNG Expansion Is Incompatible With New U.S. Nationally Determined Contributions (NDCs)

LNG expansion is <u>incompatible</u> with our existing climate goals. And it will be out of step with the level of ambition needed for America's upcoming 2025 Nationally Determined Contributions (NDCs) under the Paris Agreement.

Under the <u>Paris Agreement</u>, each country is tasked with preparing a detailed action plan to reduce domestic climate pollution, also known as their <u>Nationally Determined Contribution</u> (NDC). Countries are required to submit an updated and increasingly ambitious NDC every five years, showing exactly how they will meet the goals of the Paris Agreement.

Back in 2020, the Biden-Harris Administration submitted our <u>first NDC</u>, in which the United States set an economy-wide target to slash our net climate pollution by 50-52 percent below 2005 levels in 2030. Soon after, Congress passed historic climate investments through the <u>Inflation Reduction Act</u> (IRA). The IRA will channel billions of dollars into clean energy build-out that will drive us considerably closer to meeting our NDC, according to modeling by <u>Energy Innovation</u> from 2022.

But even as we achieve unprecedented clean energy deployment, Big Oil's dirty fossil fuel expansion threatens to undermine our NDC progress. For example, analysis by the <u>Sierra Club</u> in 2022 found that America's continued LNG expansion erases a portion of our U.S. and global climate progress. It is also worth noting that America's NDC doesn't even account for the climate pollution emitted when natural gas is combusted at its destination country.

That brings us to today, when the next round of NDCs is soon due. To avert the worst impacts of the climate crisis, the United States must unveil a new NDC in 2025, one that is even more ambitious than our <u>current national climate</u> <u>goal</u>. And then, it must doggedly implement this plan.

But if LNG expansion thwarts our current climate goals, how can new LNG exports possibly be compatible with even more rigorous climate goals? It's clear as day: Any LNG expansion that undermines our national and global climate goals—and prevents us from averting catastrophic climate tipping points—is not in the public interest.

#### Structural Decline of LNG Demand in Export Countries

Big Polluters are planning to expand American LNG export terminals, but that largely doesn't match up with long-term demand forecasts for LNG in major non-FTA export destinations.

**European LNG demand is structurally declining.** Roughly 66 percent of the U.S. LNG <u>total exports</u> went to the European continent in 2023, with the vast majority being imported by the Netherlands, France, and the United Kingdom. In the wake of Russia's invasion of Ukraine, existing U.S. LNG exports helped meet Europe's energy security needs. But since then, the European Commission's swift policy response, known as the <u>REPowerEU</u> plan, has <u>reduced "natural" gas demand</u> by 18 percent between August 2022 and March 2024. That is, in part, thanks to an effort to rapidly install more renewable energy and implement energy savings practices.

Here's the medium-term outlook: Europe's gas consumption has <u>declined for</u> <u>two consecutive years</u> and is expected to <u>peak in 2025</u> before declining further through 2030. The Institute for Energy Economics and Financial Analysis (IEEFA) even <u>warned</u> of a potential LNG "supply glut" in Europe from 2027 to 2030, showing that new U.S. LNG export terminals may be an overinvestment. This clearly <u>dampens</u> the need for new American LNG export infrastructure to cater to the major destination market, especially when such infrastructure will lock in dirty pollution for decades.

Recent election results in the United Kingdom and <u>France</u> further reinforce a <u>strong outlook</u> for European clean energy deployment, which plays a key role in displacing LNG demand, particularly for electricity generation. In the United Kingdom, the new Labour-led government has <u>pledged</u> on the campaign trail to reach zero-carbon by 2030, vowing to triple solar capacity, double onshore wind, and quadruple offshore wind. Given that a <u>third</u> of British fossil gas consumption went to electricity generation in 2022, it is reasonable to assume that a zero-carbon transition would help displace this fossil gas demand—and other sectoral demands—within the United Kingdom.

**Our planet can't afford to lock in LNG reliance long-term in Asia.** The continent of Asia, which makes up <u>26 percent of American exports</u>, tells a slightly more complicated story. Some non-FTA countries, like Japan, mirror Europe's structural decline in demand. LNG demand in Japan dropped 8 percent in 2023, declining at an <u>average rate</u> of 3 percent since 2014. LNG imports to Japan <u>fell to their lowest level</u> in January 2024, and power sector LNG demand is forecasted to <u>reduce</u> further in coming years due to increasing nuclear and renewables generation, according to IEEFA. (Japan is the <u>fourth largest</u> U.S. LNG export receiver by volume in 2023, with South Korea, with whom the U.S. has a Free Trade Agreement—unlike Japan.)

Other non-FTA countries, like China, remain significant importers of LNG, but IEEFA <u>finds</u> that domestic production and pipeline imports will constrain LNG demand growth, while renewable energy deployment will keep "natural" gas generation fairly stagnant. Big Polluters have long claimed that LNG is more 'climate-friendly' because it reduces coal use, but recent analysis from IEEFA has found that LNG actually has a <u>limited impact</u> displacing coal emissions in China.

More broadly, the global green energy transition isn't best served by building out new LNG infrastructure. The public interest is far better served by leapfrogging to cheap renewable energy build-out, especially to feed the power sector. That's true for LNG export destination regions in Europe and Asia, as well as back home in the United States. Doubling down on fossil fuel infrastructure risks wasting capital or locking in infrastructure that will continue to pollute for decades to come—while countries around the world have <u>committed</u> to transition away from fossil fuels.

## A Fork in the Road: Harris v. Trump on LNG Climate Policy

America's upcoming presidential election in November cleaves a stark fork in the road for climate policy, including the future of LNG policy. Below, we discuss the drastically different approaches from each administration, and how a Harris administration can take action to secure a healthier, safer climate future for Gulf Coast communities and our planet.

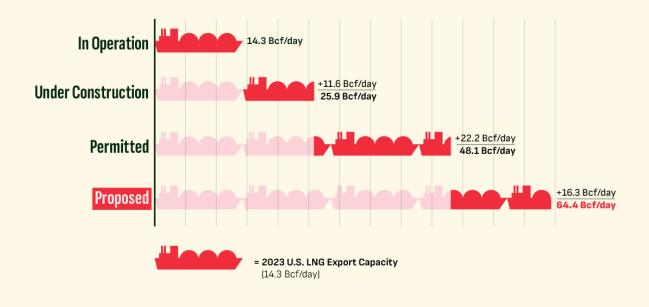
#### Trump's "Drill, Baby, Drill" Scenario

Make no mistake: A second Trump presidency would be a full-blown disaster for <u>climate</u> and environmental justice. This scenario would virtually guarantee a dangerous doubling-down on new LNG exports, alongside approving dirty infrastructure that feeds the LNG supply chain.

#### A. Trump could derail DOE's public interest determination study update

Even before the Louisiana court order, former President Trump <u>promised</u> that he would immediately end the Biden-Harris LNG pause if elected, among a slate of other pro-Big Oil policies. (At the same event, Trump reportedly <u>asked</u> a room full of oil executives to raise \$1 billion for his presidential campaign, which has sparked an <u>inquiry</u> from Senate Democrats and <u>strong criticism</u> from Vice President Kamala Harris.) And during the Republican National Convention, Trump <u>vowed</u> to "drill, baby, drill" on day one. From these statements, we can assume that a second Trump administration would harmfully rush out LNG exports.

Current DOE officials have publicly stated that the public interest determination analysis update will be finished by the end of the first quarter of 2025. If a second Trump administration takes office in January 2025, it is not unreasonable to assume that Trump would direct DOE to halt its public interest determination update in its tracks, derailing this federal agency's opportunity to correct course for climate and communities. Let's take a moment to look at what a second Trump administration would mean for climate impacts. Approving all U.S. LNG projects in the permitting pipeline would more than quadruple our export capacity, compared to 2023 levels.



Data Source: Symons Public Affairs (2024)

Remember how the U.S. is already the #1 LNG exporter in the world? Well, if all projects in the permitting pipeline were rubber-stamped under a second Trump presidency, we'd have approximately four times <u>more</u> U.S.-sourced LNG export capacity compared to our 2023 levels, which already make us the world's largest exporter. That <u>would</u> spike maximum export capacity from 14.3 Bcf/day to roughly 65 Bcf/day.

<u>Analysis</u> by Symons Public Affairs from November 2023 estimates that if all projects in the permitting pipeline were approved, as expected under a second Trump administration, the full (gross) lifecycle greenhouse gas pollution from all approved U.S.-sourced LNG exports would amount to 3.9 gigatons of carbon dioxide equivalent each year. That's the <u>equivalent</u> to 63 percent of our

nation's greenhouse gas emissions in 2021—and eclipses the European Union's total greenhouse emissions during the same year.

But former President Trump's track record of climate denial and proposed energy policies provides strong reason to assume that his administration may approve even more oil and gas projects, including dangerous and dirty LNG export terminals.

## B. Trump could hamstring America's international clean energy programs, which can help displace global LNG demand

A second Trump presidency could put the brakes on federally-funded foreign aid programs that support overseas renewable energy development. Building out renewable energy alternatives in developing countries can <u>help</u> displace demand for fossil fuels, including demand for LNG. But the Heritage Foundation's conservative presidential policy blueprint, known as <u>Project 2025</u>, states that the U.S. State Department should "rescind all climate policies from foreign aid programs ... and narrowly limit funding to traditional climate mitigation efforts." The authors also state that a second Trump administration should "support the responsible management of oil and gas reserves" in developing countries.

## The Future Harris Administration Is Ready to Carry Forward Climate Action on LNG

The Biden-Harris administration advanced the most ambitious climate and clean energy policies in our nation's history. And now, Vice President Harris, a proven champion of climate and environmental justice who <u>cast the deciding</u> <u>vote to pass the Inflation Reduction Act (IRA)</u>, is poised to carry forward this baton. Let's be clear: Our planet and communities cannot afford to unwind the historic climate and clean energy progress made by the Biden-Harris administration. True to form, Vice President Kamala Harris pledged in her opening presidential campaign speech when she firmly promised that "We're not going back." But it's more than that: A Harris administration, if elected, would give us a <u>massive window of opportunity</u> to push forward ambitious climate action and secure a thriving, safer clean energy economy for us all.

The Biden-Harris administration's LNG pause already showed that they are willing to stand up to the fossil fuel industry—and that they're able to listen to frontline Gulf Coast activists. And now, VP Kamala Harris can build on her powerful track record of <u>holding Big Oil accountable</u>. As Attorney General of California, VP Harris <u>led a lawsuit to block dirty fracking near the California</u> <u>coast</u>. She also went to court to force Chevron and BP to comply with the law and clean up the messes they'd left in communities. A longtime champion of the people and planet, VP Harris is ready to <u>take on Big Oil</u>'s rampant exploitation of Gulf Coast communities.

With a Harris administration, DOE can complete an ambitious public interest determination update, which is slated to be finished in the first quarter of 2025. Her administration can find new LNG export terminals are not in the public interest, reflecting the overwhelming scientific evidence. A future Harris term can also use the LNG pause as a starting point—and next, use its full executive authorities to responsibly phase down fossil fuel production, as well as existing and new LNG infrastructure.

### 1. DOE Must Fully Account for LNG's Climate, Environmental Justice, and Economic Costs in Its Public Interest Determination Update

Frontline Gulf Coast leaders and activists won a huge step forward with the LNG pause—now, a Harris administration can secure it. The U.S. Department of Energy (DOE) must fully measure the costs to climate, frontline communities, and the economy as it updates the studies underpinning its public interest determination. Specifically related to measuring the climate costs of new LNG export terminals:

- Full life-cycle analysis of the LNG supply chain: DOE must accurately analyze the life-cycle greenhouse gas pollution across U.S. LNG supply chains, including direct, indirect, upstream, downstream, and cumulative emissions. This includes exploration, extraction (including fracking processes), pipeline transport, energy used in the liquefaction process, shipping, regasification, combustion at its destination country, and any methane leaks along the way.
- Align with U.S. and global climate commitments: DOE must evaluate the lifetime, life-cycle greenhouse gas pollution of the U.S. LNG supply chains, including new LNG export terminals, against achieving our domestic and global climate commitments. These include:
  - Our current <u>domestic climate goal is to reduce</u> greenhouse gas emissions by 50-52 percent below 2005 levels in 2030 and achieve a net-zero emissions economy by 2050.
  - Our <u>Paris Agreement commitment</u> to limit warming to "well below 2 degrees Celsius above pre-industrial levels" and to pursue efforts "to limit the temperature increase to 1.5 C above pre-industrial levels."
  - The United States' updated 2025 Nationally Determined Contribution (NDC), which must be ambitious and aligned with the demands of climate science and uphold a fair-shares approach to the Paris Agreement.

Such an approach would align with the Council on Environmental Quality (CEQ)'s <u>new NEPA guidance</u>, which instructs federal agencies to evaluate "whether and to what extent the proposal's reasonably foreseeable GHG emissions are consistent with GHG reduction goals, such as those reflected in the U.S. Nationally Determined Contribution under the Paris Agreement." Given that the life cycle climate pollution from LNG expansion is currently <u>not</u> <u>compatible</u> with U.S. domestic and global climate goals, DOE must find that new LNG export terminals are plainly not in the public interest.

• Methane data: DOE must accurately measure methane emissions across the LNG supply chain using the most up-to-date scientific literature. This includes direct and indirect Scope 1, 2, and 3 methane pollution, with special attention paid to independently monitored methane leakage and intentional flaring. DOE currently relies on methane emissions data from the U.S. Environmental Protection Agency (EPA), which has been criticised in the past for companies <u>self-reporting</u> their own data. This methane data has a clear bias and risks grossly <u>underreporting</u> methane pollution. DOE should commission an <u>independent methane leakage</u> <u>assessment</u>. The federal agency should also take into account the preponderance of scientific evidence, including <u>recent</u> findings that methane emissions from LNG are <u>far worse</u> than initially thought.

In addition, DOE's environmental analysis must evaluate the 20-year Global Warming Potential (GWP) when measuring and assessing the climate harms associated with methane throughout LNG's lifecycle supply chain. Over the next 20 years, our planet is projected to reach and cross multiple catastrophic tipping points, which methane pollution will exacerbate. To quote President Biden's remarks during <u>COP26 in</u> <u>Glasgow</u>, "This is a decisive decade."

• Listen to, and act upon, the recommendations of environmental justice stakeholders: DOE must embark on rigorous stakeholder engagement with environmental justice communities, including hosting public hearings and conducting frontline visits to hear about LNG impacts first-hand. DOE must also assess the cumulative impacts on environmental justice communities, as compellingly argued in a recent report by the Bullard Center, in addition to public health impacts and economic insecurity from rising energy bills.

## 2. DOE Must Determine that New LNG Permits Are Not In the Public Interest

If DOE accurately accounts for the full cost to climate, economy, and environmental justice communities, it will be crystal clear that new LNG export authorizations are not in the public interest. A Harris administration can determine that exports of dangerous liquefied natural gas are <u>plainly not in the</u> <u>public interest</u>.

# 3. A Harris administration can displace demand for LNG by supporting the rapid build-out of clean energy in export countries—and at home.

Renewable energy is a <u>much more affordable</u> and <u>cleaner source of energy</u> than LNG. To tackle the climate crisis, governments need to displace consumer demand for fossil fuels, including LNG, and replace it with responsibly-sited clean energy. That begins at home, by harnessing the tax credits from the IRA to build out clean energy projects, invest in energy storage, and modernize our grid. But it doesn't stop at our borders. As Rep. Sean Casten <u>remarked</u> recently, we need to export the clean energy technologies that allow us to decouple from fossil fuel use. A future Harris administration can work with Congress to pass new and additional funding to support renewable energy deployment in export countries. The U.S. State Department must also financially and programmatically support clean energy projects in LNG export countries that displace consumer demand for LNG, especially in countries without a free trade agreement, to help speed up the global green energy transition. Relatedly, the Export-Import Bank of the United States (EXIM) must <u>not approve financing</u> for overseas LNG projects.

## Conclusion

For too long, Big Polluters have lined their pockets at the expense of our planet, communities, consumers, international allies, and future generations. The Biden-Harris administration has delivered a massive step forward with the LNG pause and the PID update. Now, it's up to DOE to secure this as a permanent victory for people and the planet.

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