



February 26, 2024

The Honorable Joseph R. Biden, Jr.
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

Today, The USLNG Association (operating globally as “LNG Allies”), joined the American Petroleum Institute and five other associations in a request to the Department of Energy (DOE) petitioning DOE to reconsider the Jan. 26 decision to pause further liquefied natural gas (LNG) export authorizations. This letter explains some of our reasons for signing onto the joint request for rehearing.

The global LNG market is characterized by large, expensive projects built with long-term commercial and financial commitments. Your administration’s decision to pause LNG export licenses for “ten-twelve-or-fourteen-months”¹ will have significant, negative market ramifications. Of course, given the fact that LNG projects take three to five years to build, these effects will not be felt until 2027 or 2028, near the end of your second term (should you be reelected).

As discussed below, we believe that the pause will weaken America’s strategic energy leadership position within a few short years and it is already undermining our role as a “global guarantor of energy security.”²

On that latter point, the erosion of America’s role as “global guarantor” is occurring because the pause has called into question the stability of the U.S. LNG regulatory process, something that has never happened before, under either Republican or Democratic administrations.

One of the world’s most respected LNG market analysts is Jason Feer, Head of Business Intelligence at Poten & Partners. During Poten’s Feb. 21 webinar³ Feer made several key points about the pause:

- Most U.S. LNG projects under development are going to be delayed at least a year or two.
- As a result, once the pause is over there is going to be a long queue of projects applying for DOE permit extensions or new permits.
- Global LNG markets will be adequately supplied through 2027, but only for a relatively short time.

¹ Amos Hochstein, [Interview with Hadley Gamble](#), Al Arabiya English, Feb. 16, 2024.

² Maroš Šefčovič, EU Executive Vice-President, [On X following USLNG Roundtable](#), Feb. 13, 2024.

³ Jason Feer, Green Light, Red Light, [Poten and Partners Webinar](#), Feb. 21, 2024.

- Given that there are only a few countries that can provide large volumes of LNG after 2027, global markets may tighten considerably.

As Feer noted, the pause “boosts uncertainty in the United States enormously... We already know of some ... customers who have begun to talk [to other] projects in development overseas.”⁴

Mr. Feer’s words were prophetic. It took less than 30 days for our global competitors to take advantage of this self-imposed hiatus. (To put it another way: They’re still clearing the hurdles while we “pause” to check our shoelaces.) Just yesterday (Feb. 25), Qatar’s Energy Minister, Saad Sherida al-Kaabi, announced that his nation will add another 16 million tons of LNG capacity by 2030, boosting total output by 85 percent over current levels.

And in Canada, Alberta Premier Danielle Smith told reporters earlier this month: “If the Americans are going to take a pause, [then we should] use this as an opportunity to accelerate some [Canadian LNG] projects... I hope we don’t blow it.”

We’d like to echo those words but in an American context: ***We hope the United States doesn’t blow it.***

LNG exports provide huge economic, environmental, and geostrategic benefits for the United States and our global allies. If the world is once again “short” of LNG in a few years because of the pause—and we believe that to be inevitable—then international prices will soar, Europe and Asia will burn more coal, global greenhouse gas emissions will rise, and our European allies will be forced to continue importing Russian LNG. (Who knows, they may even be tempted to resume pipeline flows from our mutual adversary.)

It is not too late to reverse course.

We urge your administration to lift the indefinite pause that you put into place—without prior notice or opportunity to comment—and immediately resume issuing U.S. LNG export authorizations.

Sincerely yours,

/s/

Fred H. Hutchison, President & CEO
LNG Allies, The USLNG Association

⁴ Poten Webinar, Feb. 21.