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May 18, 2016

The Honorable Paul D. Ryan Speaker U.S. House of Representatives H-232, The Capitol Washington, DC 20515 The Honorable Nancy Pelosi Democratic Leader U.S. House of Representatives H-204, The Capitol Washington, DC 20515

Dear Speaker Ryan and Democratic Leader Pelosi:

The American Petroleum Institute (API) strongly supports Section 1090 of H.R. 4909, the Fiscal Year 2017 National Defense Authorization Act, which will streamline the Department of Energy regulatory process to consider liquefied natural gas (LNG) export permits.

U.S. LNG exports will create American jobs, significantly strengthen the global energy market, and help enhance our national security interests abroad. The LNG exports provisions, adopted by voice vote during the House Armed Services Committee markup in April 2016, are based on H.R. 351, the LNG Permitting Certainty and Transparency Act, which the House passed by a bipartisan vote of 277 to 133 in January 2015.

Technological breakthroughs in the oil and natural gas industry have unleashed an energy renaissance, establishing the United States as the world's largest natural gas producer. We have enough natural gas to supply affordable energy domestically and significantly increase U.S. participation in the global market for LNG. The LNG exports provisions will provide the Department of Energy with a meaningful deadline to make decisions on pending applications that have already completed the extensive environmental review process. Establishing greater certainty in the LNG export permitting process will also accelerate investment in the U.S. economy.

Since 2005, natural gas production in the United States has increased 42 percent, and the U.S. Energy Information Administration (EIA) projects a 39 percent increase in total natural gas production from 2014 to 2040. EIA also confirms that increased natural gas production will support growing domestic demand for natural gas and LNG exports. Further, study after study concludes that expanding our export opportunities will create jobs and strengthen our economy. In addition, independent reports show exporting U.S. LNG will reduce global greenhouse gas emissions.

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From a national security perspective, accelerating exports of U.S. LNG will help strengthen our strategic alliances abroad. For example, the 2014 NATO Wales Summit Declaration specifically states that access to stable and diverse energy suppliers is of critical importance to the alliance. Exporting U.S. LNG will introduce an alternative and reliable source of energy to the global marketplace, providing international consumers with greater choice and helping to curb the use of energy as a political weapon. In fact, President Barack Obama, in a joint statement with European Leaders at the EU-US Summit in March 2014, stated "We welcome the prospect of U.S. LNG exports in the future since additional global supplies will benefit Europe and other strategic partners."

API strongly urges the U.S. House of Representatives to approve H.R. 4909, the Fiscal Year 2017 National Defense Authorization Act, and the LNG exports provisions.

Sincerely,

Jack N. Gerard President and CEO

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Cc: Members of the U.S. House of Representatives