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January 28, 2016

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Harry Reid
Democratic Leader
U.S. Senate
Washington, DC 20510

Dear Majority Leader McConnell and Democratic Leader Reid:

The American Petroleum Institute (API) strongly supports S. 2012, the Energy Policy Modernization Act. In particular, the bill includes provisions that will require the Department of Energy to consider natural gas export permit applications in a timely manner, ensure natural gas pipelines are permitted more efficiently, and foster necessary collaboration among federal and state governments, educational institutions, industry, and labor to encourage and promote diversity in the energy and manufacturing sector.

S. 2012 provides a streamlined process for natural gas export projects before the Department of Energy which will accelerate America's rise as a world-class exporter of natural gas, create U.S. jobs, grow our economy, and significantly strengthen the global energy market. And expediting the free trade of natural gas from America will help enhance our national security interests and bolster our global allies' independence from nations that would use their energy resources as a diplomatic and economic weapon.

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 export provisions 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 accelerate investment in the U.S. economy and strengthen our strategic alliances abroad.

Since 2005, natural gas production in the United States has increased 42 percent, and the U.S. Energy Information Administration projects a 39 percent increase in total natural gas production from 2014 to 2040. In addition, study after study concludes that expanding our export opportunities will create jobs, strengthen our economy, and enhance our national and energy security. And independent reports show exporting U.S. LNG will reduce global greenhouse gas emissions.

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As the number one natural gas producer in the world, we also need safe, reliable infrastructure in place to realize our true energy potential and provide consumers with the energy they need. Pipelines continue to be one of the safest and most efficient modes to transport product. S. 2012 recognizes the importance of building infrastructure efficiently by streamlining the permitting process and setting realistic deadlines for approval.

In addition, the 21st century energy renaissance has created unprecedented opportunities for Americans of all backgrounds. This potential is outlined in a study conducted by IHS entitled “Minority and Female Employment in the Oil and Gas and Petrochemical Industries.” The study estimates that more than 950,000 job opportunities could be created by 2020 and nearly 1.3 million job opportunities through 2030 in America’s oil and natural gas and petrochemicals industry. These are careers that pay well above the national average. The report estimates there are nearly 408,000 job opportunities projected to be filled by African American and Hispanic workers, and 185,000 projected to be filled by women. We believe these estimates, based on trends in labor force participation and education, should be considered a floor, not a ceiling. Expansion of education and workforce training programs will help ensure competitive access to job opportunities. S. 2012 promotes the education and workforce training needed to ensure that underrepresented communities can secure a growing number of new opportunities in the energy sector, and we strongly support this effort.

API strongly encourages the U.S. Senate to approve the Energy Policy Modernization Act, and supports all efforts to bolster America’s future growth as an energy superpower.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Gerard", with a long horizontal flourish extending to the right.

Jack N. Gerard
President and CEO

Cc: Members of the U.S. Senate