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May 25, 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 the House amendment to S. 2012, the Energy Policy Modernization Act. In particular, the amendment includes provisions that will require the Department of Energy to consider liquefied natural gas (LNG) exports 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 workforce training and diversity in the energy and manufacturing sector.

The House amendment provides a streamlined process for LNG exports 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 exports 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 exports 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 by over 50 percent, and the U.S. Energy Information Administration projects a 55 percent increase in total natural gas production from 2015 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. The House amendment recognizes the importance of building infrastructure efficiently by streamlining the permitting process and setting realistic deadlines for approval.

The House amendment also provides the Secretary of the Interior with the authority to approve rights-of-way and issue permits for natural gas pipelines on National Park Service lands. The Secretary already has this authority on other federal lands, and thus, the provision will provide consistency to the federal lands permitting process. The House amendment also provides the Secretary with the authority to designate 10 National Energy Security Corridors through federal lands. Previously, the Energy Policy Act of 2005 gave the Department of Interior the ability to designate National Energy Security Corridors in the 11 contiguous Western states, and the corridor designation doesn't change the NEPA process currently required for building a pipeline.

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 Natural Gas and Petrochemical Industries." The study estimates that nearly 1.9 million job opportunities could be created through 2035 in America's oil, natural gas and petrochemicals industries. These are good-paying careers that pay an average of nearly \$50,000 higher than the U.S. average. The report estimates there are nearly 707,000 job opportunities projected to be filled by African American and Hispanic workers, and 290,000 projected to be filled by women. Expansion of education and workforce training programs will help ensure competitive access to job opportunities. The House amendment 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 urges the U.S. House of Representatives to approve the House amendment to S. 2012, the Energy Policy Modernization Act.

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. House of Representatives