



April 3, 2014

The Honorable Cory Gardner
United States House of Representatives
213 Cannon House Office Building
Washington, DC 20515

Dear Representative Gardner:

On behalf of the 362,000 members of National Taxpayers Union (NTU), I write to endorse H.R. 6, the “Domestic Prosperity and Global Freedom Act.” This legislation would expedite current pending liquefied natural gas (LNG) export applications and streamline the process for future applicants.

Like many other sectors of the energy industry, a lengthy and unnecessarily burdensome regulatory process constrains the enormous economic potential of LNG exports. Restricting exports to Canada, Mexico, and the handful of other countries with which we have a free trade agreement has hobbled the profitability of our growing domestic natural gas industry. In 2013, domestic consumption of natural gas was flat, indicating limited prospects for ramped-up production to be worthwhile unless new markets are made available. Yet, the availability of resources remains on an upward trend, thanks to improved technology.

Fortunately, H.R. 6 provides an effective response: expand the field of exports to include countries that are World Trade Organization member countries so as to spur additional development. Only seven years ago, the U.S. imported 16 percent of our natural gas. Based on current projections, we could become a net exporter by 2020. Today we are the number one natural gas producer in the world due to the shale gas revolution. To ensure the industry has the economic incentives necessary to continue to thrive, H.R. 6 declares U.S. natural gas open for business.

By more fully entering global markets where regional price disparities create numerous opportunities for U.S. LNG to be profitable, natural gas production could continue to be a source of much-needed jobs and prosperity. In British Columbia, export-led natural gas activity is expected to push economic growth past 4 percent by 2016. Furthermore, a recently updated study by NERA Economic Consulting found that across numerous scenarios, “LNG exports provide net economic benefits ... and the greater the level of exports, the greater the benefits.” The report noted that additional investment in LNG export facilities and increased production could help speed economic recovery and put up to “45,000 currently unemployed workers back to work” between now and 2018.

As consumers and taxpayers continue to suffer from the fallout of stubbornly high unemployment and a struggling economy, Congress should move forward to unleash the energy potential that could be the key to future prosperity. NTU is pleased to endorse the “Domestic Prosperity and Global Freedom Act” and urges all Representatives to cosponsor this legislation.

Sincerely,

Nan Swift
Federal Affairs Manager