



RAILROAD COMMISSION OF TEXAS

Commissioner WAYNE CHRISTIAN

February 15, 2024

The Honorable August Pfluger
U.S House of Representatives
1124 Longworth House Office Building
Washington, D.C. 20515

Re: Support for Texas LNG & H.R. 7176, *the Unlocking Domestic LNG Potential Act*

Congressman Pfluger & Members of the Texas Congressional Delegation:

I write in support of H.R. 7176, *the Unlocking Domestic LNG Potential Act*, and your collective efforts to support Texas oil and natural gas. America becoming energy dominant again – like in 2019 – is the key to restoring global order, and it starts with a strong liquified natural gas (LNG) export industry.

President Joe Biden's politically motivated pause on new LNG export projects will hurt consumers, Texans' jobs, slow the U.S. economy, make energy more expensive, and jeopardize the lives our foreign allies. With ongoing global instability due to Russian, Iranian, and Palestinian hostilities, America's energy strategy should increase production of domestic fossil fuels and export that reliable energy to our allies across the globe.

As Members of Congress, you all know how important LNG is at this time of high energy prices and international uncertainty. U.S. LNG stepped up to fill the vacuum left by Russia for our European allies, with 20% of America LNG going to Europe.¹ Houthi naval attacks in the Red Sea have decreased global trade through the Suez Canal by 40%² and could drive up oil prices 30% by March.³ This is likely to have a reverberating impact on global supply chains, including LNG shipments, which will dramatically increase the cost of energy. Our Asian allies – Japan, South Korea, and Taiwan – also heavily rely on LNG imports. The South China Sea (SCS) sees about 40% of global LNG trade⁴, and our allies account for nearly all of it. China has made it clear that they want to rule the SCS and invade Taiwan too.

If America cuts off LNG shipments, it will allow China, Iran, and Russia's influence to grow.

¹ <https://www.politico.com/news/2024/01/19/biden-europe-gas-exports-00136671>

² <https://www.forbes.com/sites/arielcohen/2024/01/17/houthi--red-sea-crisis-threatens-global-energy-markets/?sh=7e7c082d7554>

³ <https://www.politico.com/news/2024/01/19/biden-europe-gas-exports-00136671>

⁴ <https://www.eia.gov/todayinenergy/detail.php?id=33592>

Despite these unfortunate events and poor policies, America's oil and gas producers have risen to the occasion. However, this is nothing new. In WW II, six of the seven billion barrels of oil used to win the war came from the U.S.⁵, with Winston Churchill crediting East Texas oil as a savior.⁶ Wars can be won or lost based on access to resources like energy, which is why Republicans constantly proclaim that 'energy independence is nation security'. American fossil fuels can once again be the "hope of the free world," if the right policies are there.

Furthermore, American natural gas is good for the environment. The truth is fossil fuels are needed for the foreseeable future and natural gas is the cleanest fossil fuel available. The United Nations' Intergovernmental Panel on Climate Change claims that "GHG emissions from energy supply can be significantly reduced by replacing current old world average coal-fired power plants with modern, highly efficient natural gas power plants."⁷ The EU has also labeled natural gas as "green/climate-friendly"⁸ because they realize wind/solar energy cannot power modern economies. As you can see, the choice between fossil fuels and a clean environment are not mutually exclusive. While radical environmentalists like to portray methane as the villainous byproduct of natural gas, they also deny the reality that methane emissions are down 66%⁹, while natural gas production has increased.

I don't know about the president, but I'd much rather have the world buying American natural gas over foreign or hostile nations. I'm sure most Americans would agree as well.

LNG is vital to the American economy and especially to Texas and the Gulf Coast. In 2022, America became the world's largest LNG exporter¹⁰ and Texas is a large part of that success. As the nation's top producing state, about half of U.S. LNG exports leave from Texas.¹¹ Together, Texas and Louisiana's energy exports are about 83% of U.S. energy exports and worth about \$315 billion.¹² No amount of taxpayer-subsidized solar or offshore wind farms are going to come close to that kind of energy production and economic activity for the region and country.

LNG exports are crucial to Texas' economic future. Texas exports about 4 billion cubic feet per day (BCFD) of LNG and currently has two commercially operating LNG export facilities, with three under construction, and five more yet to be approved¹³. Therefore, I support H.R. 7176 which will put pressure on the Biden Administration to remove their political and unnecessary blockade on LNG export projects which are vital to Texas, America, and the world.

Our nation should be THE global energy leader – not through unreliable and heavily subsidized "green" energy – but through the responsible production and export of oil and gas. In 2019, America became energy secure and the world's top oil and gas producing nation when the decades-long crude oil ban

⁵ <https://theconversation.com/energy-pipelines-are-controversial-now-but-one-of-the-first-big-ones-helped-win-world-war-ii-161729>

⁶ <https://www.kltv.com/story/37257286/75th-anniversary-of-the-big-inch-pipeline/>

⁷ https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter7.pdf

⁸ <https://www.reuters.com/business/sustainable-business/eu-parliament-vote-green-gas-nuclear-rules-2022-07-06/>

⁹ <https://www.epa.gov/newsroom/epa-statement-on-methane-rule>

¹⁰ <https://www.eia.gov/todayinenergy/detail.php?id=53159>

¹¹ <https://www.eia.gov/todayinenergy/detail.php?id=56940>

¹² <https://www.bls.gov/mxp/publications/regional-publications/texas-louisiana-energy-exports.htm#:~:text=Texas%20and%20Louisiana%20accounted%20for,over%20the%20past%2012%20months.>

¹³ <https://www.txoga.org/policy-issues/natural-gas-facts/>

was lifted, allowing our nation to surpass Russia and Saudia Arabia.¹⁴ At that time, energy was cheap, the economy was soaring, and the world was stable. That is a world I want to go back to.

Again, I want to lend my support as one of Texas' oil and gas regulators and champions. Thank you for your hard work, support for oil and gas, and service to Texans.

Sincerely,



Wayne Christian
Commissioner
Railroad Commission of Texas

C:

The Honorable John Cornyn
The Honorable Ted Cruz
The Honorable Jodey C. Arrington
The Honorable Brian Babin
The Honorable Michael C. Burgess
The Honorable John R. Carter
The Honorable Michael Cloud
The Honorable Dan Crenshaw
The Honorable Monica De La Cruz
The Honorable Jake Ellzey
The Honorable Pat Fallon
The Honorable Tony Gonzalez
The Honorable Lance Gooden
The Honorable Kay Granger
The Honorable Wesley Hunt
The Honorable Ronny Jackson
The Honorable Morgan Luttrell
The Honorable Michael T. McCaul
The Honorable Chip Roy
The Honorable Keith Self
The Honorable Pete Sessions
The Elizabeth Ann Van Duynes
The Honorable Randy Weber
The Honorable Roger Williams

¹⁴ <https://www.eia.gov/todayinenergy/detail.php?id=40973>