## **Baseline Factors DOE Must Consider When Making Public Interest Determinations**

<u>Background</u>: In January 2024, the Biden administration announced a temporary pause on export authorizations of liquified natural gas (LNG) to countries without free trade agreements (non-FTA countries). DOE should utilize this pause not only to update the studies it considers when determining whether new and expanded exports are in the public interest, but also to update the way it makes this determination.

DOE has the authority, under the Natural Gas Act ("NGA"), to determine whether an application to export LNG to non-FTA countries is in the public interest, and ultimately whether to authorize an LNG export. As described in more detail in the Center's May 2024 white paper, DOE should consider, at minimum, the following baseline factors and proposed guidelines for meaningfully engaging the public when making these consequential decisions. When assessing these factors, DOE must utilize the best-available science produced by non-biased experts.

- Climate Change & the Necessary and Impending Transition Away from Fossil Fuels:

  DOE must assess proposed exports' effect, throughout the life cycle of the exports, on the world's ability to limit global warming to 1.5 degrees Celsius and meet the goals of the Paris Agreement. This analysis should not favorably consider false solutions that postpone the clean energy transition like certified gas or carbon, capture, and storage.
- <u>Public Health & Environment</u>: DOE must assess the cumulative impact of proposed exports, throughout their life cycle, on public health, safety, and the environment. This includes impacts to air quality, water quality, and sound levels in a community, as well as impacts to vulnerable populations like pregnant people, children, and the elderly.
- <u>Environmental Justice</u>: DOE must assess whether potential negative impacts, including health and economic impacts, associated with additional LNG exports will continue to be disproportionately borne by Black, Brown, Indigenous and low-wealth communities.
- <u>Biodiversity</u>: DOE must assess a proposed export authorization's effect on plants and wildlife including impacts to species themselves, their habitat, and their chance of recovery if threatened or endangered.
- <u>National Security</u>: DOE must assess if there is a demonstrated need from our allies for additional LNG exports as well as any impacts to U.S. national security from proposed LNG exports, including impacts from LNG export-exacerbated climate change.

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<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 717(a)

- <u>Local & National Economic Impacts</u>: DOE must assess whether a proposed export will increase gas prices for domestic consumers, including families and businesses, as well as the impact of the proposed export to the economy generally.
- Community Engagement: DOE must meaningfully and substantively include impacted
  communities in every step of their decision-making process, as well as take the measures
  necessary to truly understand a community's concerns about a proposed export. DOE
  should establish a simpler and more inclusive process for public participation, including
  expanded notice and opportunity for comment, and an advisory board of impacted
  community members to better evaluate whether export decisions are in the public
  interest.

Conclusion: DOE has the authority, and the obligation, to deny non-FTA export authorizations under the Natural Gas Act when the harms of these exports to the public interest outweigh the benefits. DOE must adopt a more robust public interest determination process that better protects communities from the harms of LNG exports and assesses, at minimum, the above factors. In most cases, a careful evaluation of these factors will result in the denial of additional LNG export authorizations due to the catastrophic impacts of additional exports on our environmental, cultural, social, and economic systems.