

The Honorable Mike Johnson Speaker U.S. House of Representatives Washington, D.C. 20515

The Honorable Hakeem Jeffries Minority Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Charles Schumer Majority Leader U.S. Senate Washington, D.C. 20510

The Honorable Mitch McConnell Minority Leader U.S. Senate Washington, D.C. 20510

Dear Speaker Johnson, Leader Jeffries, Leader Schumer, and Leader McConnell:

As retired senior military leaders and Americans deeply focused on our nation's security posture and the success of our armed forces all around the globe, we write with significant concern about the looming threat posed by unchecked and unlimited liquefied natural gas (LNG) exports from the United States and urge continued caution when considering the ongoing buildout of the LNG export sector.

Unlimited LNG exports are no longer the national security asset they were just a few years ago. Instead, because of the rapid and reckless export buildout pushed for by the oil and gas industry, U.S.-produced energy is now increasingly being exported directly to the country's rivals, like China, allowing that country to gain leverage and build power globally while weakening our nation's ability to respond in a crisis.

Earlier this year, President Biden took an important step to address these concerns by announcing a temporary pause on new LNG export authorizations and an assessment of how the federal government considers future LNG export proposals. This is significant because the current process used by the Department of Energy (DOE) is plainly inadequate, and changes are desperately needed. Under the status quo, DOE has approved every LNG export proposal it has received prior to the President's pause. As a result, domestic energy resources are being shipped overseas in record numbers and are increasingly falling under the control of potentially hostile foreign powers.

The data is clear. As the DOE has previously placed no destination restrictions on U.S. LNG exports, companies affiliated with the Chinese government are increasingly scooping them up. The resulting risks are obvious: the United States' chief geopolitical rival can leverage gas

produced in the U.S. to build its own power by seizing increasing market share and selling and/or shipping the gas anywhere in the world for their own strategic purposes.

This marks a disturbing change in the impact of LNG exports on our nation's security and that of our allies. U.S.-produced gas resources were previously a critically important part of our nation's response to Vladimir Putin's heinous invasion of Ukraine. Then, U.S. gas was exported and deployed strategically to provide a critical lifeline to our NATO partners across Europe.

The oil and gas industry took this opportunity and exploited it, even after Europe met its necessary gas demand with U.S. supply. Right now, the U.S. is already surpassing its LNG commitments to Europe, and <u>current exports are sufficient in meeting Europe's LNG needs</u>. In fact, many are predicting a massive <u>supply glut</u> given just the status quo and not including any of the facilities currently impacted by the DOE's pause on new export authorizations.

The oil and gas industry is nevertheless still pushing for more U.S. LNG export facilities under the guise of a response to Putin while contracting and shipping gas to Chinese companies. Facilities impacted by the DOE's pause, like CP2 in Southwestern Louisiana, are already contractually obligated to send U.S. gas to Chinese companies. Already, <u>nearly 25 percent of LNG potentially impacted by the pause was contracted to companies headquartered in China – and that figure is rising given the saturation of European markets.</u>

This has led to an environment in which our nation's energy resources are not being used in the interest of our nation's security and instead are being exported and controlled by potentially hostile foreign powers. Whereas U.S. gas previously could be strategically deployed in response to threats like Putin's attack on Ukraine, our nation's ability to do so in the future could be hampered given that gas we produce here is already contracted to go to our rivals. Unfettered LNG exports are significantly weakening our national security position. As a result, the United States could be approaching future crises with one hand tied behind our back, dramatically reducing our ability to engage as effectively as possible.

We urge you to consider the dangerous impacts of unlimited LNG exports on our national security in all future deliberations on American energy policy. Moreover, we urge you to support the strategic assessment currently underway during the DOE's pause on new export authorizations. President Biden has taken a prudent step for our national security posture by pausing new approvals and ordering his Administration to closely at the risks involved with the ongoing LNG buildout. And, he's built in a wise exception to reconsider or lift this pause in case of international emergency. The pause on new LNG export authorizations is a vital opportunity to ensure US energy is no longer used to embolden our national security rivals. We cannot afford to lose this opportunity.

Sincerely,

The Honorable Ray Mabus, 75th Secretary of the Navy Lieutenant General (Ret) Jeff Buchanan, USA Rear Admiral (LH) (Ret) Michael S. Baker, USN, M.D., F.A.C.S. Major General (Ret) Paul Eaton, USA Major General (Ret) Ralph L. Haynes, USA, MD, MBA Major General (Ret) Gale S. Pollock, USA, CRNA, FACHE, FAAN Brigadier General (Ret) Steven M. Anderson, USA Brigadier General (Ret) Leif Hendrickson, USMC Brigadier General (Ret) Mark O'Neill, USA Sergeant Major (Ret) Marshall Williams, USA