The Benefits of LNG Exports

Introduction

Selling some of America’s abundant natural gas resources in global markets represents a major opportunity for the United States to create thousands of new jobs, grow our manufacturing base, generate billions of dollars in additional royalties and new government revenues and expand the benefits of U.S. trade.

Thanks to technological advances, the United States has enough natural gas not only to meet growing American consumer demand, but also to export some supply in the form of LNG without significantly impacting domestic prices.

Natural gas is also cleaner and more affordable than many other fuels, which means LNG exports can provide significant global environmental benefits in the form of cleaner air.

Jobs and Economic Benefits

• According to the U.S. International Trade Administration, each $1 billion of exports could result in more than 6,000 new jobs. Thus, $13 billion to $25 billion worth of liquefied natural gas (LNG) exports could mean the creation of between 75,000 and 150,000 new American jobs.

• Jobs would not only be created at each new U.S. LNG facility, but throughout the value chain – in natural gas production, the steel industry, turbine manufacturing, pipefitting and in many other industries – which would help communities across America.

• LNG exports are consistent with the President’s National Export Initiative to expand exports to create “sustainable economic growth” as well as “good high-paying jobs.” (White House, 9/16/2010)

• Each LNG export terminal will generate millions of dollars in new tax revenue for the federal, state and local governments, which can help fund vital public services and reduce public debt.

Trade and International Benefits

• Selling natural gas helps close allies like Japan, a country coping with serious energy challenges, while increasing U.S. trade and producing significant economic benefits here at home. According to the Brookings Institution, selling LNG is likely to have a positive impact on the U.S. trade balance. (Brookings, May 2012)

• LNG exports would help Europe diversify its natural gas supplies, and allow more money to flow into the United States. (Baker Institute, July 2011)

Environmental Benefits

• Natural gas has roughly half the carbon dioxide emissions as coal when burned for electricity, and little to no emissions of sulfur dioxide, nitrogen oxides or particulate matter. By exporting LNG, the United States will be providing the world with increased access to a source of cleaner and reliable energy, without compromising Americans’ ability here at home to utilize this important resource.