

Department of Energy Washington, DC 20585

March 20, 2019

Mr. Paul N. Cicio, President Industrial Energy Consumers of America 1776 K Street, NW Suite 720 Washington, D.C. 20006

Email: pcicio@ieca-us.org

Re: Data Quality Act Request for Correction:

U.S. Department of Energy's 2018 LNG Export Study

Docket No. 2018-12621

Dear Mr. Cicio:

The U.S. Department of Energy (DOE) Office of the Chief Information Officer (CIO) received your letter on behalf of the Industrial Energy Consumers of America (IECA), dated July 27, 2018, regarding a study commissioned by DOE and conducted by NERA Economic Consulting entitled, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (2018 LNG Export Study or 2018 Study). As discussed below, IECA requests a correction of the 2018 LNG Export Study under the Data Quality Act (DQA).

DOE issued final guidelines, effective October 1, 2002, setting forth the policy and procedures to ensure and maximize the quality, utility, objectivity, and integrity of the information that DOE disseminates to members of the public (DOE Information Quality Guidelines).⁴ The DOE Information Quality Guidelines were published pursuant to the Office of Management and Budget's (OMB) government-wide guidelines issued under section 515 of the Treasury and

¹ Letter. from Paul N. Cicio, IECA, to Max Everett, DOE Chief Information Officer, Data Quality Act Request for Correction, Docket No. 2018-12621 (July 27, 2018) [hereinafter IECA Letter.].

² NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018), available at:

https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf. DOE commissioned the 2018 LNG Export Study to inform its decision on pending and future applications seeking authorization to export domestically produced liquefied natural gas (LNG) from the lower-48 states to countries with which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries).

³ Section 515, Treasury & General Gov't Appropriations Act for Fiscal Year 2001 (Pub.L. 106-554; 114 Stat. 2763 A-154)

⁴ U.S. Dep't of Energy, Final Report Implementing Office of Management and Budget Info. Dissemination Quality Guidelines, 67 FR 62446 (Oct. 7, 2002).

General Government Appropriations Act for Fiscal Year 2001 (Pub. L. No. 106-554).⁵ Section 515 of that bill is commonly referred to as the DQA or the Information Quality Act.⁶

On June 12, 2018, DOE's Office of Fossil Energy (DOE/FE) gave notice of the availability of the 2018 LNG Export Study and invited the submission of public comments on the Study. In response to DOE/FE's notice, IECA submitted comments to DOE/FE opposing the 2018 Study. In those comments, IECA expressed its opposition to the 2018 Study for several reasons, including that the Study allegedly violates the DQA. In both IECA's letter to the Office of the CIO and its comments to DOE/FE, IECA makes the same arguments—that the 2018 Study violates the standards set forth in the DOE Information Quality Guidelines for reproducibility, objectivity, and integrity. In the property of the comments of the producibility of the comments of the

Specifically, IECA states that a correction of the 2018 Study under the DOE Information Quality Guidelines is necessary because "the results of the study are not reproducible," "meaning that the study cannot be used for its intended purpose" or "it must be redone with a non-proprietary economic model." Additionally, IECA states that a correction of the 2018 Study is necessary "to comply with the DOE DQA guidelines of objectivity and integrity."

The Office of the CIO has carefully considered IECA's arguments, as well as DOE/FE's response to IECA's comments in its document entitled *Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study* (Response to Comments). DOE/FE published the Response to Comments in the *Federal Register* on December 28, 2018. ¹³

Upon review of IECA's arguments, the Office of the CIO concludes that the 2018 LNG Export Study meets the standards for the Data Quality Act set forth in the DOE Information Quality

⁵ Office of Mgmt. & Budget, Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies; Republication, 67 FR 8452 (Feb. 22, 2002).

⁶ See supra note 3.

⁷ See U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports; Notice of Availability of the 2018 LNG Export Study and Request for Comments, 83 FR 27314 (June 12, 2018).

⁸ See Comment of Industrial Energy Consumers of America on 2018 LNG Export Study (July 27, 2018), available at: https://fossil.energy.gov/app/docketindex/docket/index/10 (Comment #10).

⁹ See, e.g., IECA Letter. at 1-2.

¹⁰ Id. at 2.

¹¹ Id.

¹² U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study; Notice of Response to Comments, 83 FR 67251 (Dec. 28, 2018).

¹³ See id.

Guidelines. The Office of the CIO hereby incorporates by reference DOE/FE's reasons for this determination, discussed in DOE/FE's Response to Comments (section VI.I.1). On this basis, the Office of the CIO denies IECA's request for correction of the 2018 LNG Export Study.

Sincerely,

Stephen (Max) Everett

Department of Energy

Chief Information Officer

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¹⁴ See id. at 67269-71 (§ VI.I.1, "Compliance with Data Quality Act").