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By Docket Room at 3:47 pm, Jul 06, 2022

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

Lake Charles LNG Export Company, LLC

FE Docket Nos.      11-59-LNG  
                                 16-110-LNG  
                                 13-04-LNG  
                                 16-109-LNG

**Motion to Intervene and Protest of Public Citizen, Inc.**

Established in 1971, Public Citizen, Inc. is a national, not-for-profit, non-partisan, research and advocacy organization representing the interests of household consumers. Public Citizen is active before the Federal Energy Regulatory Commission promoting just and reasonable rates, and supporting efforts for utilities to be accountable to the public interest. We frequently intervene in U.S. Department of Energy proceedings involving the export of electricity and natural gas. Our Energy Program Director is an expert on energy market regulatory matters, serving on two federal advisory committees of the U.S. Commodity Futures Trading Commission (the Energy and Environmental Markets and Market Risk advisory committees), and is frequently asked by Congress to testify on matters related to natural gas exports. Financial details of our operations are available at our website.<sup>1</sup>

Public Citizen has an interest in any proceeding involving the export of natural gas, as unprecedented volumes of such exports are directly causing record high domestic natural gas prices, resulting in tens of millions of American families to endure sustained energy poverty hardship. We therefore move to intervene in this proceeding.

Lake Charles LNG has applied to extend its current 30 year authorization to export LNG to 50 years. We protest this application to extend the authorization to 50 years because it is not in the public interest. In just a handful of years, the United States went from zero LNG exports to today serving as the largest natural gas exporter in the world. These record LNG exports are radically upending domestic natural gas markets, resulting in a direct and punishing correlation between exports and increased energy price burdens for American families:

*Last month's explosion at the Freeport LNG export plant in Texas has thrown into stark relief the trade-offs inherent in America's pursuit of maximizing liquefied natural gas exports. The blast on 8 June 2022 cut US LNG exports by approximately two billion cubic feet per day (Bcf/d), or ~20%. Market reaction was as dramatic as the explosion itself. The month-ahead price of gas on Henry Hub crashed from a peak of \$9.57 per million British thermal units (MMBtu) to \$8.15/MMBtu within just a few hours. Why? Freeport's outage made 2 Bcf/d of US shale gas unexpectedly available to the domestic gas market, which was running hot due to record demand for feed gas from the seven*

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<sup>1</sup> [www.citizen.org/about/annual-report/](http://www.citizen.org/about/annual-report/)

*LNG plants in operation across Texas, Louisiana and Georgia. A similar reaction occurred in the Texas electricity market. The average price of power across all ERCOT locational nodes briefly fell from more than \$60 per megawatt-hour (MWh) to around \$26/MWh when the explosion took Freeport offline . . . Freeport LNG said in a statement on 14 June, six days after the explosion, that . . . the facility will be offline for much longer than the original time frame of three weeks, prompting more market turmoil. Henry Hub crashed a further 15% on the news . . . US LNG exports are now running at their lowest rate in four months, granting much-needed reprieve to American consumers. The fall in exports has becalmed Henry Hub, with the August-dated contract falling by almost 40% since its pre-explosion peak . . . The Freeport outage illustrates how US LNG exports help to keep a lid on soaring European energy prices, while driving up domestic prices. Put simply, more US gas in Europe means less gas in America – and vice-versa.<sup>2</sup>*

Providing Lake Charles with a blanket authorization to export LNG for 50 years is inconsistent with the public interest, as it unnecessarily threatens American families with prolonged exposure to higher domestic price risk. Lake Charles has already been granted authorization to export LNG for a 30 year period, which we are not challenging here. Lake Charles has provided no evidence that denying the requested extension to 50 years will result in any harm to the company. But granting Lake Charles with a blanket authorization to export LNG for 50 years needlessly exposes American families and the U.S. economy to significant harm in the form of continued energy price risk. Therefore, the Department of Energy must conclude that extending the blanket authorization for 50 years is not in the public interest.

Respectfully submitted,

*Tyson Slocum*

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<sup>2</sup> Seb Kennedy, *US LNG is becoming a zero-sum game*, Energy Flux, July 5, 2022, [www.energyflux.news/p/us-lng-is-becoming-a-zero-sum-game](http://www.energyflux.news/p/us-lng-is-becoming-a-zero-sum-game)

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the applicant and intervenors for this docketed proceeding in accordance with 10 CFR § 590.107(b). Dated at Washington, DC this 6<sup>th</sup> day of July 2022.

Signed,

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