

EXHIBIT 5



Statement from U.S. Secretary of Energy Jennifer M. Granholm on Updated Final Analyses

The Natural Gas Act has given the U.S. Secretary of Energy the responsibility to evaluate whether authorizations for the export of liquefied natural gas to non-free-trade-agreement countries is consistent with the “public interest.” That determination includes a wide variety of factors including impact on American consumers, workers, and the environment. We have now finalized our update of various pieces of analysis for public comment.

I want to take this opportunity to highlight five key findings and considerations that I think are especially relevant to help guide future Secretaries of Energy in making decisions about whether particular applications are in the public interest. Today’s publication reinforces that a business-as-usual approach is neither sustainable nor advisable.

First, the pace of growth of U.S. natural gas exports in recent years is truly astounding and many analysts say continued growth on this trajectory will quickly outpace global demand. By itself, this rapid growth to date – and the continued growth we expect under existing authorizations – recommends a cautious approach going forward. U.S. LNG exports have already tripled over the past five years, will double again by 2030, and could double yet again under existing authorizations. The quantities already approved for export equate to roughly half of the U.S.’s total current natural gas production today. In 4 of 5 modeling scenarios included in today’s study, the amounts that have already been approved will be more than sufficient to meet global demand for U.S. LNG for decades to come.

Second, while these dramatically increasing LNG exports generate wealth for the owners of export facilities and create jobs across the natural gas supply chain, our public interest review requires a comprehensive economic analysis. The U.S. Department of Energy’s (DOE) updated study finds that a wide range of domestic consumers of natural gas – from households to farmers to heavy industry – would face higher prices from increased exports. The study put forward today finds that unfettered exports of LNG would increase wholesale domestic natural gas prices by over 30%. Unconstrained exports of LNG would increase costs for the average American household by well over \$100 more per year by 2050. We have recently lived through the real-world ripple effects of increased energy prices domestically and globally since the pandemic. Middle and low-income households already face energy bills that are too high. In parts of the South, the export-induced price increase would put some households over the energy burden threshold, further challenging their ability to meet basic needs.

In fact, DOE analysis exposes a triple-cost increase to U.S. consumers from increasing LNG exports – the increasing domestic price of the natural gas itself, increases in electricity prices (natural gas being a key input in many U.S. power markets), and the increased costs for

consumers from the pass-through of higher costs to U.S. manufacturers. On the latter point, the new study finds that from 2020 to 2050, the overall energy costs for the industrial sector would go up \$125B, leading to additional potential price increases for a wide range of consumer goods.

To date, U.S. consumers and businesses have benefited from relatively stable natural gas prices domestically as compared to those in other parts of the world who have faced far greater price volatility. The more volumes of U.S. LNG are exported, the greater the risk of this global price volatility being imported into our domestic market and impacting U.S. consumers and manufacturers.

Third, LNG facilities tend to be concentrated in communities that are being asked to shoulder the additional burden of pollution from increased natural gas production and liquefaction. This comes on top of existing environmental burdens from refining, petrochemical, and other industries already concentrated near these communities. Pollutants such as methane, volatile organic compounds, particulate matter, nitrogen oxides, and others lead to higher mortality rates in communities where oil and gas are extracted and processed – a problem that, absent regulatory intervention, will only get worse, if volumes of LNG exports continue to dramatically increase. It is notable that just recently the U.S. Federal Energy Regulatory Commission [required](#) Supplemental Environmental Impact Statements for two LNG projects with export applications then pending before DOE – CP2 and Commonwealth – to undertake further analysis on air pollution impacts to surrounding communities. With our latest final analysis, DOE has specifically requested additional [public input](#) from affected communities, workers, local businesses, academic researchers, and other stakeholders about all the various impacts – health, economic, and environmental – on those most directly affected by gas exports.

Fourth, the climate impact of ever greater exports of LNG merits a close and rigorous focus, especially in a world that needs to quickly reduce greenhouse gas emissions substantially across the board to meet our global commitment of limiting warming to 1.5 C. While some tout LNG as a means to reduce the use of coal overseas (and to date that has been the case with some importing countries), the study put forward today shows a world in which additional U.S. LNG exports displace more renewables than coal globally. As stated earlier, 4 out of 5 scenarios, currently authorized levels of U.S. LNG exports are already more than enough to meet global demand. In the fifth scenario in which U.S. LNG exports exceed currently authorized levels, the annual direct emissions associated with exports in 2050, not considering market effects of the exported gas, would be 1.5 gigatons of CO₂ equivalent, or just over 25 percent of current U.S. annual greenhouse gas emissions.

And in every scenario, increases in LNG exports would lead to increases in global net emissions – despite very aggressive assumptions in the model regarding deployment of carbon capture, utilization, and storage (6.6 Gt CO₂ to 20 Gt CO₂ annually in 2050 across the scenarios). The extent of net emissions increases resulting from additional U.S. LNG exports will depend on market effects addressed in the study, such as changes in energy demand and the sources used to meet that demand for electricity and other uses of natural gas.

The study shows that climate emissions associated with LNG can vary widely from the point of extraction, through midstream transportation and liquefaction, to end use. Accounting for the

GHG intensity of LNG cargoes should be a central consideration for future operations of the DOE program and of global trade in LNG more generally. The European Union has enacted a law that will impose requirements on its LNG suppliers to limit emissions associated with natural gas production by later this decade, with a methane intensity requirement implemented in 2030. Seeking to account for and to reduce emissions associated with U.S. LNG production throughout the supply chain is critical to U.S. economic competitiveness over the medium term. Such efforts can be supported both by the operations of DOE's program, as well as by regulatory efforts to reduce methane emissions in the oil and gas sector.

Special scrutiny needs to be applied toward very large LNG projects. An LNG project exporting 4 billion cubic feet per day – considering its direct life cycle emissions – would yield more annual greenhouse gas emissions by itself than 141 of the world's countries each did in 2023.

Fifth, any sound and durable approach for considering additional authorizations should consider where those LNG exports are headed, and whether targeted guardrails may be utilized to protect the public interest. Over the past few years, U.S. LNG has proven critical for our allies in Europe as they wean themselves off Russian gas. However, European demand for natural gas has flattened and is set to decline substantially in line with Europe's efforts to reduce its climate footprint. LNG demand has already peaked in Japan, and growth is expected to flatten in South Korea by 2030. On the other hand, based on current global demand for LNG, the People's Republic of China is already the world's largest importer. Looking ahead China's LNG exports are expected to nearly double between now and 2030, and China's LNG imports are expected to be the highest of any country through 2050. PRC entities have already signed several contracts with operating or proposed U.S. LNG projects. Future authorization decisions of what is in the "public interest" need not be made solely on a binary – yes or no – basis but could be undertaken using a broader framework of requirements for all authorizations.

Regardless of what happens in each cycle of elections, the effect of increased energy prices for domestic consumers combined with the negative impacts to local communities and the climate will continue to grow as exports increase. In the decade to come, we will see strong and mounting pressure within our democratic system to ensure that the United States uses its market position in a way that truly advances our national interest and energy security, which must include the needs of American workers, American families, and our responsibility to address the climate crisis. In our view, the question is not *whether* U.S. export policy will be forced to respond to those interests, but *when* and *what* that response is.

At the beginning of this year, we made the decision to pause new LNG export decisions while we awaited the completion of a new study examining the economic and environmental impacts of increased LNG export volumes. That final study, now available for public comment, exposes a whole range of considerations that must be taken into account. Given that the comment period for the study will continue into the next Administration – and that there are a limited number of applications that are concurrently ready for the DOE "public interest" review – decisions about the future of LNG export levels will necessarily be made by future Administrations.

Our hope is that we can now assess the future of natural gas exports based on the facts and ensure authorizations are reviewed in a manner that truly advances the public interest of all the American people.