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APGA Supports Reps. Markey and Holt's Legislation to Prohibit LNG Export Pending Review

Washington, D.C. (March 14, 2013)- Today, APGA sent a letter to Reps. Edward Markey (D-Mass.) and Rush Holt (D-N.J.) in support of their legislation titled, *American Natural Gas Security and Consumer Protection Act*. This legislation prohibits the export of domestically produced liquefied natural gas (LNG) pending the issuance of regulations setting the parameters of the public interest determination and a thorough public interest review by the Secretary of Energy of each export application. APGA's letter lauds Reps. Markey and Holt's efforts to protect domestic consumers from price increases from export and to ensure that the United States can take advantage of the unprecedented opportunity provided by domestic natural gas to reduce its dependence on foreign oil. The following statement can be attributed to APGA President & CEO, Bert Kalisch.

"Numerous applications for the export of LNG have been filed at the Department of Energy. Several of these applications have already been granted and more may be approved in the coming months. If all of the pending applications were to be approved totaling 29.69 BCF/day, U.S. daily production of natural gas would have to increase by almost 45 percent to accommodate the demand from foreign countries. Common sense and simple economics dictate that this large-scale export of natural gas will cause the domestic price of natural gas to significantly increase.

"The large-scale export of LNG will not only wreak havoc with the current supply and demand situation including the price of natural gas, but it will also link the domestic price of natural gas to international oil markets, which are substantially more volatile and less transparent than our domestic market. The effect of this on the domestic price of natural gas and on efforts to broaden the use of natural gas to displace foreign oil is as self-evident as it is self-defeating.

"Our natural gas will be sold where the price is the highest, irrespective of national boundaries and geopolitical interests. And since many foreign nations have substantially higher prices for natural gas, our domestic supply would likely flow abroad in times of shortage, further increasing prices for domestic consumers and undermining efforts to maintain domestic gas prices at competitive levels.

“APGA strongly believes that the U.S. is at a crossroads. Natural gas has a tremendously important role to play in keeping energy prices affordable for U.S. consumers, reducing our dependence on foreign oil, and reviving domestic manufacturing. We believe that the only way to achieve these critical national goals is to guarantee that the economic concerns of homeowners and businesses are taken into account before we export our valuable domestic gas resources.”

A copy of the letter can be viewed at: www.apga.org/correspondence

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APGA is the national association of municipally and publicly-owned local distribution systems. There are about 1000 public gas systems serving more than five million customers. These public gas utilities are not-for-profit retail distribution entities that are owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.