# Natural Gas Opportunities to Reduce Greenhouse Gas Emissions

**Objectives of Increased Use of Natural Gas**

- Position American natural gas to capture a greater market share of domestic and global energy demand in a manner that provides meaningful reductions in global greenhouse gas emissions (GHG), while maximizing reliability, cost efficiency and social equity.

**The Opportunity for the US Natural Gas**

US oil and natural gas are essential to modern life and to improving the environment. The American energy revolution has unlocked a vast supply of clean-burning natural gas, which plays an important role in helping to meet the domestic and global demand for energy. The abundance of US natural gas supply, when combined with the significant technological improvements of the industry, has led to record domestic natural gas production and the reversal of a long history of net importation of foreign natural gas. Also, this abundance and affordability of domestic natural gas has helped communities around the country which rely on government support (i.e. Low-Income Home Energy Assistance Program) to meet their energy needs.

Aside from spurring the economy and lowering power costs, the most meaningful benefit has been the reduction of GHG emissions, with the US becoming a leader over the last decade. According to the Center for Climate and Energy Solutions, natural gas has been the primary force[1] in reducing US electric-power sector $CO_2$ emissions to 32-year lows, and they are projected to continue to decline. The increased use of natural gas has also played a role in the reduction in criteria pollutants, including ozone precursors. Much of this progress can be credited to the transitioning from less-efficient power generation to more efficient generation, like natural gas—and this model can be replicated globally.

The US has a unique opportunity both to meet global energy demand and ensure that the need will be filled by an energy source that better serves global environmental goals while also bolstering our national security. US liquified natural gas can ensure that global energy demand is met in a manner that minimizes GHG emissions while maximizing reliability, and cost-efficiency.

**To further domestic and global progress, AXPC supports:**

- **Increasing the use of natural gas in power generation – domestically and internationally.** Domestically, electricity generators are switching to natural gas as their main power source due to its environmental and economic benefits. Natural gas is cleaner, cheaper, and abundant, and is now the largest source of US electric power generation, helping reduce US greenhouse gas emissions to mid-1990 levels. [2]

1 https://www.c2es.org/content/natural-gas/#:~:text=Combustion%20of%20natural%20gas%20emits,emissions%20to%20mid%2D1990%20levels

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- **Providing energy access through natural gas to reduce poverty and improve the standard of living and the environment in impoverished nations**. Nearly a billion people worldwide lack access to electricity, which significantly hurts access to health care, life expectancy, economic opportunity, and overall quality of life.

- **Incorporating more natural gas into Free Trade Agreements (FTAs).** Free Trade Agreements can be made with select countries to reduce barriers to US natural gas exports. As of March 2019, only 18 countries had a natural gas FTA with the United States. More countries should be added to facilitate natural gas exports.

- **Expediting approval for US LNG to countries without an FTA.** Shipments of US LNG are automatically approved if the US and the receiving country have a free trade agreement in place. If an FTA is not in force, the Natural Gas Act required that a company must obtain approval from the US Department of Energy (DOE). That approval is dependent on DOE publishing the application in the Federal Register and taking comment to determine if the export is in the public interest.

- **Seeking diplomatic efforts to encourage the consumption of US LNG globally.** Because of the high environmental standards of US producers, US LNG has a significantly lower lifecycle emissions than the second-highest global producer, Russia.[3] Promoting US LNG abroad is not only good for lowering emissions, but also for good for national security and global stability.

- **Enhancing US Infrastructure:**
    - **Supporting reforms in environmental rules and laws to expedite the permitting process.** The federal permitting process can take years and be delayed by government agencies or activist groups. In 2005, Congress attempted to streamline the federal government's review of interstate natural gas pipeline permits. The Federal Energy Regulatory Commission (FERC) was given the authority to set deadlines for other agencies to conduct their reviews. Codifying FERC's deadlines in law or adding new enforcement mechanisms would provide much-needed certainty for US oil and gas producers.

    - **Utilizing the US Ex-Im Bank, US International Development Finance Corporation (DFC) and/or other financing options to bolster foreign LNG import infrastructure and in-country pipeline to expand export markets for US LNG.**

- **Removing bureaucratic and regulatory barriers, which inhibit the ability to move domestic product across the country, including by ship, where there is demand.**

[3] https://www.energy.gov/sites/prod/files/2019/09/f66/2019%20NETL%20LCA-GHG%20Report.pdf