



Adopted Unanimously on October 14, 2013

Sponsored by: Senator John Watkins of Virginia  
Sec. Doug Domenech, Virginia, Secretary of  
Natural Resources, Governor's Alternate

### **3.2013 – Resolution Supporting the Expansion of Liquefied Natural Gas (LNG) Export Capability**

WHEREAS, reserves of natural gas in the United States have greatly expanded due to the application of innovative drilling and extraction technologies, resulting in a supply of natural gas that will exceed internal needs for many decades to come, and therefore presents the opportunity for incremental sales of surplus gas in the form of liquefied natural gas (LNG) into the international energy market; and

WHEREAS, the United States Department of Energy commissioned a study which was performed by NERA Economic Consulting, a well-qualified econometric firm that analyzed the macroeconomic impact of expansion of LNG exports under a variety of scenarios, including high and low volumes of energy demand, natural gas production and daily export volume; and

WHEREAS, this study found that “in all of the scenarios analyzed...the U.S. economic welfare consistently increases as the volume of natural gas exports increased” and could generate up to \$47 billion in new economic activity by 2020; and

WHEREAS, the NERA study further found that export sales would result in a “wealth transfer” to the United States and improve the nation’s balance of trade situation, and strengthen the position of the United States in the world energy market; and

WHEREAS, expansion of export sales to foreign customers would help stabilize the domestic market and enhance investment in development of indigenous gas production and processing, which is currently depressed, and therefore will increase capacity and infrastructure development in this sector and ultimately benefit domestic gas customers; and

WHEREAS, investment in this sector will create jobs and foster economic development, and the NERA study found that domestic gas price impacts would be modest and that the benefits far outweigh the costs; and

WHEREAS, natural gas is a clean burning fuel with relatively low carbon dioxide emission, therefore expansion of its global use has environmental benefits; and

WHEREAS, there are potential export terminals in the United States that are poised to serve the global export market, but are awaiting necessary regulatory approvals; and

THEREFORE, BE IT RESOLVED that the members of the Southern States Energy Board find that expansion of LNG exports is in the national interest and hereby call upon the United States Department of Energy and all other responsible regulatory agencies to facilitate and expedite the licensing and permitting of facilities for the processing, shipping and export of LNG so that the abundant domestic natural gas resources can serve the international market, without undue restrictions and thereby bring about substantial and important benefits.