Sixteen States Sue Biden Administration Over Gas Permit Pause

(IPANM EDITOR's NOTE: By no surprise, New Mexico is NOT part of this lawsuit. It's yet another example of the lack of support for Oil & Gas from the New Mexico Attorney General's Office, the Governor's Office, and New Mexico's Federal Congressional Delegation.)

President Biden halted approvals for new exports of liquefied natural gas to study its effect on the climate, national security and the economy. Major oil- and gas-producing states are angry.



By Lisa Friedman March 21, 2024

Louisiana and 15 other Republican-led states sued the Biden administration on Thursday over its decision to temporarily stop approving new permits for facilities that export liquefied natural gas.

The <u>lawsuit contends that the Biden administration acted illegally</u> when it decided in January to pause the approvals so it could study how gas exports affect climate change, the economy and national security.

Filed in the United States District Court for the Western District of Louisiana, the lawsuit asks a judge to end the pause, arguing that the White House had flouted the regulatory process and instead taken action "by fiat."

"There is no legal basis for the pause," Elizabeth B. Murrill, the attorney general of Louisiana, which led the legal challenge, said in an interview.

Ms. Murrill, who referred to the pause as a ban, said halting permits for any amount of time would hurt states' economies and would have significant long-term consequences abroad by restricting supplies of gas from the United States to Europe.

The United States is the world's top exporter of natural gas. Liquefied natural gas is a gas that has been cooled to a liquid state to allow for shipping and storage. Even with the pause, the country is still on track to nearly double its export capacity by 2027 because of projects already permitted and under construction. But any expansions beyond that are now in doubt.

"I'm not sure the American people feel the pain of this particular decision yet, but it is part of a larger plan by this administration to destroy the fossil fuel industry," Ms. Murrill said.

The White House and the Department of Energy did not immediately respond to a request for comment.

The pause on new export permits came after months of protests by environmental activists, who argued that adding new gas export facilities and expanding existing ones would lock in decades of additional greenhouse gas emissions, the main driver of climate change.

"In every corner of the country and the world, people are suffering the devastating toll of climate change," Mr. Biden said in January. "This pause on new L.N.G. approvals sees the climate crisis for what it is: the existential threat of our time."

The decision has drawn the ire of the oil industry, Republicans and some Democrats. Pennsylvania's senators, the Democrats John Fetterman and Bob Casey, issued a rare statement in opposition to Mr. Biden on the pause. Senator Joe Manchin III, a Democrat who represents the coal- and gas-rich state of West Virginia, said this week at an energy conference in Houston that "there needs to be a pause on the pause."

John Podesta, Mr. Biden's senior adviser on climate change, said this week that the White House was not surprised by the backlash.

"We definitely went in with open eyes," he said. Mr. Podesta argued it is "prudent" for the government to take time to study the effect gas is having on the climate.

Gas, which is primarily composed of methane, is cleaner than coal when it is burned. But methane is a much more potent greenhouse gas than carbon dioxide in the short term. It can also <u>leak anywhere along the supply chain</u>, such as the production wellhead, processing plants and the stovetop. The process of liquefying gas to transport is also energy intensive as well, creating yet more emissions.

In addition to Louisiana, the states challenging the pause are Alabama, Alaska, Arkansas, Florida, Georgia, Kansas, Mississippi, Montana, Nebraska, Oklahoma, South Carolina, Texas, Utah, West Virginia and Wyoming.

The states argued that a decision of such magnitude should have gone through a regulatory process, in which states, the industry and others could have offered public comments and had an opportunity to shape a decision.

The states contended that the "whims of activists cannot override" the law. The Natural Gas Act of 1938 calls on the secretary of the Energy Department to issue an export license unless, after a hearing, it is determined that the project is not in the public interest.

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