NEWS

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Requiring Use of U.S.-Flagged Ships for LNG Exports Not Feasible, Would Drive Up Costs

(Washington, D.C.) – In response to a letter to the Administration from Sen. Roger Wicker and Rep. John Garamendi, Center for Liquefied Natural Gas (CLNG) Executive Director Charlie Riedl issued the following statement:

> "This proposal is simply not feasible and would hinder U.S. LNG competition with other global suppliers. Of the ships capable of transporting LNG, none are built or flagged in the U.S. and no shipyards in the U.S. currently are capable of fulfilling an order. The GAO looked at the costs of building such a vessel and found that it would significantly increase the costs of shipping U.S. LNG to customers and cost American jobs in associated industries.
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> "Placing this kind of unnecessary requirement on the U.S. LNG industry would hurt the industry's ability to compete for growing international demand.
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> "Certainty in the LNG industry is essential to future investments in the industry and the communities they serve, such as the $4 billion invested at the Cove Point export facility, Maryland's largest construction project to date."

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The Center for Liquefied Natural Gas (CLNG) advocates for public policies that advance the use of liquefied natural gas (LNG) in the United States, and its export internationally. A committee of the Natural Gas Supply Association (NGSA), CLNG represents the full value chain, including LNG producers, shippers, terminal operators and developers, providing it with unique insight into the ways in which the vast potential of this abundant and versatile fuel can be fully realized. For more information, please visit www.lngfacts.org and www.lnginitiative.org.