16 May 2023

Dear Deputy National Security Advisor Pyle:

On behalf of our millions of members and supporters, we write to you with deep concerns that the Japan-led G7 process could endorse the expansion of global Liquefied Fossil Gas (LNG) supplies. Because official support for new LNG infrastructure is incompatible with the Biden Administration's climate and environmental justice commitments, the United States should strenuously resist this outcome.

The G7 Climate and Environment Ministerial Communique in April stated that investment in the natural gas sector, including LNG, is only appropriate if "implemented in a manner consistent with our climate objectives and without creating lock-in effects." The G7 should clarify at its final meeting that new LNG export and import infrastructure fails this test.

As the <u>International Energy Agency</u> and others have made clear, there is no preventing a 1.5C world without preventing new oil and gas investments. Every LNG terminal that comes online risks locking-in decades of avoidable climate pollution and environmental injustice. While climate and environment ministers gestured towards "hydrogen-ready" LNG as a way to square new gas investments with climate targets, the economics, safety, and climate benefits of retrofitting LNG infrastructure for hydrogen remain <u>highly questionable</u>.

With fossil fuel interests <u>unapologetically targeting</u> the G7, and Japan using its Presidency to seek support for new LNG, we call on the United States to prevent the gathering from endorsing dirty energy giveaways in the following areas:

- **Hydrogen-Readiness:** Vague promises of hydrogen readiness cannot become an excuse to expand fossil fuel infrastructure. Whether for liquid hydrogen or ammonia, the prospect of hydrogen retrofits for LNG terminals remains prohibitively expensive with major questions about both technical feasibility and climate benefits. This is a marketing campaign, not a technology; it cannot be allowed to justify the continued expansion of LNG.
- **Contracts:** New LNG projects require long-term contracts to secure commitments from lenders and other investors. The length of most contracts—generally at least 15 years—is a stark reminder that terminals breaking ground today will continue polluting long after meaningful climate thresholds have been crossed. The United States should oppose efforts in the G7 and other fora to expand LNG contracting, including through the creation of new market structures to aggregate demand.
- **Permitting Reform:** The permitting process for LNG in the United States already fails to consider climate, communities and consumers, serving as a rubber stamp for industry. The Biden Administration should vehemently resist any attempt to further expedite LNG permitting across G7 countries in ways that would further weaken community input and the assessment of climate and environmental justice impacts.

- **Public Finance**: Export Credit Agencies and other public financiers have played a disproportionate role in the LNG boom to date, with G20 countries providing <u>\$78 billion</u> in credit and other investments for projects around the globe. The US EX-IM Bank alone is responsible for almost \$5 billion with the potential for billions more under its new facility for financing domestic projects. The United States should rapidly implement the Glasgow Statement to phase out its own financing of fossil fuels, including LNG, and call on Japan to join the rest of the G7 as a signatory.
- "Clean" LNG Certification: Recent announcements indicate that the DOE and representatives from other G7 countries are working with fossil fuel interests to develop an international certification framework for the carbon intensity of LNG. While there is an urgent need for strong and well-enforced methane regulations, this type of certification scheme risks simply helping LNG companies sell more of their product and secure more contracts for new facilities. It is extremely difficult to accurately measure the methane leakage and carbon intensity of the LNG supply chain, and we are skeptical that this type of certification would be meaningful or rigorous; more likely, it will amount to little more than greenwashing that conceals the climate and environmental justice harms of LNG.

It would be a climate and environmental justice disaster if the coming G7 was hijacked to support LNG. We urge the Biden Administration to stand firm and lead the way for fossil-free diplomacy.

Sincerely,

CC:

Principal Deputy National Security Advisor Jon Finer

Special Presidential Envoy for Climate John Kerry

Senior Advisor John Podesta

Senior Director and Assistant to the President Sarah Ladislaw

Senior Advisor Amos Hochstein

Deputy Secretary Dave Turk, Department of Energy

Assistant Secretary Andrew Light, Department of Energy

Assistant Secretary Brad Crabtree, Department of Energy

A Community Voice

Action for the Climate Emergency

Africa Network for Environment & Economic Justice Better Brazoria Clean Air & Water Beyond Extreme Energy Bronx Climate Justice North Carrizo/Comecrudo Tribe of Texas Cascadia Climate Action Now Catskill Mountainkeeper Center for Biological Diversity Center for International Environmental Law Center for Oil & Gas Organizing Central Jersey Coalition Against Endless War Chatham Research Group Chesapeake Climate Action Network Chispa Texas Citizens Alliance for a Sustainable Englewood **Clean Energy Action** Climate Action Campaign of the Humboldt Unitarian Universalist Fellowship **Climate Equity Policy Center** Climate Hawks Vote Climate Reality Project New Orleans ClimateMama Coalition Against Death Alley Color Brighton Green **Common Defense** Concerned Citizens of St. John Concerned Health Professionals of Pennsylvania Deignan Institute for Earth & Spirit Don't Waste Arizona Down East Coal Ash Environmental & Social Justice Coalition Earth Action, Inc. Earth Uprising International Earthworks

Eco-Conscience ecoAmerica Ecologistas en Acción **Edmund Rice International Elders Climate Action Empower Our Future** Energy & Environmental Initiative of the Colorado Democratic Party Estes Valley Clean Energy Coalition Extinction Rebellion San Francisco Bay Area Extinction Rebellion US Fenceline Watch Food & Water Watch For a Better Bayou Fracking Free Clare Friends of the Earth U.S. Grassroots Global Justice Alliance Greater New Orleans Interfaith Climate Coalition Greenpeace USA Hispanic Access Foundation In the Shadow of the Wolf Incendiary Literary Inclusive Louisiana Institute for Policy Studies Climate Policy Program Kentucky interfaith Power League of Conservation Voters Mighty Earth MoveOn.org Hoboken Natural Capitalism Solutions Natural Resources Defense Council New Mexico Climate Justice New York Progressive Action Network Greene Nicaragua Center for Community Action

North American Climate, Conservation & Environment North Bronx Racial Justice North Quabbin Energy Northern New Jersey Jewish Voice for Peace Nuclear Information & Resource Service Occupy Bergen County Ocean Conservation Research Oil & Gas Action Network Oil Change International Our Revolution Ocean County Pacific Environment Pass the Federal Green New Deal Plastic Pollution Coalition Port Arthur Community Action Network Primavera Zur Progressives for Climate Public Citizen Rachel Carson Council Rainforest Action Network Robeson County Cooperative for Sustainable Development Save RGV Seven Circles Foundation Sierra Club South Seattle Climate Action Network St. Mark's United Methodist Church Stand.earth Stop The Oil Profiteering Sunrise New Orleans Louisiana League of Conscious Voters Texas Campaign for the Environment The Last Plastic Straw The Quantum Institute

TIAA-Divest! Toxic Free North Carolina tUrn Climate Crisis Awareness & Action Turtle Island Restoration Network Unitarian Universalists for a Just Economic Community Unite North Metro Denver Vote Climate Waterspirit Women's Environment & Development Organization Wooley Energy & Environment Zero Hour Zilkha Center for Environmental Initiatives 1000 Grandmothers for Future Generations 198 methods 350 Colorado 350 Deschutes 350 New Orleans 350 Sacramento 350 Seattle 350 Triangle <u>350.org</u> 7 Directions of Service