

BEFORE THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET

Energy Information Administration) Document No. 2020-26884
Agency Information Collection Proposed Extension)
Notice and Request for -OMB Review and Comment)

**COMMENTS ON ENERGY INFORMATION ADMINISTRATION REQUEST FOR
THREE-YEAR EXTENSION OF THE *NATURAL GAS DATA COLLECTION PROGRAM***

**FILED BY
CENTER FOR LIQUEFIED NATURAL GAS**

January 6, 2021

In response to the Energy Information Administration's (EIA) notice and request for Office of Management and Budget (OMB) review and comment on the proposed three-year extension, with changes, of the *Natural Gas Data Collection Program*, the Center for Liquefied Natural Gas (CLNG)¹ respectfully submits the following comments.

CLNG is supportive of an approach that does not require additional data, beyond that already required, to be collected from large-scale liquefied natural gas (LNG) export or import terminal operators. Specifically, Form EIA-191L, *Monthly Liquefied Natural Gas Storage Report* and Form EIA-912, *Weekly Underground Natural Gas Storage Report* should not include the collection of data from large-scale LNG export or import terminal operators.

CLNG believes that collecting storage data from large-scale LNG export or import operators would not provide EIA with any valuable information and would be disadvantageous for terminal operators for the following reasons:

¹ The 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 LNG value chain, including all six large-scale LNG export facilities in the United States, shippers, and multinational developers, providing it with unique insight into the ways in which the vast potential of this abundant and versatile fuel can be fully realized.

- A. LNG storage at export terminals is not fulfilling a domestic market need; therefore, this LNG storage data is not helping EIA form a clearer picture of U.S. domestic natural gas storage. In fact, LNG storage data at export terminals could give EIA a false sense of the U.S. domestic market, since this LNG is not entering the domestic market, it is instead being exported to the global market.
- B. EIA must make a clear distinction as to whether it is collecting data on peak shaving facilities or LNG export or import terminals. While storage data from peak shaving facilities might be beneficial to EIA, insofar as those facilities are acting as a substitute for underground storage, storage associated with LNG terminals is not used for long-term storage in the same way as a peak shaving facility might use its storage. The storage associated with LNG export and import terminals is operational in nature and is necessary only to store LNG in the short-term for loading onto or off vessels.
- C. LNG export and import terminal storage numbers are always in flux. The LNG in storage at a given facility can change drastically depending on the time of day or day of the week that a ship arrives to load its LNG cargo. On any given day, this variability can render the storage number into an inaccurate indicator of a facility's available storage capacity. Therefore, reporting the storage capacity of a facility to EIA is not allowing them a clear picture of the storage activity at a facility. Furthermore, LNG storage data is not helping EIA to develop a transparent or accurate sense of either storage activity and capacity at a facility, or the U.S. domestic natural gas market.
- D. For U.S. LNG exporters to be as competitive as possible in a global market, it is necessary that government reporting and regulatory requirements are supportive of that goal. Each additional reporting requirement puts U.S. LNG exporters at a cost disadvantage to exporters around the world who are not required to report in the same manner. This is because there is a monetary cost to reporting and the U.S. exporter must absorb these costs. LNG exporters in countries that do not require the same reporting will have lower overhead costs and will thus have more monetary flexibility when it comes to contracting for their product.

The important statistics that enable better understanding of the U.S. LNG market are already reported by EIA on a weekly and monthly basis. Each week, EIA publishes the "Natural Gas Weekly Update" that includes LNG pipeline receipts, which EIA defines as "pipeline deliveries to LNG export terminals."² This LNG pipeline receipts statistic informs the public on the level of natural gas demand at the LNG export terminals on a weekly basis.

U.S. LNG exporters are also required to send monthly reports to the Department of Energy (DOE) detailing every shipment of LNG that has left their facilities, including the amount of LNG shipped in each cargo.³ Currently, EIA receives the export reports from DOE and

² Energy Information Administration. "Natural Gas Weekly Update." Accessed June 24, 2020. <https://www.eia.gov/naturalgas/weekly/>.

³ Department of Energy. "LNG Reports.", May 2020, <https://www.energy.gov/fe/listings/lng-reports>.

publishes U.S. LNG export volumes monthly by point of export on the EIA website.⁴ With these already available statistics, the public can understand the impact U.S. LNG export facilities have on domestic natural gas demand.

Respectfully Submitted,



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⁴ Energy Information Administration. "U.S. Natural Gas Exports and Re-Exports by Point of Exit." Accessed June 24, 2020. https://www.eia.gov/dnav/ng/ng_move_poe2_a_EPG0_ENG_Mmcf_m.htm