



H.R. 4606 — Ensuring Small Scale LNG Certainty and Access Act (Rep. Johnson, R-OH)

CONTACT: Nicholas Rodman, 202-226-8576

FLOOR SCHEDULE:

Scheduled for consideration on September 6, 2018, subject to a <u>structured rule</u>. The rule makes in order two amendments, which are described below.

TOPLINE SUMMARY:

<u>H.R. 4606</u> would authorize the Department of Energy (DOE) to approve any application to export or import less than 0.14 billion cubic feet (bcf) of natural gas per day to or from any country with which the United States does not have an applicable free trade agreement (FTA), and that does not require an environmental assessment.

COST:

The Congressional Budget Office (CBO) <u>estimates</u> that because enacting H.R. 4606 could affect direct spending, pay-as-you-go procedures apply. However, CBO estimates that any such effects would not be significant in any year. Enacting the bill would not affect revenues. CBO estimates that enacting H.R. 4606 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

CONSERVATIVE CONCERNS:

- **Expand the Size and Scope of the Federal Government?** No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

H.R. 4606 would amend section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) by authorizing the application for importation or exportation of natural gas to be granted without modification or delay if the importation or exportation is deemed to be consistent with the public interest; the application for such importation or exportation proposes to import or export a volume of natural gas that does not exceed 0.14 billion cubic feet (bcf) per day; and the Federal Energy Regulatory Commission (FERC)'s approval of such application does not require an environmental impact statement or an environmental assessment under the National Environmental Policy Act of 1969.

The House report (H. Rept. 115-842) accompanying H.R. 4606 can be found here. The bill would seek to put into law a Department of Energy final rule that would provide for faster approval of applications for small-scale exports of natural gas, including liquefied natural gas (LNG), from U.S. export facilities, announced on July 25, 2018.

AMENDMENTS MADE IN ORDER:

- #1 Rep. Pallone (D-NI): would require a hearing and public input before granting an application to import or export without modification or delay.
- #2 Rep. DeGette (D-CO): would add the requirement that if an application were granted for such exportation, the application would include sufficient information to demonstrate that the natural gas to be exported was produced using available designs, systems, and practices to minimize methane emissions from leaks or venting.

COMMITTEE ACTION:

H.R. 4606 was introduced on December 11, 2017, and was referred to the House Committee on Energy and Commerce. The bill was ordered to be reported by the committee (amended) by yeas and nays: 35 - 15 on May 9, 2018.

ADMINISTRATION POSITION:

A Statement of Administration Policy is not available.

CONSTITUTIONAL AUTHORITY:

According to the sponsor: "Congress has the power to enact this legislation pursuant to the following: The Congress enacts this bill pursuant to Article I, Section 8, Clause 3 of the U.S. Constitution."

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