

Liquefied Natural Gas Exports and Price Impacts

What is LNG?

Liquefied natural gas (LNG) is natural gas that has been cooled (-260° Fahrenheit) to a liquid state. LNG can store about 600 times more gas when it is in its gaseous state, allowing for more efficient and economical transportation of the product. The most common mode of transportation of LNG is by tanker ships across oceans and other large waterways, but it is also shipped via pipeline, truck and rail. After delivery, LNG is converted back to its gaseous state for use by consumers.

For more information on LNG generally, please click [here](#).

What are the benefits of LNG exports?

Advancing the nation's energy security, improving the U.S.'s trade balance, and reducing the dependence of our allies on nations that too often weaponize the use of their energy resources are some of the key benefits of LNG exports.

LNG exports also help protect the environment by reducing emissions overseas, while helping to move millions of people out of poverty by providing access to an affordable and abundant energy source. Royalty owners also benefit, with Pennsylvania leaseholders earning over \$190 million annually from royalty payments tied to LNG exports. (AXPC)



How much LNG is the United States exporting and where are the markets?

According to the U.S. Energy Information Administration, the U.S. exported 5.5 trillion cubic feet of natural gas in 2025, which is approximately 12.7% of total U.S. natural gas production. The primary destinations for U.S. LNG exports are Europe, Asia, the Americas, the Middle East and North Africa.

Since Russia's invasion of Ukraine in 2022, Europe has emerged as the largest market for U.S. LNG as countries across the continent moved to reduce their dependence on Russian energy supplies. In December 2025, the 27 member states of the European Union (EU) formally adopted a regulation requiring EU members to completely phase out both pipeline and LNG gas from Russia by the end of 2027.

Does exporting LNG raise natural gas prices for domestic consumers?

No. Multiple studies and data demonstrate that increased LNG exports do not increase domestic prices but instead lead to an increase in natural gas production.

Under President Biden, the U.S. Department of Energy conducted a study examining this issue and concluding that Americans benefitted from “*relatively stable natural gas prices domestically*” even as LNG exports surged. Separate analyses by the Texas Oil and Gas Association found that natural gas prices fell to a 30-year low despite record-setting U.S. LNG exports, with the United States becoming the world’s largest LNG exporter.

As shown in the chart below, domestic natural gas prices, as measured by the NYMEX Index price, have remained relatively stable since overseas LNG exports began in 2016 (2022 prices being an exception in reaction to Russia’s invasion of Ukraine). Despite a nearly 500% increase in LNG exports between 2017 – 2025, domestic natural gas prices have fluctuated very little.

