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January 22, 2025

The Honorable Mike Lee
Chairman
Senate Committee on Energy and Natural
Resources
Washington, DC 20510

The Honorable Martin Heinrich
Ranking Member
Senate Committee on Energy and Natural
Resources
Washington, DC 20510

Re: IECA Supports Nomination of Mr. Chris Wright to be Secretary of Energy

Dear Chairman Lee and Ranking Member Heinrich:

On behalf of the Industrial Energy Consumers of America (IECA), we support the nomination of Mr. Chris Wright to be Secretary of Energy. Mr. Wright brings a wealth of knowledge in the energy field coupled with his technical background.

During his confirmation hearing, Mr. Wright was asked if he would protect domestic consumers from the impacts of increasing volumes of LNG exports. He said that he would. We urge the Committee to keep him at his word.

According to the Energy Information Administration,¹ LNG exports are maximized during winter months, which puts upward pressure on natural gas and electricity prices. As our inventories become depleted, prices increase. This is basic supply versus demand.

This is exactly what happened during the winter of 2021-2022 where Henry Hub monthly prices rose from \$2.00 per MMBtu to \$8.20 per MMBtu and electricity prices also increased 30 percent.

This same phenomenon is playing out right now as the U.S. finds itself in a winter freeze and inventory is falling precipitously (see Figures 1 and 2). Some parts of the country are already paying \$18 per MMBtu.

¹ Wave of LNG Exports to Exacerbate Structural Reliability and Price Volatility Risks for U.S. Natural Gas & Electricity Markets, IECA, https://www.ieca-us.org/wp-content/uploads/04.17.24_LNG-Exports-Do-Impact-U.S.-Prices.pdf

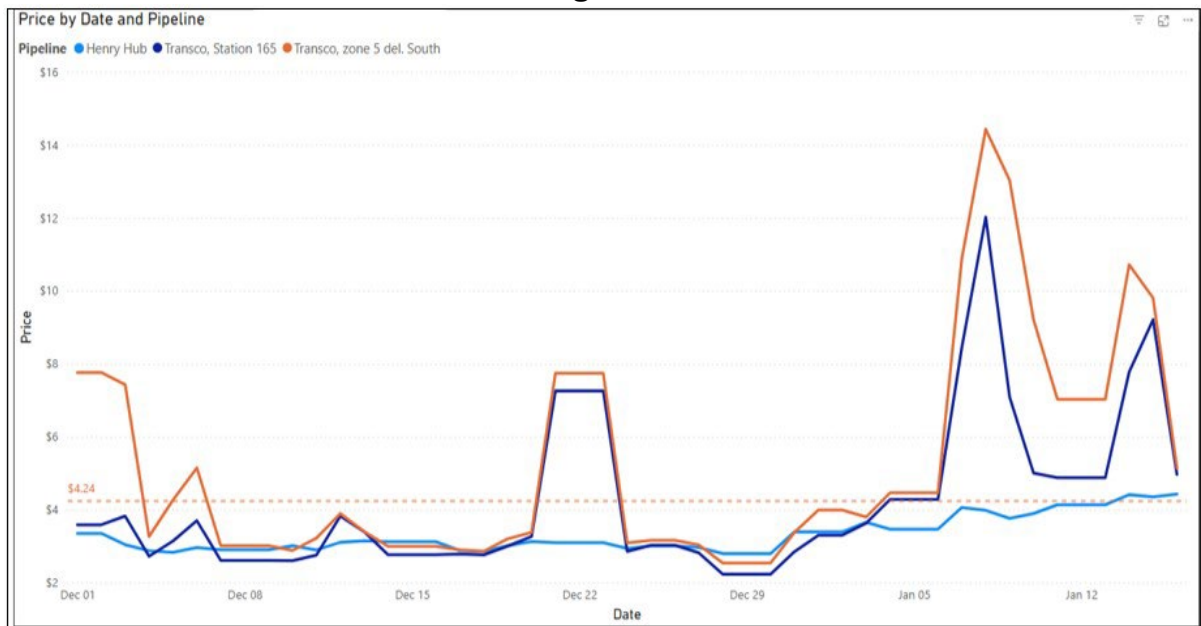
It is for this reason we urge you to put our LNG Inventory Policy in place to insulate U.S. consumers from the impacts.²

Sincerely,

Paul N. Cicio
Paul N. Cicio
President & CEO

cc: U.S. Senate

Figure 1



² IECA America First LNG Inventory Policy, <https://www.ieca-us.org/wp-content/uploads/LNG-Inventory-Policy-to-Insulate-the-US-Market-from-LNG-Export-Impacts.pdf>

Figure 2

