



PRESS RELEASE

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IECA PROVIDES DOE LNG ASSESSMENT INPUT

WASHINGTON, DC – Today, the Industrial Energy Consumers of America (IECA), sent a [letter](#) to Energy Secretary Jennifer Granholm on what to include in their LNG public interest assessment.

Paul Cicio, President and CEO of IECA stated:

LNG export customers are countries that have market power over domestic consumers because they are insensitive to the price of U.S. natural gas and their demand competes with our demand in the winter when we have our highest demand. When inventories are low, natural gas and electricity prices increase. This is what happened during the winter of 2021-2022 and prices increased over 300 percent.¹ The low inventory scenario will repeat, it is only a question of time. LNG export policy has both short- and long-term economic impacts to manufacturing competitiveness, investments, and jobs.

The hallmark of sound and reasoned energy policy, including LNG export policy, is that it should not have a negative impact on domestic consumers of natural gas and electricity, supply chains, and national security. In the case of LNG exports, we should export, but not volumes that threaten domestic consumers and national security and not without consumer protections. Every \$1 per MMBtu increase in the price of natural gas adds \$34.2 billion in annual costs to domestic consumers, plus the increased cost of electricity. U.S. policymakers fret when gasoline prices increase. The combination of natural gas and electricity costs dwarf that of gasoline.

Without action by the DOE to insulate the U.S. market from the impacts of LNG exports, consumers and the entire economy will be impacted with accelerating natural gas and electricity inflation for decades to come. It is for this reason that IECA has proposed the LNG Inventory Policy.² Action is needed now because there is no putting the genie back in the bottle.

¹ IECA Submits Comments for the Record on Hearing to “Examine the Administration’s Pause on LNG Export Approvals and the Department of Energy’s Process for Assessing LNG Export Applications,” https://www.ieca-us.com/wp-content/uploads/02.07.24_Comments-for-the-Record_Senate-ENR-LNG-Hearing.pdf

² IECA LNG Inventory Policy, https://www.ieca-us.com/wp-content/uploads/02.05.24_LNG-Inventory-Policy.pdf

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.1 trillion in annual sales, over 12,000 facilities nationwide, and with more than 1.8 million employees worldwide. It is an organization created to promote the interests of manufacturing companies through advocacy and collaboration for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, consumer goods, building products, automotive, independent oil refining, and cement.