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April 17, 2024

The Honorable James Comer
Chairman
Committee on Oversight and Accountability
U.S. House of Representatives
Washington, DC 20515

The Honorable Jamie Raskin
Ranking Member
Committee on Oversight and Accountability
U.S. House of Representatives
Washington, DC 20515

Re: Hearing on “Oversight of the Biden Administration’s Pause on Liquefied Natural Gas Exports”

Dear Chairman Comer and Ranking Member Raskin:

The volume of LNG exports that have already been approved by the U.S. Department of Energy (DOE) exceeds Europe’s total natural gas demand by 29 percent. The DOE pause does not impact approved LNG volumes and facilities. The DOE, under the Obama and Trump administrations, implemented LNG studies (assessments) to determine whether further LNG export volumes were inconsistent with the public interest under the Natural Gas Act (NGA). Therefore, it is fully appropriate and necessary for the Biden Administration to do the same.

If policymakers want to advance the case for national security, they should consider the very high volume of Chinese LNG contracts with U.S. export terminals. The DOE maintains a list of these contracts.¹ China has more contract volume from U.S. LNG terminals than any other single country.

The DOE has approved 48 billion cubic feet/day (Bcf/d)² in LNG exports, a volume equal to approximately 60 percent of U.S. net natural gas supply in 2022.³ According to the EIA, the EU countries consumed 33.9 Bcf/d of natural gas in 2022.

As LNG exports increase, reliability and affordability of natural gas and electricity⁴ are impacted. U.S. manufacturing is especially impacted because we are price sensitive industries and affordable natural gas is our only global competitive advantage. We

¹ Long-Term Contract Information and Registrations, U.S. Department of Energy, <https://www.energy.gov/fe/downloads/long-term-contract-information-and-registrations>

² Summary of LNG Export Applications of the Lower 48 States, U.S. Department of Energy, <https://www.energy.gov/fecm/articles/summary-lng-export-applications-lower-48-states>

³ Natural Gas, U.S. Energy Information Administration, <https://www.eia.gov/naturalgas/>

⁴ LNG Exports Increase Natural Gas and Electricity Prices and Volatility, IECA, https://www.ieca-us.org/wp-content/uploads/04.17.24_LNG-Exports-Do-Impact-U.S.-Prices.pdf

remain very concerned that higher LNG exports will lift U.S. prices to the international LNG prices, which have been three times more expensive. Therefore, we support the pause and urge Congress to do so as well.

Sincerely,

Paul Cicio

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President & CEO

cc: House Committee on Oversight and Accountability
The Honorable Jennifer Granholm

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.3 trillion in annual sales, over 12,000 facilities nationwide, and with more than 1.9 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.