Industrial Energy Consumers of America (IECA)
*The Voice of the Industrial Energy Consumers*

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May 22, 2025

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

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

***Re: One Big Beautiful Bill Act – Manufacturers Oppose House LNG Provision that Removes the Natural Gas Act "Public Interest" Determination***

Dear Chairman Lee and Ranking Member Heinrich:

We urge you to not include Section 41003, Natural Gas Exports and Imports of H.R 1 in the Senate Reconciliation Bill. Section 41003 removes the longstanding consumer protection clause that requires the U.S. Department of Energy (DOE) to determine whether an application to export to non-free trade agreement (NFTA) countries is not in the public interest. About 80 percent of all LNG exports go to NFTA countries. Section 41003 guarantees that for a payment of $1 million dollars, the application to export will be approved. The provision is inconsistent with the intent of Congress to deliver affordable and reliable natural gas and electricity and puts LNG exports as a priority over the interests of U.S. consumers.

The DOE has already approved 48 Bcf/d for shipment to NFTA countries, which equals 51 percent of 2024 net supply and more applications to export are in the queue.[1] The U.S. only exports 10 percent of its gasoline. For crude oil we export 1,504,021 thousand barrels annually, while importing 2,411,293 thousand barrels, for a net import of 18.8 percent of production.[2]

> **House of Representatives: One Big Beautiful Bill Act: H.R.1**
> SEC. 41003. NATURAL GAS EXPORTS AND IMPORTS.
> Section 3 of the Natural Gas Act (15 U.S.C. 717b) is amended by adding at the end the following:
> "(g) CHARGE FOR EXPORTATION OR IMPORTATION OF NATURAL GAS.—

[1] 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
[2] Petroleum & Other Liquids, U.S. Energy Information Administration (EIA), https://www.eia.gov/petroleum/

> The Secretary of Energy shall, by rule, impose and collect, for each application to export natural gas from the United States to a foreign country with which there is not in effect a free trade agreement requiring national treatment for trade in natural gas, or to import natural gas from such a foreign country, a nonrefundable charge of $1,000,000, and, for purposes of subsection (a), the importation or exportation of natural gas that is proposed in an application for which such a nonrefundable charge was imposed and collected shall be deemed to be in the public interest, and such an application shall be granted without modification or delay."

The stakes are high. For every one dollar increase in the Henry Hub natural gas price, consumers pay on average $34 billion more for natural gas and $20 billion more for electricity, or $54 billion annually.[3] Today's natural gas prices are twice what they were a year ago and electricity prices are escalating.

In fact, LNG exports do impact domestic prices and reliability. U.S. Energy Information Administration (EIA) data proves that LNG export volumes accelerate during our winter peak heating season months of November through March, which accelerates the reduction of U.S. inventory and increases the price of U.S. natural gas and electricity and impacts reliability. The problem gets more severe as export capacity increases.

Section 41003 is an "America Last," not an "America First" policy. We urge Congress to protect U.S. consumers and the economy – not LNG exports. We ask that you oppose Section 41003 and urge the DOE to implement a policy to insulate U.S. consumers from the impacts of LNG exports. IECA has proposed the "America First LNG Inventory Policy" as a policy solution.[4]

Sincerely,

Paul N. Cicio
*Paul N. Cicio*
President & CEO

cc: U.S. Senate
The Honorable Chris Wright, U.S. Department of Energy

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*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. One hundred percent of IECA members are manufacturing companies whose competitiveness is largely determined by the cost and reliability of natural gas and electricity. IECA's sole mission is to reduce and avoid energy costs and increase energy reliability through advocacy in Congress and regulatory agencies, such as the Federal Energy Regulatory Commission (FERC). IECA membership represents a diverse set of industries including chemicals, plastics, steel, iron ore,*

[3] Natural Gas, U.S. Energy Information Administration (EIA), https://www.eia.gov/naturalgas/
[4] America First LNG Inventory Policy, Industrial Energy Consumers of America, https://www.ieca-us.org/wp-content/uploads/05.08.25_LNG-Inventory-Policy-to-Insulate-the-US-Market-from-LNG-Export-Impacts_FINAL.pdf

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