



Industrial Energy Consumers of America

1155 15th Street, NW, Suite 500, Washington, D.C. 20005

Telephone 202-223-1661 Fax 202-530-0659 www.ieca-us.org

News Release

For Immediate Release: April 30, 2007

Contact: Paul N. Cicio 202-223-1661

“Consumers Support MMS OCS Plan – But Much More is Needed”

(Washington D.C.) – “While a good step, much more is needed to improve domestic supply of natural gas, said Paul N. Cicio, President of the Industrial Energy Consumers of America. “Supply of natural gas is very fragile. US production has fallen by 5.8 % and Canadian imports are down by 4.9 % since year 2001; leasing new areas of the Gulf of Mexico will not increase supply till 2012; the Alaska Natural Gas Pipeline has not made any progress and if it started today would not provide supply till 2017 at the earliest; and LNG producing countries are forming a global cartel similar to OPEC. There is a lot to be concerned about including higher demand from state and federal government mandates as a result of climate related legislation.

In year 2006, consumers paid a staggering \$75.7 billion more for their natural gas than they did in year 2000. Consumers paid \$65 billion more per year for electricity in 2006 than they did in year 2000. Higher energy prices will continue to drive manufacturing offshore. Of course, any additional demand for natural gas as the result of climate legislation will significantly increase demand.

Government action that mandated low sulfur transportation fuels and ethanol are examples that have resulted in significant increased natural gas demand.

IECA is a 501 (C) (6) nonprofit organization created to promote the interests of manufacturing companies 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: plastics, cement, paper, food processing, chemicals, fertilizer, construction products, steel, glass, industrial gases, pharmaceutical, aluminum, brewing, brick and automotive supply.