



Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

1776 K Street, NW, Suite 720 • Washington, D.C. 20006
Telephone (202) 223-1420 • www.ieca-us.org

July 30, 2014

Ms. Kelly Hammerle, Five Year Program Manager
Bureau of Ocean Energy Management
381 Elden Street - HM-3120
Herndon, Virginia 20170

Re: *Preparation of the 2017-2022 Outer Continental Shelf Oil and Gas Leasing Program, ID: BOEM-2014-0059-0001*

Dear Ms. Hammerle:

On behalf of the Industrial Energy Consumers of America (IECA), we strongly support expanding the production of U.S. domestic oil and gas supplies, both offshore and onshore, and creating a more efficient and predictable oil and gas leasing environment for all stakeholders involved.

IECA is a nonpartisan association of energy-intensive trade-exposed (EITE) manufacturing companies, who compete globally, with over \$1.0 trillion in annual sales, over 2,900 facilities nationwide, and with more than 1.4 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: chemical, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, brewing, independent oil refining, and cement.

IECA supports an “all-of-the-above” approach for energy production, which includes natural gas, oil, coal, and renewable energy. As America’s EITE industries, we consume over 80 percent of the energy of the entire manufacturing sector, and consume 29% of U.S. natural gas. Also, the manufacturing sector is investing over \$100 billion in new facilities nationwide, which will require more natural gas. EITE industries are price sensitive and relatively small changes to the price of energy have relatively large impacts on competitiveness and jobs. Therefore, we recognize the importance of increased energy production.

The Outer Continental Shelf (OCS) is an important contributor of oil and gas to our energy supply. Unfortunately, the federal government has placed most of the OCS off-limits to energy exploration and development. In the current Five-Year Program which expires in July 2017, nearly 87% of America’s OCS is off-limits to leasing for energy exploration and production. The BOEM has estimated that 89.9 billion barrels of oil and 404.6 trillion cubic feet of gas have yet to be discovered on the OCS. These estimates could go a long way in continuing to improve U.S. energy security and keeping energy prices low.

Also, oil and natural gas production off our Atlantic coast is a potential significant untapped resource. Developing oil and natural gas in the Atlantic could put hundreds of thousands of

Americans to work, make us more energy secure, and increase needed revenue for the government. But none of these benefits will appear unless the federal government follows pro-development energy policies.

For the past five years, the Obama administration has been considering whether to allow seismic surveying off the Atlantic coast, which would give energy producers better knowledge of where potential resources might be located. Americans stand to benefit if seismic surveying permits are approved, and the Atlantic and other offshore areas that have been kept off-limits are included in the next five-year leasing program.

Our country is blessed with an abundant supply of crude oil and natural gas resources, and it is vitally important that the U.S. produce more oil and natural gas domestically. Increased production supports lower energy prices that are needed by the manufacturing sector to compete globally and create jobs.

Thank you for your consideration.

Sincerely,

Paul N. Cicio
President