



PRESS RELEASE

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MANUFACTURERS URGE SECRETARY MONIZ TO TAKE A “TIME-OUT” ON APPROVING ADDITIONAL NON-FREE TRADE LNG EXPORT APPLICATIONS

Today, the Industrial Energy Consumers of America (IECA) urged the U.S. Department of Energy (DOE) to take a “time-out” on approving additional LNG export applications to non-free trade countries, until they complete a new comprehensive study on how domestic consumers will be impacted by additional LNG exports. “The incredibly high spot natural gas and wholesale electricity prices are clear signs of a natural gas delivery system and an electric generation system that is stressed, and this will only get worse with additional demand for natural gas via LNG exports,” said Paul Cicio, President of the Industrial Energy Consumers of America.

In January 2014, natural gas spot prices spiked to as high as \$123 per million Btu, and electricity prices neared \$1,000 per MWh. Normally the price of electricity would be between \$40-60 per MWh, while NYMEX natural gas futures are normally in the \$5.00 per million Btu range.

“It takes more than just natural gas production resources to provide the country with reliable and affordable natural gas and electricity,” said Cicio, “it takes an integrated natural gas delivery system and an electric generation system that is working well. Today, it is not.” The cited problems exist despite the fact that natural gas production hit an all-time high in November, according to the EIA.

If the five already approved LNG export applications were operating today, the January peak natural gas requirements would have been almost 10 percent higher, a very significant additional demand, on top of the existing winter peak demand. To put that in perspective, according to the EIA, natural gas demand increased by only 9 percent from 2000 to 2012.

The price and reliability of natural gas and electricity is too important to rush with further LNG export approvals to non-free trade countries until the necessary due diligence is completed by doing a new comprehensive study and public interest determination.

To view the IECA letter to the DOE, go [here](#).

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.0 trillion in annual sales, over 1,500 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.