

## **PRESS RELEASE**

FOR IMMEDIATE RELEASE February 9, 2022 CONTACT: Marnie Satterfield (202) 223-1420 msatterfield@ieca-us.org

## LACK OF INTERSTATE NATURAL GAS PIPELINE CAPACITY THREATENS MANUFACTURING OPERATIONS, GROWTH, AND SUPPLY CHAIN

**WASHINGTON, DC** – Today, the Industrial Energy Consumers of America (IECA) sent a <u>letter</u> to Congress on the growing concern of insufficient interstate natural gas pipeline capacity and its growing impact on the manufacturing sector.

Paul N. Cicio, President & CEO of IECA stated:

Regionally, demand for natural gas power generation and LNG exports has reduced available pipeline capacity for manufacturing, and new pipeline capacity is not getting built. Inadequate pipeline capacity impacts existing manufacturing facilities and is detrimental to new investments and job creation.

Serious regional interstate natural gas pipeline capacity shortages have resulted in an annual increase of pipeline operational flow orders (OFOs) that will eventually result in curtailments of supply to manufacturing facilities. This has resulted in higher natural gas cash-market prices. For example, the Transco Zone 5 January 2022 average price was \$11.367 per MMBtu. On January 21, prices increased to \$21.80 per MMBtu.

Without action, more regions and manufacturers will be impacted. Our nation cannot have electric reliability without natural gas pipeline reliability. Currently, no federal agency has responsibility for natural gas pipeline reliability.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.1 trillion in annual sales, over 11,700 facilities nationwide, and with more than 1.8 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, building products, automotive, brewing, independent oil refining, and cement.