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February 15, 2024

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Democratic Leader
U.S. House of Representatives
Washington, DC 20515

Re: H.R. 7176, the Unlocking Domestic LNG Potential Act is Anti-Consumer and Will Increase Natural Gas and Electricity Prices and Undermine U.S. Energy Reliability

Dear Speaker Johnson and Democratic Leader Jeffries:

It is unthinkable that Congress would act to remove critical consumer protections under the Natural Gas Act. But that is what this legislation does.¹ LNG exports have *market power* because they are insensitive to the price of U.S. natural gas and their demand is highest in the winter when we have our highest demand.

Most LNG customers are electric and gas utilities and state-owned enterprises (SOEs) of countries that have automatic cost pass through and the responsibility to keep the lights on in their country. Even in the dead of winter when U.S. inventories are low, and when prices are higher than normal, they will pay any price, no matter how high, to keep the lights on in their country. That is unbridled market power. If there are insufficient physical molecules to supply both exports and domestic consumers, the exporters get the gas and domestic consumers do not.

Without consumer protections, U.S. energy security decreases. We urge you to oppose this bill and protect U.S. consumers from higher prices and inflation.

Sincerely,

Paul Cicio
Paul Cicio
President & CEO

¹ IECA Submits Comments for the Record on Hearing to “Examine the Administration’s Pause on LNG Export Approvals and the Department of Energy’s Process for Assessing LNG Export Applications,” https://www.ieca-us.com/wp-content/uploads/02.07.24_Comments-for-the-Record_Senate-ENR-LNG-Hearing.pdf