PRESS RELEASE

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MANUFACTURERS REQUEST THAT FERC HOLD TECHNICAL CONFERENCE ON FEDERAL-STATE INTERSTATE NATURAL GAS PIPELINE COORDINATION AND OVERSIGHT TO INCREASE RELIABILITY

WASHINGTON, DC – In a <u>letter</u> to the Federal Energy Regulatory Commission (FERC), the Industrial Energy Consumers of America (IECA) requests that the Commission hold a Technical Conference to resolve growing concern of insufficient interstate natural gas pipeline capacity, the need for federal and state coordination, and oversight to ensure pipeline capacity is available for the manufacturing sector.

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

Without pipeline reliability, we have neither natural gas or electricity reliability. No federal agency has responsibility for natural gas pipeline reliability. No federal agency knows how many pipelines are running at peak capacity.

Historically we have had surplus natural gas pipeline capacity. Regionally, that is no longer the case and inadequate pipeline capacity is disrupting existing manufacturing facility operations and is preventing new investments and job creation. The surplus capacity that is available is being consumed for power generation and LNG exports, leaving less and less capacity for the manufacturing sector to operate and grow. Herein lies the need for federal-state coordination and oversight.

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.

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.