

Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

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March 29, 2023

To: U.S. House of Representatives

Re: H.R. 1, the “Lower Energy Costs Act of 2023” – Remove/Oppose Section 10007, Unlocking Our Domestic LNG Potential – A Threat to Natural Gas and Electricity Reliability

The Industrial Energy Consumers of America (IECA) urges removal of Section 10007, the “Unlocking our Domestic LNG Potential.” Section 10007 removes vital consumers protections from the Natural Gas Act (NGA) that give the U.S. Department of Energy (DOE) authority to act in the event of unforeseen circumstances that impact the public interest, such as reliability and the prices of natural gas and electricity. In 2022, U.S. LNG and pipeline exports equaled 21 percent of our natural gas and that volume will increase to 35 percent by 2027 because of new LNG terminals.¹ We export only 10 percent of gasoline produced.

Section 10007 is not needed to expand LNG exports to support our allies. No application to export LNG has ever been denied by the DOE. Export terminals that are operating, under construction, or approved and not under construction, are equal to 41.48 billion cubic feet per day (Bcf/d), this is the equivalent of 42 percent of U.S. net 2023 natural gas supply.^{2 3}

Figure 1⁴

Commodity	% Exported in 2022
Natural Gas	21 %
Gasoline	10 %

Excessive LNG exports increases reliability and price risk for natural gas and electricity for all domestic consumers and negatively impacts manufacturing competitiveness, economic growth, and national security. We urge you to oppose Section 10007.

Sincerely,

Paul N. Cicio

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President & CEO

¹ https://www.ieca-us.com/wp-content/uploads/03.23.23_Status-of-LNG-Export-Terminals.pdf

² Annual Energy Outlook 2022, U.S. Energy Information Administration (EIA), <https://www.eia.gov/outlooks/aeo/>

³ Status of LNG Export Terminals, March 23, 2023, https://www.ieca-us.com/wp-content/uploads/03.23.23_Status-of-LNG-Export-Terminals.pdf

⁴ U.S. Energy Information Administration, www.eia.gov