



Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

1776 K Street, NW, Suite 720 • Washington, D.C. 20006
Telephone (202) 223-1420 • www.ieca-us.org

April 15, 2021

The Honorable Deb Haaland
Secretary
U.S. Department of the Interior (DOI)
1849 C Street, N.W.
Washington DC 20240

Re: Public Forum on Federal Oil and Gas Program

Dear Secretary Haaland:

The Industrial Energy Consumers of America (IECA) requests inclusion among the key stakeholders for meetings related to the future of oil, natural gas, natural gas liquids (NGLs), and other resources (including metals) on public lands. U.S. manufacturing is dependent upon these resources. IECA requests that if the DOI establishes an advisory committee, please include IECA as a member representing the manufacturing sector. IECA will share its views on the importance of access of natural resources to the manufacturing sector, economic growth, and global competitiveness. IECA is concerned about restricted access to natural resources on public lands and waters which may increase domestic prices and damage global competitiveness. IECA supports efforts to reduce methane flaring.

IECA is a nonpartisan association of leading manufacturing companies with over \$1.1 trillion in annual sales, over 4,200 large facilities nationwide, and with more than 1.8 million employees. IECA members represent a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, independent oil refining, and cement.

Manufacturing is the engine for U.S. economic growth. President Biden has made it abundantly clear that the U.S. needs to manufacture more products in the U.S. and import less. To do so requires a reliable and affordable supply of domestic resources. There are 13 million manufacturing workers, accounting for 8 percent of the entire workforce, with wages and benefits averaging over \$88,000 per year. Taken alone, manufacturing in the U.S. would be the seventh-largest economy in the world. For every \$1.00 spent in manufacturing, another \$2.74 is added to the U.S. economy – the highest multiplier effect of any economic sector.

In regards to the DOI's "Public Forum on Federal Oil and Gas Program, we took note that none of the participants represented the manufacturing sector. IECA believes all participants would benefit from hearing and understanding our views.

- U.S. natural gas production and the shale gas drilling revolution is the singular most important factor in U.S. manufacturing competitiveness, investments, and job creation. U.S. natural gas provides manufacturing a global competitive advantage.
- The manufacturing sector is dependent upon the reliable supply of natural gas, NGLs feedstock, and natural gas-fired power generation. In 2019, the manufacturing sector consumed 27 percent of U.S. natural gas. According to the U.S. Energy Information Administration (EIA), industrial consumption of natural gas has increased from 6.8 trillion cubic feet (Tcf) in 2010 to 8.3 Tcf in 2020, a 22 percent increase. Manufacturing consumes 25 percent of U.S. power production. Natural gas consumption by the power sector has increased from 7.4 Tcf in 2010 to 11.6 Tcf in 2020, a 57 percent increase. Natural gas-fired power provides a reliable source of power and is needed to provide backup power for renewable energy.
- Manufacturers do not have an economic alternative to the use of natural gas as a fuel, nor do we have an alternative for NGLs feedstock to produce plastics and chemicals. The use of ethane feedstock is critical to the chemical and plastics industries. A reduction of oil production may reduce reliable availability of ethane as a critical feedstock.

Thank you for considering our request and IECA looks forward working with you.

Sincerely,

Paul N. Cicio

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President & CEO