Industrial Energy Consumers of America
The Voice of the Industrial Energy Consumers

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July 10, 2017

The Honorable Mike Crapo
Chairman
Committee on Banking, Housing, and Urban Affairs
U.S. Senate
239 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sherrod Brown
Ranking Member
Committee on Banking, Housing, and Urban Affairs
U.S. Senate
713 Hart Senate Office Building
Washington, DC 20510

Re: Manufacturers Oppose S. 1415, the "License Natural Gas (LNG) Now Act"

On behalf of the Industrial Energy Consumers of America (IECA), we are adamantly opposed to S. 1415, the "License Natural Gas (LNG) Now Act." The bill terminates prohibitions on how much liquified natural gas (LNG) is exported and removes long-standing Natural Gas Act (NGA) protections for consumers.

According to the Energy Information Administration (EIA), at current demand, 56 percent of all natural gas resources in the lower 48 states will be consumed by 2050. This legislation would shift control of U.S. natural gas resources to foreign government LNG buyers at the expense of U.S. consumers and higher prices long-term.

Excessive LNG export approvals by the U.S. Department of Energy (DOE) to countries with which the U.S. does not have a free trade agreement is inconsistent with President Trump's "America First" and fair-trade policies, and poses a significant long-term threat to energy-intensive trade-exposed (EITE) industries' competitiveness and jobs.

EIA data also shows that total LNG export approvals to both free trade agreement (FTA) and non-free trade agreement (NFTA) countries equals 71.2 percent of 2016 U.S. natural gas demand. Approved volumes to NFTA countries alone equals 170 percent of total residential demand. And, EIA is forecasting NYMEX natural gas prices to rise 87 percent by 2020. The price rise is in large part due to several LNG export terminals becoming operational.

If domestic natural gas prices rise to global levels, the U.S. will have lost its competitive advantage. The incentive to invest in the U.S. would be gone and onshoring would stop. We urge you to not act upon this legislation. Thank you for your consideration.

Sincerely,

Paul N. Cicio
President

cc: Senate Committee on Banking, Housing, and Urban Affairs