

PRESS RELEASE

FOR IMMEDIATE RELEASE July 10, 2019 CONTACT: Marnie Satterfield (202) 223-1420 msatterfield@ieca-us.org

THE U.S. DOE NOR THE FERC HAVE EVALUATED WHETHER THERE IS SUFFICIENT NATURAL GAS PIPELINE CAPACITY TO SERVE THE DOMESTIC, LNG AND MEXICO EXPORT MARKETS

Today, the Industrial Energy Consumers of America (IECA) sent <u>comments</u> for the record on the hearing entitled "Important Role of U.S. LNG in Evolving Global Markets," scheduled for tomorrow before the Senate Committee on Energy and Natural Resources.

We urge the Committee to hold an oversight hearing on the matter of whether there will be sufficient natural gas pipeline capacity to serve the domestic consumer and the significant growth in the LNG and Mexico export markets. If there is not enough pipeline capacity, it does not matter how much natural gas resources are in the ground. Manufacturers are already suffering from inadequate pipeline capacity regionally.

"The U.S. is flying blind without a study. The reliability of the entire natural gas and electricity market are at stake. It is wishful thinking that natural gas pipelines are going to get built in time to meet higher export and domestic demand. And, it is not in the 'public interest' to approve more LNG export terminals until the DOE and the FERC can prove there will be adequate pipeline capacity," Paul Cicio, President of IECA stated.

The DOE nor the FERC have conducted an analysis to determine whether there is sufficient natural gas pipeline capacity to serve the LNG export market at volumes equal to existing approved applications of 55.9 Bcf/d to free trade agreement (FTA) countries and 28.5 Bcf/d to non-free trade agreement (NFTA) countries or the DOE's plan to approve up to 52.8 Bcf/d to NFTA countries and the growing domestic market.

The DOE plans to approve LNG export volumes to NFTA countries equal to 71 percent of U.S. demand and this is NOT in the public interest under the Natural Gas Act.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.0 trillion in annual sales, over 3,700 facilities nationwide, and with more than 1.7 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.