



## **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](http://www.ieca-us.org)

August 22, 2017

Mr. John T. Lucas  
General Counsel (Acting), Deputy General Counsel  
U.S. Department of Energy  
1000 Independence Ave. SW  
Washington DC 20585

***Re: Legal Review of LNG Export Applications to NFTA Countries – Natural Gas Act – Public Interest***

Dear Mr. Lucas:

On August 16, the Industrial Energy Consumers of America (IECA) sent a letter to Secretary Perry which outlines how the previous Administration failed to properly conduct public interest determinations on LNG application volumes for export to non-free trade agreement (NFTA) countries, as required under the Natural Gas Act (NGA). The Trump Administration continues to approve NFTA applications using the same flawed and illegal public interest studies. We urge you to conduct a legal review of this matter and halt further considerations of LNG export applications to NFTA countries until the legal review is completed.

The NGA is clear that the intent of Congress was to protect consumers. Congress required that LNG exports to NFTA countries must not conflict with the public interest. The U.S. Department of Energy (DOE) has already approved LNG export volumes to NFTA countries equal to 20.6 Bcf/d or 27.3 percent of U.S. 2016 demand and to FTA countries equal to 33.4 Bcf/d or a 44.4 percent of 2016 U.S. demand. It is unfathomable that such LNG export volumes, which create such known and unknown price and reliability risk long-term, could possibly be in the public interest.

These are massive amounts of U.S. natural gas resources that the DOE has committed to foreign nations and their buyers, many of which are state-owned enterprises, for periods of 20-30 years. LNG exports reduce foreign LNG buyer risks and increases risks upon U.S. consumers – who have no alternative for natural gas.

The American public has no idea what the DOE has done to mortgage their natural gas future. Today, the U.S. natural gas market is a “free market” whereby price is determined by domestic supply and demand. If we export too much LNG, prices will eventually rise to

global levels. At that point, foreign nations demand for LNG will dictate what price Americans pay. This is certainly not in the interests of the American public.

We look forward to discussing this with you.

Sincerely,

Paul N. Cicio  
President

cc: Senate Committee on Energy and Natural Resources  
House Committee on Energy and Commerce  
The Honorable Neil Chatterjee, FERC  
The Honorable Robert F. Powelson, FERC  
The Honorable Cheryl A. LaFleur, FERC

---

*The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.0 trillion in annual sales, over 2,600 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.*