



PRESS RELEASE

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LNG Exports to Non-Free Agreement Countries Like China - Equal to 70 Percent of Available Natural Gas is Not in the Public Interest and Increases U.S. Natural Gas and Electricity Prices

WASHINGTON, DC – Today, the Industrial Energy Consumers of America (IECA) sent a [letter](#) to the Secretary of Energy Jennifer Granholm on LNG exports.

The U.S. Department of Energy has approved LNG exports shipments to non-free trade agreement (NFTA) countries equal to 58.2 Bcf/d, a volume that is equal to 70 percent of net 2020 natural gas supply. For consumers to not be impacted, domestic production and pipeline capacity must increase in amounts equal to LNG exports and this has not happened.

Natural gas production is not keeping up. U.S. net natural gas supply that is available to consumers or LNG exports increased from 27,243,858 million cubic feet (74.6 Bcf/d) in 2015 to 30,472,212 million cubic feet (83.5 Bcf/d) in 2020, an increase of 8.9 Bcf/d, or only a 11.9 percent increase.¹ Operating LNG capacity brought on-stream during that same period equals 11.1 Bcf/d or 13.4 percent of 2020 net supply. Domestic demand increased by another 9.7 percent.

“Action is needed now because new long-term contracts to NFTA countries are being agreed upon, such as the one announced on November 3, 2020 between China’s Sinopec, an SOE, and Venture Global LNG. A 20-year contract worth \$30 billion, said Paul Cicio, President and CEO of IECA.² The contract will double China’s imports of U.S. LNG.³ Separately, Unipec, a subsidiary of Sinopec will buy 3.5 million tons from Calcasieu Pass LNG, also owned by Venture Global LNG. In October, 2020, Cheniere Energy Inc. announced a new 13-year deal to supply LNG to the Chinese company ENN Natural Gas, a natural gas distribution company.⁴”

¹ “Natural Gas Consumption by End Use,” U.S. Energy Information Administration (EIA), https://www.eia.gov/dnav/ng/ng_cons_sum_dc_u_s_a.htm

² <https://www.cnbc.com/2021/11/04/natural-gas-powerhouse-venture-global-signs-largest-ever-supply-deal-by-an-american-company.html>

³ “Sinopec signs China's largest long-term LNG contract with U.S. firm,” Reuters, November 4, 2021 <https://www.reuters.com/business/energy/sinopec-signs-20-yr-lng-contract-with-us-venture-global-lng-2021-11-04/>

⁴ <https://lngir.cheniere.com/news-events/press-releases/detail/231/cheniere-and-enn-sign-long-term-lng-sale-and-purchase>