



PRESS RELEASE

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MANUFACTURERS BLAME LNG EXPORTS FOR HIGHER PRICES

WASHINGTON, DC – Today, the Industrial Energy Consumers of America (IECA) sent [comments for the record](#) to the Senate Energy and Natural Resources Committee on today’s hearing entitled “Domestic And International Energy Price Trends.”

The EIA states that LNG exports continued to grow in 2021, an average monthly increase of 42 percent as compared to the previous year, increasing prices for both natural gas and electricity consumers.¹ The U.S. Department of Energy (DOE) has approved excessive volumes of LNG exports to non-free trade (NFTA) agreement countries of 58.2 Bcf/d through 2050, a volume equal to 70 percent of U.S. 2020 net supply of natural gas.²

“Exporting 70 percent of our natural gas to NFTA countries is in *their* public interest and not in *our* public interest under the Natural Gas Act (NGA),” stated Paul N. Cicio, president and CEO of IECA. NFTA countries often discriminate against U.S. manufactured products. Nonetheless, from February 2016 to August 2021, 70 percent of all U.S. LNG shipments were to NFTA countries.³ We support fair trade via free trade agreements (FTAs), but we also need to ensure that the principal of parity is also in place.

The DOE’s actions to extend LNG export terminal approvals to 30 years, shifts all of the risks of supply and price on domestic consumers and reduces risks to the LNG exporters and countries that would receive the LNG. The DOE policy gives LNG exporters and foreign countries guarantees of access to our market, without guarantees of a reliable supply for domestic consumers.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.1 trillion in annual sales, over 4,200 facilities nationwide, and with more than 1.8 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.

¹ U.S. liquefied natural gas exports grew to record highs in the first half of 2021, U.S. Energy Information Administration (EIA), <https://www.eia.gov/todayinenergy/detail.php?id=48876&src=email>

² U.S. Energy Information Administration (EIA), www.eia.gov. In 2020, 83 Bcf/d was available for U.S. consumers and LNG exports. Gas not available for consumers and LNG exports includes natural gas classified as lease and plant fuel, pipeline and distribution, and net exports by pipeline to FTA countries Mexico and Canada.

³ LNG Monthly published October 2021, U.S. Department of Energy, <https://www.energy.gov/sites/default/files/2021-10/LNG%20Monthly%20August%202021.pdf>