



PRESS RELEASE

FOR IMMEDIATE RELEASE

December 19, 2018

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DOE FAILS TO RESPOND TO DATA QUALITY ACT VIOLATION: LNG EXPORT STUDY

WASHINGTON, DC – The Industrial Energy Consumers of America sent a [letter](#) to the Office of Management and Budget yesterday on the U.S. Department of Energy’s (DOE) failure to respond to an earlier Data Quality Act (DQA) Request for Correction.

On July 27, 2018, IECA filed a DQA Request for Correction regarding DOE’s study entitled, “Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports.” The DOE has failed to comply with the DQA by not responding to the request within 60 days.

The DOE report in question is used to justify the approval of LNG export applications to non-free trade agreement (NFTA) countries. Page 54 of the report states that “for all the reference supply scenarios in the more likely range, natural gas prices could be from \$5.00 to \$6.50 per MMBtu in 2040. These mid-range scenarios have a combined probability of 47%.” This is the highest probability the study gave any scenario. Since the Henry Hub price has most often been at roughly \$3.00 MMBtu, the study suggests that natural gas prices could more than double.

The DOE has given final approval to export LNG equal to 30 percent of 2017 U.S. demand for shipment to NFTA countries, and volumes equal to 75 percent of 2017 U.S. demand to free trade agreement (FTA) countries, for periods of 20 to 30 years. The DOE will consider the approval of 13 other applications to export LNG in 2019. Export volumes of this magnitude cannot possibly be in the interest of the public.

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.