

Industrial Energy Consumers of America

The Voice of the Industrial Energy Consumers

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September 5, 2018

The Honorable Frank Pallone Ranking Member Committee on Energy and Commerce

Re: Amendment to provide opportunity for hearing and public input on small LNG applications to export - H.R. 4606, Ensuring Small Scale LNG Certainty and Access Act

Dear Ranking Member Pallone:

In behalf of the Industrial Energy Consumers of America (IECA), we support your amendment to provide consumers of natural gas an "opportunity for hearing and public input" for small scale LNG export applications, in advance of final approval by the U.S. Department of Energy. It is good government and in the public interest that consumers have the ability to provide input.

Every study conducted by the U.S. Department of Energy on the potential economic impacts of LNG exports concludes that exports of LNG increases the price of natural gas and electricity. Although we do not anticipate this being a significant problem in the short term, public policy must consider longer term potential impacts. It is for this reason that it is wise to provide for public input. Consumers of natural gas deserve that option.

The manufacturing sector consumes about 25 percent of all U.S. natural gas and demand is increasing annually. IECA members are mostly energy intensive trade exposed (EITE) companies which means that relatively small changes to the price of natural gas and electricity can have relatively large impacts to competitiveness and jobs. For the majority of our applications, there is no substitute for natural gas.

Thank you for your leadership on this issue.

Sincerely,

Paul N. Cicio President

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. 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, independent oil refining, and cement.