

July 29, 2024

The Honorable Chuck Schumer  
Majority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Mike Johnson  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Mitch McConnell  
Republican Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Hakeem Jeffries  
Democratic Leader  
U.S. House of Representatives  
Washington, DC 20515

***Re: Support for Natural Gas Pipeline Permitting Reform Legislation, S. 4753***

Dear Leaders Schumer, McConnell, Johnson, and Jeffries:

The organizations listed below urge Congress to pass permitting reform legislation during this Congress, which would increase the development of desperately needed natural gas pipeline capacity for reshoring jobs and dispatchable power generation.

Few natural gas pipelines are being planned and built. The Energy Information Administration (EIA) reports that pipeline capacity increases in 2022 were the lowest in history.<sup>1</sup> At the same time, the necessity of natural gas pipeline infrastructure to maintain the reliability of our electric grid is only growing. The North American Electric Reliability Corporation (NERC), the organization charged with developing and enforcing reliability standards for the electric system, has repeatedly warned as much.<sup>2</sup> In his testimony before the Senate, Jim Robb, the head of NERC stated that, “it is absolutely clear” that “[a]dditional pipeline infrastructure (including gas storage to provide needed in-market flexibility) is needed to reliably serve load and enable natural gas to perform and even expand its role as a natural gas balancing resource.”<sup>3</sup> Put differently, without increased natural gas pipeline capacity, dispatchable gas-fired electric generators are unable to obtain natural gas at the flow necessary to ramp up and provide electric service to meet load during extreme demand events or when intermittent renewable generation goes offline. As declared by NERC, “Natural gas is the reliability ‘fuel that keeps the lights on,’ and natural gas policy must reflect this reality.”<sup>4</sup>

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<sup>1</sup> *The least U.S. interstate natural gas pipeline capacity on record was added in 2022*, U.S. Energy Information Administration, March 2, 2023, <https://www.eia.gov/todayinenergy/detail.php?id=55699>.

<sup>2</sup> See, e.g., *NERC, Long-Term Reliability Assessment*, at 12 (2023), [https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\\_LTRA\\_2023.pdf](https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2023.pdf) (“There is a need for dialogue among a broad group of stakeholders when policies and regulations have the potential to affect future electricity supplies, demand, and the development of electricity and natural gas resources and infrastructure.”); *NERC, Long-Term Reliability Assessment*, at 19 (Dec. 2022), [https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\\_LTRA\\_2022.pdf](https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2022.pdf) (“[A]dditional pipeline infrastructure is needed to reliably serve electric load”).

<sup>3</sup> *The Reliability and Resiliency of Electric Service in the United States in Light of Recent Reliability Assessments and Alerts: Hearing before U.S. Senate Committee on Energy and Natural Resources* (2023) (Testimony of James B. Robb, at 8), <https://www.energy.senate.gov/services/files/D47C2B83-A0A7-4E0B-ABF2-9574D9990C11>.

<sup>4</sup> *NERC, Long-Term Reliability Assessment*, at 5 (Dec. 2021), [https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\\_LTRA\\_2021.pdf](https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2021.pdf).

No one is more impacted by inadequate natural gas pipeline capacity than the manufacturing sector. Under state end-use curtailment plans, when there is insufficient supply to serve the residential consumer, natural gas service to manufacturing companies is curtailed – that is, there is a mandatory reduction of natural gas supply. And, when the power companies cannot get sufficient natural gas supply to generate electricity to serve human needs, again manufacturing is subject to curtailment. The frequency of curtailment rates is increasing annually and comes at significant costs and disruption to manufacturing supply chains that include materials for national security.

The EIA confirms that most manufacturing sectors cannot switch from natural gas to another fuel and that the equipment cannot be converted to the use of electricity. Furthermore, we operate 24/7 and require reliable natural gas and electricity, as do data centers.<sup>5</sup>

Manufacturing companies need more natural gas pipeline capacity to reshore, invest, and create high paying middle class jobs that average \$98,846 per year.<sup>6</sup> Thank you for your support.

Sincerely,

Paul N. Cicio  
Chair, Manufacturers for Increased Natural Gas Pipeline Capacity & Job Creation

**ORGANIZATIONS THAT SUPPORT NATURAL GAS PIPELINE PERMITTING REFORM FOR RESHORING,  
JOB CREATION AND A RELIABLE ELECTRICITY GRID**

1. Agricultural Retailers Association
2. American Composites Manufacturers Association
3. American Forest and Paper Association
4. American Foundry Society
5. Association of Businesses Advocating for Tariff Equity
6. Aluminum Association
7. American Chemistry Council
8. Associated Industries of Arkansas
9. Basic Construction Company
10. Brick Industry Association
11. Cardinal FG
12. Carolina Utility Customers Association
13. Celanese Corporation
14. Chemical Industry Council of Illinois
15. Commercial Metals Company
16. DNA Technical Fabrics
17. Domtar/Resolute
18. The Fertilizer Institute
19. Formosa Plastics Corporation, U.S.A.

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<sup>5</sup> EIA Confirms that the Manufacturing Sector Cannot Switch from Natural Gas to Another Fuel, [https://www.ieca-us.org/wp-content/uploads/06.04.24\\_Fuel-Switching.pdf](https://www.ieca-us.org/wp-content/uploads/06.04.24_Fuel-Switching.pdf).

<sup>6</sup> Manufacturing in the United States, National Association of Manufacturers, <https://nam.org/manufacturing-in-the-united-states/>.

20. Georgia Association of Manufacturers
21. Gerdau North America
22. Hoshizaki Corporation
23. Hanwha Azdel, Inc
24. Illinois Industrial Energy Consumers
25. Industrial Energy Consumers of America
26. Industrial Energy Consumer Group (Maine)
27. Industrial Energy Consumers of Pennsylvania
28. Inland Empire Paper Company
29. Iowa Industrial Energy Group, Inc.
30. Manufacturers Association of Maine
31. Midwest Food Products Association
32. North Carolina Manufacturers Alliance
33. Oklahoma Industrial Energy Consumers
34. Portland Cement Association
35. Process Gas Consumers Group
36. The Syntha Group
37. Rhode Island Manufacturers Association
38. Riceland Foods
39. Rinnai America Corporation
40. Service Center Metals
41. Short Mountain Silica Company
42. Steel Manufacturers Association
43. Texas Association of Manufacturers
44. Thiele Kaolin Company
45. Vinyl Institute
46. Virginia Manufacturers Association
47. West Virginia Manufacturers Association
48. Wisconsin Industrial Energy Group
49. Wisconsin Manufacturers & Commerce