Will natural gas exports raise prices for consumers?

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How much of the United States' newfound bounty of natural gas should stay at home, keeping prices low for domestic customers? How much should be earmarked for export in the form of liquefied natural gas (LNG), at the risk of making natural gas pricier? Those questions are the topic of the cover story in the current edition of *Chemical & Engineering News* (C&EN), the weekly newsmagazine of the American Chemical Society, the world's largest scientific society.

C&EN's Jeff Johnson and Alexander H. Tullo explain in the story that hydraulic fracturing and other technologies are boosting domestic natural gas supplies. By 2020, the U.S. actually may have a natural gas surplus, producing more than the total domestic consumption. Oil and gas companies already envision construction of about 17 new LNG shipping terminals, which could export LNG equivalent to fully one-third of current domestic consumption.

The article discusses conflicting views on how exports on such a massive scale might affect prices paid by consumers, including the chemical industry, which uses natural gas as a mainstay raw material. Exporters claim it will have little impact on domestic prices and will have beneficial effects of creating jobs and bolstering the economy. Consumers worry that exports will raise domestic prices, hike manufacturing costs and undercut their international competitiveness.

More information: "The Gas Wars" *Chemical & Engineering News.*

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