

July 7, 2025



Office of the United States Trade Representative
U.S. International Trade Commission
500 E Street SW Washington, DC 20436

Subject: Docket USTR-2025-0013 - Request for Comments Concerning Proposed Modification of Action Pursuant to the Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance

Dear Section 301 Committee,

In response to the USTR's request for comments concerning proposed modification of action pursuant to the Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance ("the Action")¹, the Natural Gas Supply Association (NGSA) respectfully submits the following comments in support of the comments of the Center for LNG and the American Petroleum Institute asking that USTR remove Annex IV from the Action.² This will ensure that one of the major demand sources for U.S. natural gas producers will continue to encourage investment in domestic natural gas production.

Founded in 1965, the Natural Gas Supply Association (NGSA) represents integrated and independent energy companies that produce, transport and market domestic natural gas and is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA's members trade, transact and invest in the U.S. natural gas market in a range of different manners. NGSA members transport and/or supply billions of cubic feet of natural gas per day for all domestic uses including for export and could be greatly impacted by the outcome of this Action.

The natural gas industry supports a dynamic market that serves electric generation, home heating, manufacturing, LNG exports, industrial plants and more. Fortunately, our nation has abundant natural gas resources that burn clean and are affordable. For instance, access to abundant, affordable domestic natural gas has given U.S. industrial companies a competitive advantage over their global competition, leading to the resurgence of natural gas-intensive manufacturing in the United States. Plentiful natural gas also means lower household energy bills, lower overhead costs for businesses and lower costs for consumer products as diverse as clothing and fertilizer.

Expanding demand for U.S. natural gas in international markets through LNG exports has likewise resulted in increased investment, enhanced economic activity, rising incomes, balancing of the trade deficit, and more American jobs – just as the case has been with increasing exports in other U.S. industries, including those that utilize natural gas, such as our nation's petrochemical manufacturing industry. Exporting natural gas directly

¹ Notice of Action and Proposed Action in Section 301 Investigation of China's Targeting the Maritime, Logistics, and Shipbuilding Sectors for Dominance, Request for Comments, Apr. 17, 2025.

² Ibid, at 33.

supports thousands of U.S. jobs in engineering, manufacturing, construction, and operation of the export infrastructure, as well as others indirectly along the equipment supply chain.

NGSA is concerned that putting restrictions on U.S. LNG owners or operators as Annex IV of USTR's Action does, will negatively impact the competitiveness of the U.S. LNG industry by setting restrictions that are virtually impossible for the industry to comply with given the current state of the U.S. shipbuilding industry and could significantly drive-up costs for the LNG sector.³ This, in turn, would threaten one of the major demand outlets for the U.S. natural gas industry, which could slow production and thus increase domestic costs. Further, it would reduce domestic infrastructure investment and job opportunities.

To maintain the continued strength and global competitiveness of the U.S. natural gas and LNG industries and its contribution to U.S. energy leadership, NGSA joins CLNG and API in asking that USTR remove Annex IV from the Action.⁴

NGSA appreciates the opportunity to comment and work with USTR and the Trump Administration to promote U.S. energy dominance.

Sincerely,



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³ For details on how the Action will affect the LNG industry and the current state of U.S. LNG shipbuilding see: Center for LNG, USTR-2025-0002, Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors, United States Trade Representative, March, 24, 2025, <https://comments.ustr.gov/s/commentdetails?rid=9RBM6GMFBF>.

⁴ Notice of Action and Proposed Action in Section 301 Investigation of China's Targeting the Maritime, Logistics, and Shipbuilding Sectors for Dominance, Request for Comments, Apr. 17, 2025, at 33.