ISSUE: Helium Supply for Industrial Applications

U.S. federal policies are contributing to a failure to ensure an adequate supply of helium for U.S. manufacturers and users of medical imaging, welding and other critical technologies. Congressional action early in 2012 is essential to re-set the U.S. helium market; establish more effective federal stewardship of this non-renewable resource; and promote more responsible extraction, use and recycling.

IMPORTANCE

Helium supply is a critical issue for medical imaging equipment, specifically magnetic resonance imaging (MRI). MRI devices consume 7,000 tons of helium annually to cool the equipment’s magnets to appropriate temperatures for imaging. Without an adequate supply of helium, use of MRI technology would grind to a halt, depriving patients and care providers of access to lifesaving equipment.

Specific arc-welding processes also employ helium, due to its greater heat conductivity, to increase performance and reduce the chances of costly rework. Helium is also critical to manufacturing of semiconductors and fiber optic cables, the bedrock of modern communications technologies.

U.S. entities acquire much of their helium from the Federal Helium Reserve just outside of Amarillo, Texas. While operations stretch back to the 1960s, the Helium Privatization Act of 1996 was the last time that Congress considered this issue. When this statute expires in 2014, a significant portion of current global supply will no longer be accessible. In practical terms, this will happen sometime in 2013 when operating funds are projected to cease if action is not taken to reauthorize the Reserve.

Inaction will take 30 percent of the world’s supply off the market. This will cause enormous dislocations in the affected industries and ripple effects beyond them. Patients will be forced to travel long distances to find working MRIs, while semiconductor manufacturers and other industrial/commercial businesses will face uncertainty when they look for essential helium. These scenarios will create new dependencies on unstable foreign sources. Essential scientific research could suffer major adverse impacts.

Legislative proposals include ensuring that federally managed helium is sold at fair market value, attracting greater private sector interest in capturing helium released as a by-product of natural gas extraction, maintaining sustainable and consistent helium-refining capacity, and prioritizing helium for critical uses.

POSITION

NEMA favors measures that will bring more helium supply on to the market to meet the ongoing and growing needs of its manufacturers.

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NEMA is the association of electrical equipment and medical imaging manufacturers. Founded in 1926 and headquartered in Arlington, VA, NEMA’s approximately 400 member companies represent over 350,000 U.S. jobs and manufacture a diverse set of products including power transmission and distribution equipment, lighting systems, factory automation and control systems, and medical diagnostic imaging systems. Worldwide annual sales of NEMA-scope products exceed $120 billion. In addition to its headquarters in Arlington, Virginia, NEMA also has offices in Beijing and Mexico City.