



NEWS

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NPC Report Strengthens Case for Natural Gas *Natural Gas Resources Can Meet High Projections of Future Demand*

(Washington, D.C.) -- R. Skip Horvath, president and CEO of the Natural Gas Supply Association (NGSA), made the following statement about the National Petroleum Council's (NPC) report to the Secretary of Energy on the character and potential of our natural gas resources, "*Prudent Development: Realizing the Potential of North America's Abundant Natural Gas and Oil Resources.*"

"The NPC report is good news for natural gas suppliers and consumers, since it confirms that abundant supplies of natural gas can meet future demand from households, electricity providers and industrial users. The study demonstrates that greater use of natural gas will bring about a cleaner environment, more jobs, a stronger economy and energy security, all hinging upon reasonable access and prudent development.

"It is heartening that the report acknowledges the importance of power markets to the natural gas industry going forward. We are especially struck by the recommendation that the interaction between the natural gas and electric markets should be harmonized, and we are looking forward to FERC's leadership in navigating the industry through this challenging yet critical policy area.

"We are pleased the report affirms that the natural gas industry can competitively meet a near-doubling of demand for natural gas, which the report's most aggressive demand case indicates could happen by 2035. The study's authors cite a range of natural gas wellhead development costs from roughly \$4 to \$8 per million Btu (MMBtu), and note that, as technology advances, development costs per MMBtu could be less. The price to consumers will depend on supply and demand fundamentals, but this range of development costs suggests that natural gas will be competitively priced for the foreseeable future."

For further information and NPC materials, please visit the National Petroleum Council website at www.npc.org.

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NGSA represents integrated and independent companies that supply natural gas. Established in 1965, NGSA encourages the use of natural gas within a balanced national energy policy, and promotes the benefits of competitive markets to ensure reliable and efficient transportation and delivery of natural gas and to increase the supply of natural gas to U.S. customers. For more information, please visit www.ngsa.org, www.naturalgas.org and www.bluejobs.org

Clean Natural Gas: Smart, Secure and Essential