



## NEWS

**Contact: John Sharp ([jhsharp@ngsa.org](mailto:jhsharp@ngsa.org))**

**Skip Horvath ([Skip.Horvath@ngsa.org](mailto:Skip.Horvath@ngsa.org))**

**Phone: (202) 326-9300**

**For Release: Embargoed until Noon on  
Thursday, September 14, 2000**

### Natural Gas Producers Urge Senate to View Natural Gas as Integral Part of National Energy Strategy

(Washington, D.C.) – Natural gas from North America is an important component of a cohesive national energy strategy, according to Joe Blount, president of Unocal Global Trade. Blount testified today before the Senate Committee on Energy and Natural Resources on behalf of the Natural Gas Supply Association.

Blount noted that Alaskan natural gas has long been considered “economically stranded” because of the high cost transporting it to the Lower 48. He said that technology and market developments are changing transportation economics and that connecting frontier gas resources to markets is likely to be a major infrastructure objective as early as the second half of this decade.

Blount cited the natural gas industry’s responsiveness to environmental objectives as a reason Americans should take a new look at moving toward increased domestic energy production and away from reliance on imported energy. He noted that gas producers have:



Already decreased wellhead footprints by 75 percent and expect soon to shrink them to only 5 percent of their typical 1970 size.



Developed techniques to air-lift equipment and personnel to particularly sensitive areas.

- 🏠 Increased the resources available through a single surface structure by using technologies like hydraulic fracturing, horizontal drilling, and subsea completions.
- 🏠 Improved procedures to shut down production during specific periods, including times important to wildlife reproduction and during major storms.
- 🏠 Increasingly returned land to its original, or to an improved use following production activities.

Federal land-use policies, Blount pointed out, have held domestic production flat over the past several years, despite massive producer efforts to increase it. Blount applauded Canada's willingness to respond to U.S. market demand by significantly increasing its exports and working to strengthen the integration of the North American natural-gas market. But Blount said that "it is both unfair and unwise to place the bulk of the responsibility for responding to our rising gas needs on the shoulders of neighboring countries.

"We cannot permit America's exploration and production infrastructure to deteriorate to the point where it will take years and billions of dollars to reconstruct it," Blount concluded. "We need to ensure that natural gas plays a continuing and long-term role in the nation's energy mix. We cannot achieve this future if federal policymakers continue to ignore the pressing need for a commitment to North American energy production."

*NGSA represents integrated and independent companies that produce and market the majority of the natural gas produced in the United States. NGSA is actively involved in pursuing regulatory and legislative issues that affect the association's members. Established in 1965, NGSA encourages expanded use of natural gas and supports regulatory and legislative actions that foster competitive markets.*