



NEWS

For Immediate Release:

Thursday, Oct. 30, 2003

Contact: Melissa Marion mmarion@ngsa.org

Phone: (202) 326-9300

www.NGSA.org and www.NaturalGas.org

With the Heat Now On, NGSA Urges Congress To Complete Its Work on an Energy Bill

(Washington, D.C.) ... On the eve of the official start of the heating season, the record restocking of natural gas inventories to date has lessened some of the immediate pressure on wholesale markets, but the adoption by Congress of a comprehensive energy bill remains an urgent national priority, according to the Natural Gas Supply Association (NGSA).

"As NGSA predicted at the start of the summer injection season, and more recently in our Winter Outlook, the natural gas industry has done its part to bring storage levels dramatically back to the five-year average," said association Chairman William L. Transier. "Given the record draw down last year, this is a remarkable accomplishment that few others anticipated."

Transier emphasized, however, that the benefits from this back-up capacity are not without much higher summer re-fill costs, and could be short-lived depending on the severity of the winter. Nov. 1 is the official start of the heating season.

"Consumers and the economy will remain at risk from ongoing weather-related fuel hikes for as long as additional energy supplies are restricted from the market," Transier said. "That's why quick adoption of a comprehensive energy bill is an important first step toward a more balanced U.S. energy policy."

Even with a vote on the measure before the end of the year, it will still take time to implement the provisions and for all of the efficiency benefits to filter through to consumers. "Further delay only prolongs our supply challenges," he said.

-more-

Last May, NGSA released its Summer Outlook, outlining projections for the 2003 cooling season. At the time, because of record-low storage levels going into the summer, the association predicted a 23 percent increase in injections would be needed to achieve a healthy storage capacity near the five-year average of about 3.1 Tcf. As of today, the estimated storage level reported by the U.S. Energy Information Administration is just slightly above that figure (3.12 Tcf).

“As an industry, we responded aggressively to the needs of the marketplace for the heating season that’s now upon us,” Transier said. “Now it’s time for Congress to work through its final differences and bring this long-anticipated bill to both chambers, and then to the president’s desk as soon as possible.”

NGSA represents integrated and independent companies that produce and market natural gas 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.