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## NEWS

### **Supply Investments Based on Confidence in Energy Market Competition and Integrity, NGSA Tells CFTC**

(Washington) ... Natural Gas Supply Association (NGSA) members invest billions of dollars annually in developing and marketing natural gas supply in the U.S., and do so because of confidence in the overall market, the head of the association told federal commodity regulators today. Natural gas producers rely on and promote three key principles when investing – integrity, transparency and efficiency – and believe they find them in the U.S. market.

“While the outcome has yet to be determined with regard to a number of pending enforcement actions, we do believe these cases reflect the fact that the market self-corrects and that federal oversight agencies such as the Commodity Futures Trading Commission (CFTC) are doing the job assigned by Congress,” according to NGSA President and CEO Skip Horvath in prepared testimony for a CFTC hearing regarding organized energy exchanges.

A number of relatively recent regulatory and legislative changes have fostered additional confidence and trust in the market the overall benefit of natural gas markets and, he noted, NGSA is open to continuing discussions with the CFTC to identify any additional steps to further ensure that regulators have the tools they need to protect the natural gas market from manipulation.

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Generally the market itself can self-correct more quickly than government intervention, without the risk of unintended consequences, he said, cautioning that proposals for new regulations should be carefully considered to ensure that they are free of undue discrimination.

Nevertheless, he added, “NGSA continues to be supportive of any truly constructive steps to enhance market transparency without also harming underlying competition and market efficiency.”

“We have confidence in the market because we believe such competition disciplines bad actors in ways that are often ruthless, and that where there is any attempt to manipulate the market, regulators also have the power to punish such wrong-doers in accordance with the law,” he commented.

“Overall we believe it is important for the commission and our fellow market participants to stay focused on the fact that the natural gas market in the U.S. is more transparent than any natural gas market in the world,” Horvath said.

*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.*