

## NGSA NEWS

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### **Section 202(c) Request is Unnecessary and Poses Danger to Competitive Markets and Consumers, Says NGSA**

(Washington, D.C.) – FirstEnergy’s request to use section 202(c) of the Federal Power Act (FPA) to subsidize uneconomic generation, is not needed, harms the consumers, and would adversely impact competitive markets the Natural Gas Supply Association (NGSA) said today.

Dena E. Wiggins, president and CEO of NGSA, said, “Section 202(c) of the FPA is meant for immediate emergency situations such as sudden increases in demand or a shortage of electricity. None of this is taking place in today’s power markets. In fact, PJM stated in their initial comments on the recent DOE NOPR ‘the PJM Region unquestionably is reliable, and its competitive markets have for years secured commitments from capacity resources that well exceed the target reserve margin established to meet NERC requirements.’ PJM also stated that reserve margins were four to six percent above the level needed to meet NERC criteria for the next three delivery years. Clearly, these figures do not tell a story of an emergency situation and they do not warrant such extreme action.”

Wiggins said, “Competitive markets have a long track record of delivering affordable power to customers. It would be counterproductive and send the wrong signal to the market for DOE to grant this request.”

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The Natural Gas Supply Association (NGSA) represents integrated and independent companies that supply natural gas. Founded in 1965, NGSA is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA maintains a deep focus on the regulatory issues that affect natural gas producer-marketers and has been involved in a substantive manner in every one of the Federal Energy Regulatory Commission’s significant natural gas rulemakings since FERC’s creation in 1977. For more information, please visit [www.ngsa.org](http://www.ngsa.org) and [www.naturalgas.org](http://www.naturalgas.org).

**Markets Matter: *Representing America’s Major Producers and Suppliers of Natural Gas Since 1965***