DOE Proposal Should Not Be Adopted, NGSA Says in Reply Comments

(Washington, D.C.) -- The Natural Gas Supply Association (NGSA) submitted reply comments today to the Federal Energy Regulatory Commission (FERC) to address certain parties’ statements made in initial comments to the Department of Energy (DOE) proposed rule on grid resiliency.

Dena E. Wiggins, president and CEO of NGSA, said, “The record does not support the adoption of the DOE proposal because DOE and other parties have failed to identify the existence of a problem that would provide a basis to move forward. The alternative subsidy mechanisms proposed by some commenters also should not be adopted because they suffer from the same infirmities as the DOE proposal.”

Pat Jagtiani, executive vice president of NGSA said, “The grid operators tasked with maintaining reliability in regions impacted by DOE’s proposal all opposed the DOE proposal, noting that the proposal would reverse the progress made by FERC and the RTOs in developing ‘robust and reliable competitive markets.’ Comments from the regional operators must be heavily weighed by the Commission as opposed to comments by parties that have much to gain by the adoption of the DOE proposal, which blatantly discriminates among generators that rely on other fuel sources and inaccurately portrays natural gas. Fortunately, the facts show that the nation’s natural gas supply and delivery system is extremely reliable and fuel issues are not the major culprit for generator outages. Competitive energy markets are functioning today and providing consumers with dependable service in the most cost-efficient manner. However, this proposal, if adopted, will not only destroy the functioning of the market but it will also harm consumers.”

The comments were filed November 7 and can be read here.

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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 and www.naturalgas.org.

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