

NEWS

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NGSA Statement on Department of Energy Directive for FERC Action on Resiliency in the Organized Markets

(Washington, D.C.) – The Natural Gas Supply Association (NGSA) released the following statement regarding the Department of Energy’s directive to the Federal Energy Regulatory Commission (FERC) to address resiliency in the organized markets.

Dena Wiggins, president and CEO of NGSA, said:

“NGSA is dismayed that the Department of Energy would pursue this drastic action that would distort energy markets.

“We agree that our electric grid must rely on a diverse fuel mix that includes all fuels, however introducing market distortions and fuel preferences into the energy mix is a disservice to consumers and contrary to the non-discriminatory principles of the Federal Power Act. Instead, competitive fuel-neutral energy markets produce the best outcomes for consumers, including a diverse fuel mix. In fact, our energy mix has never been as diverse as it is today.

“We were pleased that the DOE report issued just a few weeks ago endorsed fuel neutrality, but today’s letter appears to push FERC in a different direction under an unrealistic, high-pressure timeline. Wholesale power markets should not turn their backs on the benefits that competitive markets have brought to consumers simply because some do not like the outcome.

“We are proud of our remarkable record of reliability, made possible by natural gas’ physical characteristics, operational practices and the multitude of market options for serving our customers. In fact, during Hurricane Harvey, ERCOT was able to rely on natural gas to replace coal units that could not run due to water-saturated coal piles. This is just one of many examples of natural gas reliability, including natural gas’s remarkable performance during the Polar Vortex of 2014, when record-setting cold temperatures caused two-thirds of the U.S. to experience historic demand levels and natural gas consumption reached its highest level ever. Natural gas operations are even more robust today, with substantial production located close to customers and dispersed across the United States.”

For more information on the reliability record of natural gas and the impact of subsidies:

[Natural Gas Council White Paper on Reliability and Resilience of Natural Gas](#) (July 2017)

[NGSA Comments on FERC Tech Conference on State Policies & Wholesale Markets](#) (June 2017)

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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.

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