

NEWS

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NGSA Asks FERC to Make Adequate Gas Infrastructure and Valuing Reliability in Power Market Design Top Priorities in Future Gas-Electric Coordination Dialogue

(Washington, D.C.) – The Natural Gas Supply Association (NGSA) today filed comments at the Federal Energy Regulatory Commission (FERC) on reliability issues raised at the Commission’s September 2021 technical conference and in the **FERC-NERC Final Report** that examined outages during Winter Storm Uri.

NGSA praised FERC’s focus on reliability and made several recommendations to set the stage for a future gas-electric stakeholder forum recommended in the FERC-NERC report:

- Work with participants to prioritize issues and assess the impact on costs, customers and ability of the gas and power markets to continue to function properly.
- Prioritize addressing the disconnect between (a) generators’ financial risk associated with fuel procurement and (b) the need for sufficient natural gas infrastructure to serve power markets.
- With state regulators’ participation, assess issues experienced by customers with intrastate pipelines during Winter Storm Uri in order to determine if further action is needed by the appropriate regulatory authority.
- Collect sound data in order to assess whether federal authority is needed to impose national weatherization standards for natural gas infrastructure.

Additionally, NGSA asked FERC to direct the development of a factual, unbiased analysis of reliability outcomes resulting from different paths to a low-emissions energy future. Such a model could be used as an integral part of reliability planning and as a template for regional assessments, helping states and regions accomplish their own climate targets in a reliable manner.

Pat Jagtiani, Executive Vice President of NGSA, said:

“NGSA and our members are committed to doing our part to enhance reliability and lower emissions, as evidenced by our members’ commitment to net zero emissions by 2050 and their investment of billions of dollars in new technologies and practices such as carbon capture and hydrogen.

“We support the recommendation to establish a stakeholder forum We are confident that a full discussion can lead participants to rational assessments and help identify the most pressing issues that should be prioritized.”

“Most gas-electric coordination issues arise from a fundamental disconnect between insufficient gas infrastructure and a power market design that is unable to adequately value reliability. This

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disconnect must be addressed to allow more opportunities to enhance the levels of service that we can provide to power generators or to better accommodate their load profiles.

“It is important to find market-based solutions that help mitigate the financial risk associated with advance fuel procurement by gas generators by placing more value on reliability. These types of power market design changes will provide the price signals needed for generators to take actions that better align with their need for reliable gas deliveries, especially during extreme weather events.”

For more information about the reliability of natural gas for power generation, please visit NGSA’s [“Natural Gas for Electricity”](#) webpages.

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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 advocates for well-functioning markets that foster a growing, competitive market for natural gas. NGSA is dedicated to achieving a cleaner future through strong partnerships with renewables and supporting innovative technologies and market solutions that reduce emissions. For more information, please visit www.ngsa.org.

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