



NGSA

Natural Gas Supply Association

NEWS

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NGSA Files Supreme Court Amicus on NY Subsidy Undermining Wholesale Electricity Markets

(Washington, D.C.) – The Natural Gas Supply Association (NGSA) and the American Petroleum Institute (API) have filed [an amicus brief](#) in the Supreme Court asking it to grant the Electric Power Supply Association and NRG Energy’s petition to reverse the Second Circuit’s erroneous decision upholding New York’s Zero Emissions Credit (ZEC) program.

Pat Jagtiani, executive vice president of NGSA said, “New York’s ZEC program undermines federal energy policy that fosters competition in the wholesale electricity markets and hurts consumers by distorting the market with subsidies for aging, uneconomic power plants, thus discouraging the entry of new generation and discriminating against other fuels. We hope the Supreme Court recognizes the gravity of this issue, since wholesale power markets cannot continue to withstand the impact of such state actions.”

Jagtiani said, “ZEC subsidies drive up costs to consumers by prolonging the life of uneconomic, aging resources. Add to that the ZEC program’s destabilizing effect on FERC’s competitive market-based approach to electricity rates, an approach that has successfully encouraged efficiencies in production and sales. In addition, ZEC subsidies for aging power plants distort the market signals that serve to incentivize new efficient generation to enter the market. Finally, from a legal perspective, the ZEC program clearly infringes on wholesale electricity markets that are under FERC’s exclusive jurisdiction under the Federal Power Act.”

To read the full amicus filing, see [link 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.

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