

## NEWS

FOR IMMEDIATE RELEASE JUNE 3, 2022

Contact: [Daphne.Magnuson@ngsa.org](mailto:Daphne.Magnuson@ngsa.org) (202) 631-0625

[Hinson.Peters@ngsa.org](mailto:Hinson.Peters@ngsa.org) (703) 964-6990



### **NGSA and Coalition Ask FERC to Adopt Rule on Pipeline Aggregation of Bids on Non-contiguous Capacity Segments**

(Washington, D.C.) – A coalition of organizations representing shippers on natural gas pipelines, including the Natural Gas Supply Association (NGSA), filed a joint request yesterday asking the Federal Energy Regulatory Commission to adopt a rule precluding a natural gas pipeline practice related to the aggregation of bids on non-contiguous segments of pipeline capacity.

In their joint comments, NGSA and the other organizations, which represent industrial users and local gas utilities, explained that the pipeline practice of packaging high-value pipeline capacity with non-contiguous, unrelated parcels of unwanted low- or no-value capacity forces shippers to bid an artificially inflated price and enables a pipeline to collect revenue that exceeds the approved maximum tariff rates for the high-value capacity.

**Casey Gold Hollers, Senior Director of Regulatory Affairs and Policy for NGSA, said:**

“We’re extremely concerned about this pipeline practice, which is becoming increasingly common and forces customers to bid on unwanted pipeline capacity or else lose access to the high-value capacity that we need in order to get natural gas to consumers. The practice unnecessarily inflates the price of pipeline service and harms all shippers, especially captive industrial customers, local gas utilities, marketers and, ultimately, the millions of customers that together we serve. By any measure, we believe this practice is unjust, unreasonable and unduly discriminatory and it is time for FERC to step in.”

NGSA joined with the American Gas Association, the American Public Gas Association and the Process Gas Consumers Group in the request for a FERC rulemaking on the practice, representing a broad coalition of natural gas producers, marketers, investor- and publicly-owned utilities and industrial users of natural gas.

The NGSA-AGA-APGA-PCG Group filing can be found [here](#). For more information about NGSA’s infrastructure policies and pursuit of fair and reasonable rates for natural gas customers, visit our [“Infrastructure and Rate Regulation”](#) page.

#####

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](http://www.ngsa.org).

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