

NEWS

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NGSA Statement on FERC-NERC Winter Storm Elliott Report

(Washington, D.C.) – The Natural Gas Supply Association (NGSA) issued a statement today following the release of the joint Federal Energy Regulatory Commission (FERC)-North American Electric Reliability Corp. (NERC) report on Winter Storm Elliott.

Patricia Jagtiani, Executive Vice President of NGSA, said:

“All of our customers count on us to come through during weather events, however Elliott’s extreme conditions exposed strains on the natural gas-electric system that we believe must be addressed. Natural gas is a critical part of the power grid, a fuel and feedstock for industrial customers and an essential service for residential and commercial customers.

“Accordingly, we’ve collaborated with other power and natural gas organizations and technical experts in our joint membership to develop nearly a dozen detailed concepts that we’ve put before FERC in coordination with its annual Reliability Conference. We constructed nearly a dozen potential solutions that address improvements to how the power and natural gas sectors coordinate to secure gas, so that gas-fired generators aren’t caught short because current market rules discourage them from advance planning for fuel, as well as ways to incentivize investment in infrastructure. As we move forward, we hope FERC and NERC will build on these ideas and convene a manageable number of relevant stakeholders to allow for frank dialogue and a healthy exchange.

“We’ve also gathered information on winterization efforts. While most of NGSA’s member companies did not have production located in the areas affected by Elliott, the issues that affected production are familiar to us and present unique challenges and approaches. Dangerous road conditions are often a major concern, with ice preventing personnel from safely reaching production areas and preventing the removal of liquids. To help mitigate those issues, our companies stage personnel and resources close to affected areas when possible.

“Because of the distinct characteristics that influence winter preparedness actions, there is no one-size-fits-all approach to winterization that works across all production. There is no single form of weatherization that works for both extreme hot and cold environments.

“There is much work to do across both the gas and electric sectors to ensure gas availability for power, especially during emergency events. We look forward to continuing our engagement with FERC and the electric sector in this important discourse.”

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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 focuses solely 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