

Resolution Encouraging State PUCs to Further Develop Regulatory Strategies to Help Mitigate the Impact of Higher Natural Gas Prices, and to Support a Comprehensive National Energy Policy

WHEREAS, The United States Congress, through enactment of the Natural Gas Policy Act of 1978, implemented phased-in decontrol of gas prices at the wellhead; and through the Natural Gas Wellhead Decontrol Act of 1989, eliminated wellhead price controls for sales of natural gas; and

WHEREAS, The recent increase in natural gas prices is a result of a substantial increase in demand for natural gas, especially in the electric generation and industrial sectors of the economy, coupled with a less than corresponding increase in supplies; and

WHEREAS, The recent rise in natural gas prices raises concerns for all industry participants, producers, suppliers, marketers, and especially consumers; and

WHEREAS, Government policies that foster increased supplies of natural gas could benefit consumers by exerting downward pressure on natural gas prices; and

WHEREAS, NARUC has recognized at its 2000 Annual Convention the importance of encouraging States to review their consumer protection policies and strategies for helping consumers adjust to the rising natural gas prices, *now therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC) convened in its 2001 Winter Committee Meetings in

Washington D.C., encourages State PUCs to fully explore and examine various regulatory tools that can be used to help utilities and their customers mitigate the impact of higher prices for natural gas, as discussed in NARUC's October 13, 2000 publication "Information on the Problem of High Natural Gas Prices and Alternative Actions by State Public Utility Commissions", *and be it further*

RESOLVED, That State PUCs further develop, if they haven't already, effective and comprehensive communication strategies to ensure consumers understand purchased gas rate adjustments, the benefit of conservation practices by consumers, and the various consumer assistance programs available to help with bills, *and be it further*

RESOLVED, That NARUC supports the need for federal legislation that institutes a comprehensive national energy policy including encouraging development and production of new natural gas supplies and facilitating expansion of natural gas transmission and delivery infrastructure; *and be it further*

RESOLVED, That NARUC supports the need for federal legislation that institutes a comprehensive national energy policy including balanced reliance on all energy resources including renewables, new efficient technology and conservation measures.

Sponsored by the Committee on Gas

Adopted by the NARUC Board of Directors, February 28, 2001.