

***Resolution on Federal Legislation Mandating Retail Natural Gas Unbundling Programs***

**WHEREAS**, When it enacted the Natural Gas Act, Congress was careful to preserve the legal authority of State and local regulatory agencies to regulate retail services provided by local gas utilities; *and*

**WHEREAS**, Such State and local agencies are in the best position to implement regulatory policies that are tailored to the climatic, demographic, economic, and geographic circumstances of retail markets; *and*

**WHEREAS**, The implementation of new policies requiring unbundling of retail gas services or customer choice programs raises many complex policy and operational issues, including the duty to interconnect and provide service, continued reliability, assistance for low-income and rural customers, treatment of stranded costs, conservation and efficiency programs, and State and local taxes; *and*

**WHEREAS**, Retail customer choice programs involving residential and small commercial customers are now under consideration or being implemented as pilot or State-wide programs in seventeen States and the District of Columbia; *and*

**WHEREAS**, Competition should produce customer savings and expanded options for natural gas customers, and market forces will continue to accelerate the trend toward customer choice; *and*

**WHEREAS**, It is the policy of the National Association of Regulatory Utility Commissioners with respect to both retail natural gas and electric services that the States should determine the content and pace of implementation for customer choice programs within utility service territories; *now, therefore, be it*

**RESOLVED**, By the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened at its 1997 Summer Meeting in San Francisco, California, that Congress should not adopt legislation with respect to retail natural gas services unbundling, and to the extent Congress considers such legislation, it must continue to preserve the authority of State and local regulatory agencies to determine when and how to open retail markets to competition.

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*Sponsored by the Committee on Gas  
Adopted July 23, 1997*