

Resolution Adopting Natural Gas Information “Toolkit”

WHEREAS, The President of the National Association of Regulatory Utility Commissioners (“NARUC”), in response to concerns about current and future levels of natural gas supply and demand, and increasing price volatility, on June 16, 2003, appointed a Natural Gas Task Force to address these issues; *and*

WHEREAS, The Board of Directors of the National Association of Regulatory Utility Commissioners convened at its July 2003 Summer Meetings in Denver, Colorado, adopted a *Resolution Supporting Development Of A Tool Kit To Address Natural Gas Price Volatility*, for the use of State commissions in addressing immediate concerns about high natural gas prices and high price volatility; *and*

WHEREAS, The NARUC Natural Gas Task Force revisited NARUC’s October 2000 Information Packet on the problem of high natural gas prices and alternative actions by State commissions, and developed an updated “Toolkit” that provides State commissions with options for the upcoming winter heating season as well as for future winters that they may consider; *and*

WHEREAS, The “Toolkit” is not designed to provide definite answers concerning how State commissions can best address the current gas supply and demand situation, the “Toolkit” does provide possible responses that State commissions can take to help mitigate the effects of high and volatile natural gas prices on retail gas consumers; *now therefore be it*

RESOLVED, That the National Association of Regulatory Commissioners (NARUC), convened in its 2003 Annual Convention in Atlanta, Georgia, adopts and authorizes publication of the *Natural Gas Information “Toolkit”* prepared by its Natural Gas Task Force; *and be it further*

RESOLVED, That the NARUC Natural Gas Task Force focus its next efforts on a detailed review of: (1) the National Petroleum Council’s September 25, 2003 report on *Balancing Natural Gas Policy – Fueling the Demands of a Growing Economy* with emphasis on the findings and recommendations in that report that have regulatory implications for State commissions, which include, but are not limited to: (a) improving and promoting energy efficiency and conservation initiatives, including consumer outreach and education, (b) facilitating inter-agency coordination to address siting issues for new infrastructure, including LNG terminals, (c) issues associated with fuel flexibility in power generation and industrial applications, (d) encouraging participation in collaborative industry research and development; (2) the increasing interdependency of natural gas and electric power markets, including potential impacts of higher natural gas prices on electric rates; and (3) the role of long-term contracts in the natural gas industry; and that it provide recommendations, if any, on actions that can be taken back to the NARUC Board at future meetings.

Sponsored by the Committee on Gas

Recommended by the NARUC Board of Directors November 18, 2003

Adopted by NARUC Convention November 19, 2003