

Resolution Encouraging State PUCs to Develop Comprehensive Communication Strategies to Address the Problem of Higher Natural Gas Prices, and to Review Appropriate Consumer Protection Practices and Consumer Assistance Mechanisms

WHEREAS, The commodity price for natural gas is projected to increase by at least \$2 per Mcf over last winter's prices; *and*

WHEREAS, The rapid rise in natural gas prices over the last several months raises concerns about the effect it will have on consumers; *and*

WHEREAS, These prices ultimately will fall on the shoulders of retail gas consumers, some of whom will find it especially difficult to absorb in view of budget and income constraints; *and*

WHEREAS, Most industry observers recognize these gas price increases are the result of a competitive commodity market in which volatile prices commonly occur; *and*

WHEREAS, State public utility commissions ("PUCs") have the specific responsibility of assuring the general public of the reasonableness of prices for utility services, which includes making utility services affordable to the general public; *and*

WHEREAS, State PUCs and other governmental entities are paying close attention to the developments in the natural gas sector and their effect on consumers; *and*

WHEREAS, The National Regulatory Research Institute ("NRRI"), and the NARUC Staff Subcommittee on Gas, conducted an extensive survey of State responses to high gas prices; *and*

WHEREAS, The NRRI, the U.S. Department of Energy's ("US DOE's") Energy Information Administration, Office of Fossil Energy and Office of Energy Emergencies, and the NARUC Staff Subcommittee on Gas, developed an information packet for State commissions entitled, *Information on the Problem of High Natural Gas Prices and Alternative Actions by State Public Utility Commissions; now therefore be it*

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC), assembled in its 2000 Annual Convention in San Diego, California, encourages State PUCs to develop, if they haven't already, effective and comprehensive communication strategies to address the problem of higher natural gas prices; *and be it further*

RESOLVED, That State PUCs are encouraged to review and perhaps modify, to the extent appropriate in their State, the consumer protection practices and consumer assistance mechanisms that address the problem of higher natural gas prices as discussed in the information packet developed for State commissions; *and be it further*

RESOLVED, That NRRI, the US DOE's Energy Information Administration, Office of Fossil Energy and Office of Energy Emergencies, and the NARUC Staff Subcommittee on Gas, are commended for their research and work on this project.

Sponsored by the Committee on Gas

Recommended by the Board of Directors.

Accepted in Convention November 15, 2000.