

PRESS RELEASE

FOR IMMEDIATE RELEASE July 23, 2024 CONTACT: Marnie Satterfield (202) 223-1420 msatterfield@ieca-us.org

CONSUMERS URGE CONGRESS TO AMEND THE NATURAL GAS ACT, SECTION 5 TO GIVE FERC AUTHORITY TO REFUND OVERCHARGES BY INTERSTATE NATURAL GAS PIPELINES

WASHINGTON, DC – The Industrial Energy Consumers of America (IECA) submitted <u>comments</u> for the record on the hearing "The Fiscal Year 2025 Federal Energy Regulatory Commission Budget."

Paul N. Cicio, President of IECA, made the following statement today:

Interstate natural gas pipelines are monopolies. Therefore, consumers need responsible protections to prevent abuse. This is one such example.

The consumer complaint section under the Natural Gas Act (NGA) Section 5 makes natural gas consumers vulnerable to billions of dollars in overcharges from interstate pipeline companies. To protect consumers, Congress needs to amend Section 5 to give the Federal Energy Regulatory Commission (FERC) the authority to grant refunds to natural gas consumers when FERC confirms that a pipeline is overcharging above just and reasonable rates.

A second example of needed consumer protections from monopoly power is action by the FERC to regularly review pipeline rates to ensure that consumers are not charged abusive rates. Despite this, FERC is failing to take legal action to rein them in. In past years, FERC would initiate at least three rate cases or more. In 2023, FERC did not initiate a single rate case.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.3 trillion in annual sales, over 12,000 facilities nationwide, and with more than 1.9 million employees worldwide. It is an organization created to promote the interests of manufacturing companies through advocacy and collaboration for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, consumer goods, building products, automotive, independent oil refining, and cement.