The Honorable Richard Blumenthal U.S. Senate 706 Hart Senate Office Building Washington, DC 20510

The Honorable Cindy Hyde-Smith U.S. Senate 702 Hart Senate Office Building Washington, DC 20510

March 20, 2024

Dear Senator Blumenthal and Senator Hyde-Smith:

We, the undersigned organizations, write in support of the planned introduction of the "Making Pipelines Accountable to Consumers and Taxpayers Act of 2024" (MPACT). This legislation would bring about much-needed reform to the Natural Gas Act (NGA) and protect millions of energy consumers across the country. We commend your efforts.

The Natural Gas Act (NGA) and the Federal Power Act (FPA) establish the Federal Energy Regulatory Commission's (FERC's) authority to regulate natural gas and electric transmission entities, respectively. Both laws outline regulatory processes for over-collections (also referred to as overcharges) that interstate transmission entities charge to distribution companies, shippers, and consumers. FERC has the authority to determine whether transmission entities, namely interstate natural gas pipelines and electric transmission companies, have charged an "unjust and unreasonable rate."

Under section 206 of the FPA, FERC or an electric transmission customer can file a rate complaint. If FERC finds that an electric transmission entity has charged an "unjust and unreasonable" rate, then FERC may order that the entity refund overcharged funds based on a Refund Effective Date set by FERC when it issues a notice of the complaint.

The NGA offers no such recourse. Under section 5 of the NGA, entities that believe they have been overcharged can still file a complaint against an interstate natural gas pipeline. However, the NGA only gives FERC the authority to grant prospective rate relief – it cannot order refunds of over-collections, unlike the refunds that are available under section 206 of the FPA. Natural gas transmission customers thus are not able to recoup monies that are determined to be unjustly collected. This creates an incentive for interstate natural gas pipelines to prolong such cases because they can keep all of the overcharged rates. Closing this loophole will set the proper incentive for pipelines to resolve Section 5 proceedings more quickly.

We thank you for your efforts and strongly encourage Congress to pass this long overdue and much-needed legislation. The MPACT Act of 2024 will provide consumers with proper recourse to recoup overcharged funds and bring the NGA in line with the FPA, ensuring all energy consumers get the fair rates they deserve.

Sincerely,



American Forest & Paper Association (AF&PA)



American Public Gas Association (APGA)



American Public Power Association (APPA)



Cargill, Inc.



Connecticut Natural Gas (CNG)



Council of Industrial Boiler Owners (CIBO)



Essential Minerals Association (ESA)



Glass Packaging Institute (GPI)



Industrial Energy Consumers of America (IECA)



Maine Natural Gas (MNG)



Natural Gas Supply Association (NGSA)



New York State Electric & Gas (NYSEG)

