



## NEWS

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### **NGSA Says FERC Should Adopt Rule Prohibiting Pipeline Aggregation of Bids on Non-contiguous Capacity Segments as Harmful Practice Increases**

(Washington, D.C.) – The Natural Gas Supply Association, together with a coalition of organizations representing shippers on natural gas pipelines, will file joint comments later today renewing their request to the Federal Energy Regulatory Commission to adopt a rule precluding the interstate natural gas pipeline practice of aggregating certain bids on non-contiguous segments of pipeline capacity.

In their joint comments, NGSA and the other organizations explain that the harmful pipeline practice increased dramatically in 2023 and early 2024, enabling pipelines to collect millions in revenues above maximum rates.

The coalition’s filing includes 89 documented examples from 2023 and 2024 of the practice, in which pipelines packaged high-value pipeline capacity with capacity that was operationally unrelated, non-contiguous and of little-to-no market value. The filing details how this increasingly frequent practice facilitates the exercise of market power, compels shippers on pipelines to acquire unwanted capacity at added costs, and subjects consumers to unjust and unreasonable rates.

#### **Casey Holler, NGSA’s Senior Director, Regulatory Affairs and Policy, said:**

“This pipeline practice continues to harm all shippers, including marketers, because it unnecessarily raises transportation costs to their customers, who include industrials, utilities, generators, and other end users. We are asking the Commission to adopt a new policy that prohibits the practice, thus giving shippers a fair opportunity to acquire pipeline capacity and protecting them from unjust and unreasonable rates.”

**Background:** Today’s filing by NGSA, the American Gas Association, the American Public Gas Association and the Process Gas Consumers Group will be posted at [NGSA.org](http://NGSA.org) later today and is in response to a FERC Notice of Inquiry (NOI) spurred by this [2022 NGSA-AGA-APGA-PCG Group filing](#).

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The Natural Gas Supply Association (NGSA) represents integrated and independent companies that supply natural gas. Founded in 1965, NGSA is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA advocates for well-functioning markets that foster a growing, competitive market for natural gas. NGSA is dedicated to achieving a cleaner future through strong partnerships with renewables and supporting innovative technologies and market solutions that reduce emissions. For more information, please visit [www.ngsa.org](http://www.ngsa.org).

**Markets Matter: Representing America’s Major Producers and Suppliers of Natural Gas Since 1965**