



February 19, 2021

The Honorable Richard Glick  
Chairman  
Federal Energy Regulatory Commission  
888 First Street NE  
Washington, DC 20246

The Honorable David G. Huizenga  
Acting Secretary  
U.S. Department of Energy  
1000 Independence Avenue SW  
Washington, DC 20585

**Re: High Natural Gas Prices Due to Winter Storm Uri**

Dear Chairman Glick and Acting Secretary Huizenga:

Recent weather events, including Winter Storm Uri, brought record low temperatures to many states and covered nearly 75 percent of the country in snow and ice. Many localities are not accustomed to severe winters and the disruptions that can accompany them. The American Public Gas Association (APGA) and American Public Power Association (APPA) appreciate the efforts that the Federal Energy Regulatory Commission (FERC) and the Department of Energy (DOE) have already taken in response to this natural disaster.

APGA represents the interests of over 1,000 community and municipally-owned gas systems in 38 states, while APPA represents the interests of over 2000 state, municipal, and other locally owned electric utilities in the United States.

Throughout this severe weather, many communities across the U.S. have relied on their public gas utilities to maintain delivery of safe, traditionally affordable, and reliable natural gas for use in space and water heating and cooking. Public power utilities have likewise worked hard to maintain reliable and affordable electric service to their customers. Our members have been proud to support and serve their customers in this time of need, as well as throughout the entire COVID-19 pandemic. However, the energy price impacts from Winter Storm Uri have only further compounded all the challenges facing Americans as we continue to address the pandemic and economic recession.

Unfortunately, municipal gas and public power utilities, and consequently their customers, have fallen victim to significant price increases throughout this crisis. Natural gas prices, which have hovered around \$3/MMBtu, skyrocketed to upwards of \$300/MMBtu and even higher in some cases. With demand for natural gas rising in response to the cold temperatures, our members had no choice but to purchase gas at the inflated prices or pay even steeper penalties to ensure their customers could continue to heat their homes or to allow natural gas-fueled electric generation to continue operating. In one case, a municipal utility spent its monthly gas budget each day over President's Day weekend. In another, a joint action agency expended three times its annual gas purchasing budget just to buy gas for its customers for four days.

Unfortunately, similar stories abound throughout the Midwest, south-central, and other regions most severely impacted by the storm, bringing into question how many of these communities will be able to purchase needed gas throughout the remainder of the winter, let alone the rest of the year. Without relief, these high prices will be passed directly to consumers, with many customers anticipated to face monthly bills hundreds or possibly thousands of dollars more expensive than usual.

We appreciate FERC's inquiry into the operations of the bulk-power system during this extreme weather event and request that the Commission, in coordination with DOE, expand its inquiry to include the significant price increases experienced in the natural gas markets. APGA and APPA members are locally-owned and governed to be accountable to the neighbors they serve, not corporate boards or investors – community aid and quality service are the mandates for these utilities. Understandably, our members are uniquely concerned with how the market reacted in this emergency because publicly owned utilities have rates set at the local level. Consequently, we believe an objective investigation is warranted.

As not-for-profit entities, public gas and public power systems continue to focus on providing safe and reliable energy to their customers to best support their communities in this time of need. We look forward to working together with FERC and DOE to ensure that natural gas remains an affordable energy choice for the thousands of American communities, now and in the future. Thank you again for your commitment to understanding and addressing the challenges our industry and country currently face.

Sincerely yours,



Dave Schryver  
President & CEO  
American Public Gas Association



Joy Ditto  
President & CEO  
American Public Power Association

cc: Neil Chatterjee, FERC Commissioner  
James Danly, FERC Commissioner  
Allison Clements, FERC Commissioner  
Mark Christie, FERC Commissioner  
Jennifer Granholm, Secretary of Energy Nominee