



**Federal Energy Regulatory Commission
December 20, 2007
Open Commission Meeting
Statement of
Commissioner Marc Spitzer**

Items G-1 and G-2, Transparency Provisions of Section 23 of the Natural Gas Act (Docket No. RM07-10-000) and Pipeline Posting Requirements (RM08-2-000)

"The Energy Information Administration (EIA) predicts that natural gas demand in the United States will grow from 22 trillion cubic feet (Tcf) to 26.1 Tcf by 2030. Likewise, demand for natural gas in the electric power sector is expected to peak in 2020. Further, electricity demand is projected to grow by 39% to 2030 in the residual sector, 63% in the commercial sector, and by 17% in the industrial sector. Consequently, investing in both gas and electric infrastructure is critical to ensure these growing needs are met.

As investment in natural gas infrastructure increases, however, the Commission must ensure that consumers have faith and confidence that wholesale markets are working properly. Today, we issue a final rule that will result in greater transparency to the physical natural gas markets.

The Transparency Final Rule requires certain natural gas market participants to report information regarding their annual purchases and sales. Specifically, market participants must inform us of their reports to price index publishers, their blanket sales certificate status, and annually report certain information regarding their wholesale, physical natural gas transactions for the previous calendar year.

Moreover, recognizing that the record was incomplete as to the question of whether posting requirements for interstate pipelines should be changed; we also issue a notice of proposed rulemaking soliciting further comment on whether the Commission should require actual flow information from both interstate and non-major interstate pipelines. The NOPR also considers whether the posting requirements for both interstate and non-major interstate pipelines should be similar. In addition, we seek further comment regarding how the posting requirements should apply to storage facilities.

I look forward to reading comments on the NOPR's proposed definition of market participant and its interpretation of the interrelationship of NGA §§ 1 and 23. I also support our decision to seek more information on the costs and benefits of increasing the pipelines' posting requirements. I ask that respondents provide thoughtful, in-depth comments as to the technical, operational or other concerns that may arise relating to the proposed posting requirements both at the technical conference that will be held in this proceeding, as well as in written comments.

For these reasons, I support these orders."