



Unanimously Adopted on September 17, 2018

Resolution sponsored by: Representative Rocky Miller, Missouri

5.2018 | Supporting Energy Security for Consumers

WHEREAS, consumers of electricity benefit when electric utilities can operate in the financial markets and physical commodity markets to manage overall costs and price volatility through hedging and appropriate use of physical reserves; and

WHEREAS, due to numerous factors, including shifts in federal environmental policy, commercial and consumer preferences for lower emission energy sources, and market dynamics, electric power generation is increasingly dependent on natural gas and will be for decades to come; and

WHEREAS, while natural gas commodity prices and futures estimates are relatively low today, market forces affecting multiple states and external to the United States could alter the natural gas supply and price curves, re-introducing volatility to the natural gas markets; and

WHEREAS, financial investment strategies and ownership interests in natural gas reserves are viable options for providing insurance against unexpected reductions in natural gas supplies and volatility.

THEREFORE, BE IT RESOLVED that the members of the Southern States Energy Board encourage states to continue allowing electric utilities to effectively manage natural gas supplies and prices, and protect consumers, through a variety of tactics, including financial hedging and ownership interests in physical reserves.