

2001 SESSION

SENATE SUBSTITUTE

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SENATE JOINT RESOLUTION NO. 481

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Rules
on February 5, 2001)

(Patron Prior to Substitute—Senator Newman)

Directing the Coal and Energy Commission, in consultation with the State Corporation Commission, to study the reasons for the recent increase in the price of natural gas.

WHEREAS, natural gas customers' bills have increased in recent months, due in part to a colder winter and an imbalance between supply and demand; and

WHEREAS, low wellhead prices for natural gas in 1998 and 1999 contributed to a decline in the number of working rigs for natural gas; and

WHEREAS, the Commonwealth's investor-owned natural gas utilities indicate that they do not profit from the cost of natural gas purchased for customers' usage; and

WHEREAS, the State Corporation Commission reviews investor-owned natural gas utilities' gas purchase contract for prudence; and

WHEREAS, the availability of reliable, reasonably priced sources of energy is critical to the continued health of the Commonwealth's economy and to the well-being of its citizens; and

WHEREAS, the American economy is becoming increasingly dependent on imported foreign oil to meet its growing energy needs; and

WHEREAS, it is critically important for the nation and Virginia to develop energy policy that promotes domestic energy supply; and

WHEREAS, the federal government is devoting itself to a comprehensive energy strategy, so too should the Commonwealth; and

WHEREAS, natural gas as a domestic energy source should be promoted as a clean, safe, efficient, and reliable fuel; and

WHEREAS, the recent fluctuation in natural gas prices indicates that market forces are attempting to balance supply and demand; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Coal and Energy Commission, in consultation with the State Corporation Commission, be directed to study the reasons for the recent increase in the price of natural gas. The Coal and Energy Commission shall study recommended actions at the national and state levels that will increase available natural gas supplies, thereby promoting the affordability of natural gas as an efficient domestic energy source.

Technical assistance shall be provided to the Coal and Energy Commission by the Department of Mines, Minerals, and Energy, and the State Corporation Commission.

All agencies of the Commonwealth shall provide assistance to the Commission for this study, upon request.

The Coal and Energy Commission shall complete its work in time to submit its findings and recommendations by October 20, 2001, to the Governor and the 2002 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

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