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## Georgia Public Service Commission

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October 13, 2022

The Honorable Senators and Representatives of Georgia  
The Honorable Jon Ossoff, United States Senate  
The Honorable Raphael Warnock, United States Senate  
The Honorable Rick Allen, United States House of Representatives  
The Honorable Sanford Bishop, United States House of Representatives  
The Honorable Carolyn Bourdeaux, United States House of Representatives  
The Honorable Buddy Carter, United States House of Representatives  
The Honorable Andrew Clyde, United States House of Representatives  
The Honorable Drew Ferguson, United States House of Representatives  
The Honorable Marjorie Greene, United States House of Representatives  
The Honorable Jody Hice, United States House of Representatives  
The Honorable Henry “Hank” Johnson, United States House of Representatives  
The Honorable Barry Loudermilk, United States House of Representatives  
The Honorable Lucy McBath, United States House of Representatives  
The Honorable David Scott, United States House of Representatives  
The Honorable Austin Scott, United States House of Representatives  
The Honorable Nikema Williams, United States House of Representatives

Re: Natural Gas Supply Outlook in Georgia

Dear Senators, Congresswomen and Congressmen:

It has been a record-setting year for jobs and investment in Georgia, and our prospects remain bright. One contributing factor to Georgia being named the Top State for Business for the ninth consecutive year has been our resilient utility infrastructure and reasonable rates. Natural gas availability continues to be a key component in landing many economic development projects. This cost-effective and clean-burning fuel source enables our country to transition to a lower carbon future while promoting America’s energy security.

Despite the abundance of natural gas, actions taken by the Federal Energy Regulatory Commission (“FERC”) earlier this year threaten the energy future of Georgia, and essentially every other state,

and I fear economic stagnation or worse will result if FERC does not reverse course. By issuing a revised certificate policy statement on how the agency will consider greenhouse gas emissions on new pipeline projects, development and investment in greenfield projects and major expansions have ground to a halt. Major pipeline projects that were fully backed by creditworthy major utilities with demonstrated customer need have been cancelled due to project uncertainty brought on by extended federal delays and spiraling costs. Our state is feeling the squeeze from constrained availability of incremental gas supply capabilities.

Meanwhile, as the U.S. shelves projects, China and India are expanding their systems at a record pace. Over the summer China announced a \$2 trillion capital expenditure program to grow its natural gas system over the next three years. Sadly, it has been reported that many U.S. investors that once backed fossil fuel projects in our country are now investing in the China program.

Recognizing Georgia does not produce natural gas in-state, we depend on being supplied by two major interstate pipelines that transport gas from producing areas directly to large consumers, such as power plants, and to one of eighty-six municipal or investor-owned local distribution system operators. The Georgia Public Service Commission is doing all that we can to boost capacity and expand infrastructure - particularly into rural Georgia. However, those efforts are in vain if we do not have access to sufficient interstate transportation capacity to move needed gas supply into our state. The interstate pipelines that feed our state -- Southern Natural Gas ("SNG") and Transcontinental Gas Pipe Line ("Transco") -- are essentially fully subscribed and neither interstate pipeline is offering any prospective expansion projects to bring new gas supply capability into the Georgia market.

Although the 303-mile Mountain Valley Pipeline, which received a FERC certificate in 2017, will bring some incremental capacity indirectly into Georgia by interconnecting with the southeastern interstate pipeline system, that capacity is committed to other customers already. In order to attain gas supply for Georgia's new load requirements, our utilities are left with few options. They are developing new peaking opportunities for cold weather events by constructing expensive Liquefied Natural Gas ("LNG") facilities or purchasing third party delivered supply from other capacity holders on the interstate pipelines, which can be expensive and does not offer a permanent solution. As an absolute last resort, the lack of available incremental gas supply capability coupled with growing customer demand effectively is reducing reserve requirements, which threatens the integrity of most systems.

Georgia's continued economic development success is inextricably tied to our ability to receive adequate natural gas supplies. Absent Congressional intervention, I grow concerned at the prospect that new supplies of this most cost-effective energy source, and often even the most preferred for cooking, heating and manufacturing, will not soon be available to states such as Georgia. I urge your attention to this matter and respectfully request that you exercise all your authority to get our energy policies back on track.

Sincerely,



Jason Shaw  
Commissioner



Chairman Tricia Pridemore



Commissioner Fitz Johnson



Vice-Chairman Tim Echols



Commissioner Lauren "Bubba" McDonald, Jr.

cc: The Honorable Brian Kemp, Governor of Georgia  
Commissioner Pat Wilson, Georgia Department of Economic Development  
Commissioner Judith Williams Jagdmann, President, NARUC