

House Concurrent Resolution No. 87

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BLACK.

6377H.011

D. ADAM CRUMBLISS, Chief Clerk

1 **WHEREAS**, Missouri statutes and regulations recognize that consumers of electricity
2 benefit when electrical corporations can work in the financial markets and physical commodity
3 markets to manage overall costs and price volatility through the established business practice of
4 hedging; and

5 **WHEREAS**, the Missouri Public Service Commission has overseen electrical
6 corporations serving Missouri for over a decade to ensure that fuels used to generate electricity
7 are hedged appropriately and in consumers' best interest; and

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

11 **WHEREAS**, while natural gas commodity prices and futures estimates are relatively low
12 today, market forces outside of Missouri and the United States could cause declines in natural
13 gas supplies, increased global competition for natural gas supplies, and unpredictable price hikes,
14 or extended periods of price volatility; and

15 **WHEREAS**, both financial investment strategies and ownership of natural gas fuel
16 reserves are viable options for providing insurance against unexpended reductions in available
17 natural gas supplies and unpredictable price rises and volatility:

18 **NOW THEREFORE BE IT RESOLVED** that the members of the Missouri House of
19 Representatives, Ninety-ninth General Assembly, Second Regular Session, the Senate concurring
20 therein, hereby urge the Missouri Public Service Commission to reaffirm the state's policy of
21 encouraging electrical corporations to act in consumers' best interests through prudent hedging
22 of natural gas and other fuel inputs; and

23 **BE IT FURTHER RESOLVED** that the Chief Clerk of the Missouri House of
24 Representatives be instructed to prepare properly inscribed copies of this resolution for the Chair
25 of the Public Service Commission and each electrical corporation regulated by the Public Service
26 Commission.

✓