



## Industrial Energy Consumers of America

*The Voice of the Industrial Energy Consumers*

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January 22, 2019

The Honorable Neil Chatterjee  
Chairman  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

The Honorable Richard Glick  
Commissioner  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

The Honorable Cheryl A. LaFleur  
Commissioner  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

The Honorable Bernard McNamee  
Commissioner  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

***Re: FERC Initiates Investigations on Rates Charged by Three Interstate Natural Gas Pipeline Companies***

Dear Chairman Chatterjee and Commissioners LaFleur, Glick, and McNamee:

On behalf of the Industrial Energy Consumers of America (IECA) and its member companies, we thank you for advancing Section 5 rate review cases directed towards Bear Creek Storage Company (RP19-51-000), Northern Natural Gas Company (RP19-59-000), and Panhandle Eastern Pipe Line Company, LP (RP19-78-000, RP19-78-001).

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$1.0 trillion in annual sales, over 3,700 facilities nationwide, and with more than 1.7 million employees worldwide. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, brewing, independent oil refining, and cement.

We are grateful that FERC is fully utilizing its authority to ensure that rates are just and reasonable. This is especially important given that the pipelines are monopolies.

As expressed previously, we would hope that FERC would automatically review rates of all interstate natural gas pipelines every three years. If the pipelines know they are going to be reviewed relatively frequently, then there is less likelihood that they will overcharge. Pipelines seem to only go before the FERC if they need a rate increase to cover increased costs or if challenged by a customer through an expensive and lengthy process that can cost the shipper millions of dollars per rate case and can take upwards of two years to be resolved. The current system places the burden on the shipper and the burden should be on the pipeline companies to regularly prove that their rates are just and reasonable.

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We thank you for your leadership on this important issue and look forward to working with you.

Sincerely,

Paul N. Cicio  
President

cc: Senate Committee on Energy and Natural Resources  
House Committee on Energy and Commerce