

107TH CONGRESS
1ST SESSION

H. R. 712

To provide for a study by the National Academy of Sciences to determine the causes of recent increases in the price of natural gas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2001

Mr. THOMPSON of California (for himself, Mr. HONDA, Mr. MATSUI, Mr. BACA, Mr. CONDIT, Ms. WOOLSEY, Mr. FARR of California, Mr. FILNER, Mr. HUNTER, Mr. STARK, and Mr. SOLIS) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To provide for a study by the National Academy of Sciences to determine the causes of recent increases in the price of natural gas, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. STUDY OF NATURAL GAS RESERVE.**

4 (a) FINDINGS.—Congress finds that—

5 (1) In the last few months, natural gas prices
6 across the country have tripled.

7 (2) In California, natural gas prices have in-
8 creased twenty-fold, from \$3 per million British

1 thermal units to nearly \$60 per million British ther-
2 mal units.

3 (3) One of the major causes of these price in-
4 creases is a lack of supply, including a lack of nat-
5 ural gas reserves.

6 (4) The lack of a reserve was compounded by
7 the rupture of an El Paso Natural Gas Company
8 pipeline in Carlsbad, New Mexico on August 1,
9 2000.

10 (5) Improving pipeline safety will help prevent
11 similar accidents that interrupt the supply of natural
12 gas and will help save lives.

13 (6) It is also necessary to find solutions of the
14 lack of natural gas reserves that could be used dur-
15 ing emergencies.

16 (b) STUDY BY THE NATIONAL ACADEMY OF
17 SCIENCES.—The Secretary of Energy shall request the
18 National Academy of Sciences to—

19 (1) conduct a study to—

20 (A) determine the causes of recent in-
21 creases in the price of natural gas, including
22 whether the increases have been caused by
23 problems with the supply of natural gas or by
24 problems with the natural gas transmission sys-
25 tem;

1 (B) identify any Federal or State policies
2 that may have contributed to the price in-
3 creases; and

4 (C) determine what Federal action would
5 be necessary to improve the reserve supply of
6 natural gas for use in situations of natural gas
7 shortages and price increases, including deter-
8 mining the feasibility and advisability of a fed-
9 eral strategic natural gas reserve system; and

10 (2) not later than 60 days after the date of en-
11 actment of this Act, submit to Congress a report on
12 the results of the study.

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