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News Release

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NEM Meets with White House National Economic Council ***Discussions Highlight Retail Energy Competition as Means to Support Energy*** ***Infrastructure Investment and Security***

Washington, DC (April 15, 2019) – The National Energy Marketers Association (NEM) and its CEO Advisory Committee met with Lawrence Kudlow, Director of the White House National Economic Council, and his Staff last week. NEM and its CEO members were there to recommend the expansion of restructured natural gas and electric markets across the country. “Competition will always beat utility monopolies in delivering innovation, supporting a high-tech digital infrastructure, and has been proven to reduce costs to consumers,” said Craig Goodman, President of NEM, and former Director of Oil, Economic and Energy Tax Policy, in the Reagan and Bush Administrations.

NEM and its CEO Advisory Committee explained that retail energy competition was introduced twenty years ago in many states. In just the period from 2008 to 2017, \$340 billion in savings was realized in states with restructured electric markets versus those states that to-date have retained the utility monopoly model. Retail competition as implemented in the Texas electric market and Georgia natural gas market, wherein the utility has exited the competitive commodity merchant function, has delivered superior benefits to consumers, supported the development of innovative products, including a boom in renewable resources in Texas, and allowed the utilities to focus their resources on securing their energy delivery infrastructure.

In other restructured states, the utilities have been allowed to operate in competitive commodity markets and this has caused significant market distortions and diluted the benefits realized by consumers. Artificial utility monopoly restrictions on providing consumers and third-party suppliers with access to consumers’ own energy use data was also identified as a significant barrier to energy product innovation.

It was recommended by NEM and its CEO Advisory Committee that:

- Utility monopolies should not be allowed to participate in competitive commodity markets;
- Competitive retail suppliers, using at-risk capital, should be relied upon to provide competitive energy commodity and energy-related products, services, information and technologies; and
- Utility monopolies should focus their ratepayer-funded resources on upgrading and maintaining a digital energy delivery infrastructure.

In response, Director Kudlow favorably noted that this is a “deregulation Administration.” Director Kudlow then previewed the provisions of the Executive Orders on “Promoting Energy Infrastructure and Economic Growth” and “Issuance of Permits with Respect to Facilities and Land Transportation Crossings at the International Boundaries of the United States” that were issued the following day.

“NEM supports the Administration’s actions to promote the upgrade of our energy infrastructure, which is critical to supporting national economic growth and prosperity, protecting against cyber attacks, and integrating new distributed energy resources. Retail energy competition can facilitate these goals by permitting utilities to focus on the core monopoly function of maintaining energy delivery infrastructure, and in turn, allowing competitive retail suppliers to provide all manner of energy commodity and related products and services to consumers. NEM looks forward to future opportunities to work with the Administration to advance its goals,” said Goodman.

About NEM

The National Energy Marketers Association (NEM) is a national, non-profit trade association representing wholesale and retail marketers of natural gas, electricity, as well as energy and financial related products, services, information and advanced technologies throughout the United States, Canada, and the European Union. Additional information about NEM is available from NEM's headquarters at (202) 333-3288 or its website at www.energymarketers.com.