



Electric Power Supply Association
Advocating the power of competition

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January 3, 2006

U.S. Department of Energy
Office of Fossil Energy (FE-30)
Attn: Ms. Nancy Johnson
1000 Independence Avenue, SW
Washington, DC 20585

**Re: Electric Power Supply Association Comments to the Department of Energy (DOE)
on Balancing the Nation's Natural Gas Supply and Demand**

Dear Ms. Johnson:

The Electric Power Supply Association had the pleasure of participating in the December 19 and 20, 2005, meetings on Balancing Gas Supply and Demand held to assist in the production of the Natural Gas Report required by Section 1818 of the Energy Policy Act of 2005. EPSA submits as comments the attached White Paper – “Natural Gas and the Competitive Power Industry.”

EPSA is the national trade association for competitive power suppliers, including generators and marketers. I came on board in June last year to work with the senior business leaders on our Board of Directors to lead a public policy advocacy effort on behalf of the competitive power sector. One piece of that effort is the White Paper, much of which addresses ensuring reliable and affordable energy from the perspective of competitive power suppliers that use a variety of fuels to generate electricity. The paper highlights the importance of natural gas as part of the nation's broader generating mix. I hope the paper will assist DOE as the Department prepares the natural gas supply report to Congress.

Secretary Bodman addressed the EPSA Fall Membership meeting on November 2, 2005, and echoed many of the messages and themes regarding natural gas policy and power supply included in the EPSA White Paper. EPSA is encouraged by the Secretary's statements and we are pleased to provide any assistance to DOE in its policy endeavors.

EPSA looks forward to the Natural Gas Report and any next steps which will allow our industry sector to work with the Department to ensure competitive energy markets and affordable energy for consumers. If you have questions on the White Paper, please let me know (jshelk@epsa.org) or contact Jack Cashin of the EPSA staff at 202-628-8200 or jcashin@epsa.org.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. Shelk", written in a cursive style.

John E. Shelk
President and CEO