

Nationwide Deep Freeze Leads to Spike in Natural Gas Prices

“In the wake of the deep freeze that recently swept the nation, natural gas has taken the forefront among a slew of price gouging allegations, write Christopher E. Ondeck, John R. Ingrassia and Nicollette R. Moser in *Proskauer’s Antitrust*.

“Last week’s winter storms caused natural gas spot market prices to spike, with some reporting up to a 100% percent increase. Reports also surfaced of spot prices for wholesale electricity in Texas’ power grid increasing more than 10,000%. In response, Minnesota Senator Tina Smith (D-MN) has not only encouraged federal regulators to investigate the price spikes, but has also requested regulators to “[i]nvoke, as appropriate, any emergency authorities available, including under the Natural Gas Policy Act, to allocate natural gas supplies at fair prices.” Whether natural gas prices exceeded allowable limits under applicable price gouging statutes currently in effect depends, among other things, on whether natural gas is within the scope of these laws in the first place.”

Read the post.