QUESTION PRESENTED:

The Natural Gas Act occupies the field as to matters within its scope, preempting state regulation directed at practices that affect the wholesale natural gas market. Respondents brought state-law claims against natural gas companies, seeking to regulate industry practices that Respondents concede affected prices in the wholesale market. And yet the Ninth Circuit held--in direct conflict with two state courts of last resort--that Respondents' Claims were not preempted because Respondents allegedly were damaged when they bought natural gas in retail sales, which fall outside federal jurisdiction.

The question presented is: Does the Natural Gas Act preempt state-law claims challenging industry practices that directly affect the wholesale natural gas market when those claims are asserted by litigants who purchased gas in retail transactions?