United States House of Representatives Select Committee on the Climate Crisis

Hearing on April 7, 2022
"Cost-Saving Climate Solutions: Investing in Energy Efficiency to Promote Energy Security and Cut Energy Bills"

Questions for the Record

Dave Schryver President and CEO American Public Gas Association

The Honorable Garret Graves

- 1. Mr. Schryver, as I mentioned in our hearing, I am really concerned that the energy policy decisions that some states and regions of the country are making will have negative consequences for consumers. For example, in New England, the permitting and regulatory structures in place often makes it difficult to obtain natural gas—some states like New York have even sought to ban it.
 - a. How does limiting access to natural gas impact consumers?

As discussed in my testimony, data from the Energy Information Administration continues to demonstrate that natural gas is the most affordable way to heat a home, and a recent study commissioned by the American Gas Association found that the average home that uses natural gas for cooking, heating, and clothes drying saves \$1,000 a year compared to a home using electricity for those functions. When consumers are unable to choose natural gas for their homes, they are denied those savings.

In colder climates, this oftentimes means households are forced to rely on propane or heating oil to stay warm in the winter. This leads not just to higher energy bills, but also to a larger environmental footprint as these fuels produce higher emissions than natural gas.

- 2. Mr. Schryver, during our hearing, you were asked about the 20 states around the country that have enacted energy choice legislation.
 - a. How important is consumer choice when it comes to fuel sources to heat and power their homes—whether it's natural gas, solar power, or another fuel source? Please explain.

APGA and our members believe consumer choice is vital. As referenced in my response to the previous question, using natural gas in the home delivers significant savings to consumers. As families across the country struggle with rising costs due to inflation, it is more important than

ever that consumers be empowered with the ability to choose the energy source for their home that makes the most economic sense for them.

I want to emphasize that energy choice legislation does not prevent state or local lawmakers from introducing tax breaks or other incentives for consumers to choose to electrify their homes. Energy choice bills simply ensure that natural gas remains an available option for those who want it, so consumers have no limitations when it comes to choosing the energy source that best suits their needs.

b. How important is local control when it comes to reliability and affordability of energy? Please explain.

APGA members are not-for-profit entities that are owned and operated by local governments, which means they have no obligation to create profits for shareholders. Instead, they are directly accountable to the ratepayers, which means affordability and reliability are always a priority. Our members are residents of the communities they serve – their ratepayers are also their families, friends, and neighbors, which influences how they operate their utilities.

- 3. Mr. Schryver, during our hearing, it was suggested that the costs of electrification would be lower than stated in your testimony because consumers would eventually need to replace their existing appliances at the end of their lifespan anyway.
 - a. Would you like to expand upon this and how you arrived at your estimated costs?

The numbers cited in my testimony were compiled by the Consumer Energy Alliance. They calculated the cost to consumers of replacing their existing natural gas appliances with the electric equivalent. While it is true that appliances have a limited lifespan and consumers may eventually confront this cost regardless of whether they switch fuel sources, we cannot disregard the other costs consumers will be burdened with if gas-fired appliances are no longer an option when the time comes for replacement.

As I mentioned in my written testimony, many homes that currently rely on gas appliances would require an electric panel upgrade to support the additional load of running the entire household on electricity, which comes at an additional cost.

Not only would individual homes potentially struggle with this increased load, our country's entire electrical grid is not prepared to supply the increased demand that it would face in an all-electric economy. A recent Wall Street Journal article¹ highlighted electric utilities' plans to invest unprecedented sums of money in overhauling their aging infrastructure to make it more reliable and able to support the increased demand that would be associated with the current

¹ Katherine Blunt, "Utilities Plan Huge Electric Grid Upgrades, Adding to Power Bills," *Wall Street Journal*, available at https://www.wsj.com/articles/utilities-plan-huge-electric-grid-upgrades-adding-to-power-bills-11650187802.

Administration's plans to electrify everything. Those investments will ultimately be paid for by consumers when utilities pass those capital costs on to them in the form of higher electric bills.

As stated in my written testimony, natural gas homes currently save an average of \$1,000 per year on their energy bills compared to their electric counterparts. There is every reason to believe that gap will continue to grow, making it more important than ever that consumers retain the ability to choose the energy source that makes the most sense for them.