

Written Testimony of Mr. Dave Schryver
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Before the House Select Committee on the Climate Crisis

Hearing on “Cost-Saving Climate Solutions: Investing in Energy Efficiency to Promote Energy Security and Cut Energy Bills”

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Good morning, Chairwoman Castor, Ranking Member Graves, and members of the Committee. My name is Dave Schryver, and I am the President and CEO of the American Public Gas Association. Thank you for this opportunity to testify before the Committee.

I am honored to appear today on behalf of the approximately 1,000 communities across the United States that own and operate their retail natural gas distribution entities. APGA’s members include not-for-profit gas distribution systems owned by municipalities and other local government entities, all directly accountable to the citizens they serve.

Prioritizing Affordability

The primary mission of a public gas system is delivering affordable energy. Our members have no obligation to deliver a profit to shareholders. Instead, local officials are responsible for setting rates with the goal of delivering energy to their community as safely and affordably as possible. That mission has become even more vital as Americans are struggling with the burden of high prices at the gas pump and rising inflation.

Natural gas has not been immune to price increases in recent years, but data from the Energy Information Administration continues to show that it remains the most affordable fuel source to heat your home in the winter.¹ The low price of gas as a commodity is not the only factor at play here.

Homes fueled by natural gas also have the advantage of consuming less energy than electric homes when you consider the full fuel cycle from source to site. To deliver electricity to homes and businesses, almost two-thirds of the energy involved is used or lost before it ever reaches the point of end use. In contrast, when natural gas is being burned as the direct source of energy, less than ten percent is lost between the point of production and the residence, making direct use of natural gas almost three times more efficient. As a result, it is estimated that the average home that uses natural gas appliances for heating, cooking, and clothes drying saves over \$1,000 a year on their energy bills compared to homes using electric appliances for those purposes.²

¹ “Winter Fuels Outlook,” U.S. Energy Information Administration, October 2021, *available at*: <https://www.eia.gov/special/heatingfuels/resources/winterfuels2021.pdf>.

² “A Comparison of Energy Use, Operating Costs, and Carbon Dioxide Emissions of Home Appliances 2021 Update,” EA 2021-04, American Gas Association, October 1, 2021, *available at*: <https://www.aga.org/globalassets/research--insights/reports/ea-2021-04-appliance-cost-and-emissions-comparison-2021.pdf>.

Emissions reduction efforts also play a critical role in public gas systems' ability to deliver energy affordably. Leaks are not just bad for the environment; they are also bad for business. APGA members have dedicated significant resources to upgrading their pipeline infrastructure by repairing or replacing leak prone pipe in their systems to decrease the amount of gas lost. They are also investing in leak detection technology that allows them to more accurately monitor their systems to identify and stop leaks. These efforts are good for the environment, but also ultimately reduce our members' operating costs and allow them to deliver savings to their customers.

Delivering affordable energy is not just about low rates. APGA members are also committed to helping their customers reduce their energy usage. Most offer weatherization assistance and appliance rebate programs to help their customers take advantage of all available resources to reduce their demand for energy and lower their energy bills.

A Proven Reliability Track Record

Natural gas is not only more affordable than electricity, but also more reliable. Only 1 in 800 natural gas customers experiences an unplanned outage in a given year. In comparison, electric customers experience an average of at least one outage every year.³

This is due to the inherently secure nature of the underground pipeline network that is used to deliver it. Pipes buried underground are much less vulnerable to extreme weather than electric transmission lines. During recent extreme weather events like Winter Storm Uri, which had devastating consequences for many families that were without electricity for days, gas utilities were able to continue delivering energy to their customers.

The Gas Industry Is Confronting Significant Challenges

Even though we know natural gas is the most affordable and reliable way to fuel a home, public gas systems are still facing significant challenges. Some of our members, particularly those in the Northeast, have waitlists for would-be customers who want to receive gas service or add lines for additional appliances, but they are unable to do so due to lack of capacity. This is a direct result of how difficult it has become to permit new natural gas infrastructure. There are simply not enough pipelines to supply gas to everyone who wants it. Unfortunately, in colder climates, this often means households continue to rely on propane or heating oil to stay warm in the winter. This not only produces a greater environmental footprint, but also forces those customers to continue paying higher energy bills.

Other public gas systems are confronting challenges from local officials who want to ban new natural gas hookups or change building codes in their cities and counties to disincentivize the use of gas appliances in homes and businesses. These bans are being proposed in spite of the fact that

³ "Assessment of Natural Gas and Electric Distribution Service Reliability," Gas Technology Institute, July 19, 2018, available at: <https://www.gti.energy/wp-content/uploads/2018/11/Assessment-of-Natural-Gas-Electric-Distribution-Service-Reliability-TopicalReport-Jul2018.pdf>.

residential natural gas use accounts for only 4% of emissions in the United States.⁴ Not only does this take away a consumer's right to choose the energy source that fuels their home, if successful, these efforts will inevitably lead to higher costs for American families while producing little environmental benefit.

The Cost of Forced Electrification

If politicians force fuel switching on natural gas customers, those households will not only face higher energy bills, but will also have to shoulder the additional cost of expensive new appliances and potential electrical system upgrades to support them.

Last year, the Consumer Energy Alliance considered what it would cost if the nearly 60 million American households who rely on natural gas for cooking, cleaning, or heating their homes were forced to switch to electric appliances. Their research found:

- A new electric furnace and installation costs an estimated \$2,500,
- A new water heater costs an average of \$1,180,
- A new, low-end electric range costs an estimated \$767, and
- A new electric clothes dryer costs an average of \$749.

The nationwide cost to consumers if we forced natural gas households to switch to electric appliances would come in at more than \$258 billion.⁵

These costs are just for the appliances themselves and do not account for the fact that many homes that currently rely on natural gas appliances would also be forced to upgrade their electric service panels to support the additional load of converting all their appliances to run on electricity. One recent study estimated that as many as 48 million households may require such an upgrade to fully electrify.⁶ Assuming an average cost of \$2,000 for an electric panel upgrade, we are looking at an additional \$100 billion cost nationwide.⁷

The Clean Energy Future

We at APGA understand the need to transition to a clean energy future, but we urge Congress not to discount the role natural gas can play in that future. Natural gas has been delivering emission reductions in the energy sector for decades. With the development of the renewable natural gas industry and the potential of hydrogen, the gas industry can continue to deliver clean

⁴ "Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2019," Environmental Protection Agency, April 14, 2021, available at: <https://www.epa.gov/sites/default/files/2021-04/documents/us-ghg-inventory-2021-main-text.pdf>.

⁵ "Green New Deal Would Cost American Consumers More Than \$258 Billion – in JUST Four Appliances," Consumer Energy Alliance, April 20, 2021, available at: <https://consumerenergyalliance.org/2021/04/green-new-deal-would-cost-american-consumers-more-than-258-billion-in-just-four-appliances/>.

⁶ "Addressing an Electrification Roadblock: Residential Electric Panel Capacity: Analysis and Policy Recommendations on Electric Panel Sizing," Pecan Street, August 2021, available at: <https://www.pecanstreet.org/panel-size-paper-update/>.

⁷ *Id.*

energy for American families in the future, utilizing our existing infrastructure and skilled workforce.

It is vital that Congress pursue an all-of-the-above energy policy that continues to invest in and support energy efficient, gas-fired appliances and the infrastructure needed to support their continued use if we are going to transition to a clean energy future without compromising the reliability of our energy system and imposing unnecessary financial burdens on consumers.

I thank the Committee for the opportunity to testify on this important topic, and I look forward to today's discussion.