



# AMERICAN PUBLIC GAS ASSOCIATION

May 5, 2017

The Honorable James R. Perry, Secretary  
U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Perry:

We read with interest your memorandum of April 14, 2017 concerning the stability of our nation's electricity grid. The American Public Gas Association (APGA) appreciates your leadership in protecting our energy infrastructure.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 37 states and over 700 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

Nationwide, natural gas is distributed to over 65 million homes and businesses. The direct-use of natural gas serves traditional residential applications such as space heating, water heating, cooking and clothes drying and is also widely used for commercial purposes like restaurants as well as many industrial processes. There can be no question on the value that natural gas provides to not only residential consumers but also to the engine of economy from small businesses to large industrial industries. Natural gas loses only about 10 percent of its usable energy from the wellhead to the burner tip. Additionally, natural gas delivers 38 percent more energy<sup>1</sup> for 15 percent of the comparable electric costs.<sup>2</sup> By contrast, electricity loses more than two thirds of its usable energy in its journey to its final destination at the electric outlet.

The direct-use of natural gas saves consumers an estimated \$479 billion per year in utility costs while alleviating undue burden to our overtaxed electrical infrastructure. As consumers' electric bills continue to increase, they have seen their gas bill remain level or even decrease. For these reasons, the direct-use of natural gas is far more efficient than burning natural gas to generate electricity to power electric appliances.

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<sup>1</sup> Source: [EIA Annual Energy Outlook 2017, Energy Consumption in 2015](#)

<sup>2</sup> Source: [EIA Electric Power Annual Table 2.3, Revenue from Sales of Electricity to Ultimate Customers](#)

Considering the economic value and consumer preference for natural gas for many direct-uses in both residential and commercial/industrial applications, we believe DOE should strongly consider exploring the potential benefit of expanding the current natural gas infrastructure to assess the impact such an effort could have on our country's overall energy system. It is our view that greater access to natural gas service would provide relief for our congested electrical infrastructure and improve the diversity and reliability of our energy network, while offering additional resiliency measures, providing environmental and energy conservation benefits, and lowering homeowners' and businesses' energy costs.

We urge DOE to conduct a study that quantifies the benefits of the direct-use of natural gas. The results of this study could be incorporated into the announced grid reliability study and those findings could serve as the basis for a diversified energy plan and policy.

We applaud DOE's leadership on this issue and we look forward to working with you in ensuring a safe, reliable, economical and diversified energy system for the American people.

Sincerely,



Bert Kalisch  
President & CEO  
American Public Gas Association

cc: Brian McCormack  
cc: Travis Fisher