



AMERICAN PUBLIC GAS ASSOCIATION

November 28, 2018

The Honorable Ron Wyden
United States Senate
221 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Wyden:

On behalf of the American Public Gas Association (APGA), I am expressing concern regarding language contained with legislation you introduced, S.1875 We appreciate your efforts to move the United States toward greater energy independence and security by increasing the flexibility, efficiency, and reliability of the electric grid. We would like to work with your office to ensure our entire energy infrastructure is part of this critical conversation.

APGA, the national association for publicly owned natural gas distribution systems, is in a unique position to offer insight on this issue because of its members' proximity to the consuming public. APGA represents over 740 public gas systems in almost 40 states. 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 own and operate natural gas distribution facilities in their communities. Public gas systems' primary focus is on providing safe, reliable, and affordable natural gas service to their customers.

At the most basic level, APGA represents the views of American natural gas consumers. Our members serve homeowners, small businesses, and manufacturers all of which rely on affordable natural gas to heat their homes and water, cook their meals, dry their clothes, power their restaurants, schools and hospitals, and produce the products we use every day.

We are specifically concerned with language contained in Section 4 of the proposed legislation. In our view, the concept of looking for ways to reduce or eliminate the direct use of natural gas, one of the most fundamental and popular energy resources, from a home, business or public building, is at odds with efforts to move the United States toward greater efficiency, increased energy independence and security.

Over the past 100 years, the use of natural gas in our homes and businesses has been a cornerstone to residential and commercial development and energy system reliability and resiliency. The direct use of natural gas is the lowest cost energy delivered to homes and businesses and is the smallest contributor to greenhouse gas emissions for residential and commercial buildings. In addition, natural gas is 92% efficient which means that it reaches a home at almost more than three times the efficiency of electricity. Eliminating a consumer's ability to choose what energy resource best fits their needs will increase their energy costs, lead to a less reliable energy system, and produces little or no environmental benefits.

We believe American's should have the right to choose the energy and appliances they use in their homes and businesses. Better, more cost-effective ways to clean our air and protect the environment exist. Every day natural gas is being used by 177 million people across this country to heat their homes, provide hot water, dry clothes, cook meals and power their vehicles.

Choosing a resilient, efficient and clean energy source should not mean abandoning natural gas appliances and vehicles. Instead we would like to work with your office to look for ways to reduce energy consumption, utilizing the current energy infrastructure in the most efficient way and planning for our energy future in a way that protects consumer options, balances energy needs, and ultimately ensures that our energy infrastructure is secure and cost-effective for future generations.

Our nation is facing unprecedented affordability issues: the costs of housing, transportation, and energy are all on the rise. Everyday Americans, especially those living on low and fixed-incomes, are finding it difficult to provide for their families and make ends meet. This situation would be significantly further exacerbated by reducing or eliminating the use of natural gas appliances for space heating, water heating and other uses given that households that use all-electric appliances pay almost \$900 a year more than mixed-fuel homes. Ultimately, the cost to convert to an all-electric future would have significant negative impacts upon consumers, energy efficiency, and the environment.

In addition, moving the country's energy infrastructure system to an all-eggs-in-one-basket scenario jeopardizes energy reliability, resiliency and security. History has often demonstrated that "one-size-fits-all" policies fail. As energy providers, we do not believe in limiting what energy source consumers choose to heat their home, cook their food or drive to work. Ultimately, consumers are in the best position to make their own energy choices. Policies that reduce American consumers' choices will cost them today, tomorrow, and in 2050.

We look forward to working with you and other policymakers to promulgate and promote investments and initiatives that acknowledge the substantial energy system reliability/resiliency benefits afforded consumers and society through all forms of energy.

Sincerely,

A handwritten signature in black ink, appearing to read "Bert Kalisch". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Bert Kalisch
President & CEO