TOM KILEY NORTHEAST GAS ASSOCIATION

"THE CONTINUING ESSENTIAL ROLE OF NATURAL GAS IN THE COMMONWEALTH"

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Natural gas remains the preferred energy choice of homeowners and businesses across the Commonwealth. It is the most affordable, reliable and flexible energy choice, and it has played an important role in meeting our region's aggressive carbon reduction goals. Especially at this time of economic uncertainty, it remains the most economical and stable option that helps keep energy bills low.

Councilor Emily Norton of Newton recently made a case for phasing out natural gas growth in Massachusetts ("We need to start using less natural gas", May 16, 2020). But the demand for natural gas remains strong in Massachusetts and New England, and for many good reasons.

As we work together to address climate change in New England, natural gas has been the key driver of a cleaner, cheaper and more efficient power fleet in the region, displacing traditional baseload coal and oil-fired plants. As a result, our region has seen a 50% reduction in wholesale electric pricing compared to 2008 prices and achieved a reduction of 80 million tons of carbon dioxide emissions from 2001 to 2018.

It's no wonder that natural gas is the leading residential heating choice in the state. Not only is it playing an important role in meeting our aggressive carbon reduction goals, it is less expensive than the alternatives – heating oil, propane and electricity. More than half (52%) of all Massachusetts homes now use natural gas as the primary heating source. (This compares to 25% for heating oil and 17% for electricity.) For low-income residents, for people on fixed incomes, for businesses trying to manage and keep the doors open in challenging times, and for everyone else, natural gas is clearly the most affordable option.

For the commercial sector and universities, natural gas also remains in high demand. Three of the largest universities in the Boston area have recently upgraded or added new central energy plants, using efficient combined heat and power technology, primarily fueled by natural gas. These entities are certainly all committed to increasing the use of renewables as well, but natural gas is the prime mover for these new facilities because it is the most suitable and effective energy source.

For the power generation market, natural gas has been the leading fuel source for many years – and the use of natural gas is actually projected to grow further in coming years. In 2018-19, Massachusetts gained three new gas power units (in Salem, West Medway and Sandwich), totaling over 1,200 megawatts - helping to maintain capacity at a time when Pilgrim nuclear and Brayton Point coal plants have retired in-state. New offshore wind facilities are coming, and hydropower from Quebec is also in the proposal stage. But these resources are still several

years away. And even when they arrive, natural gas will remain essential to power grid reliability, functionality and daily operations.

Further decarbonizing the natural gas system to the greatest extent possible is one of the industry's primary goals. Our association's member utilities are working with their communities on actions to reduce carbon, including energy efficiency, developing proposals for renewable natural gas and replacing older pipe. Massachusetts accounts for less than 2% of all U.S. natural gas deliveries by volume, but we invest 18% of all gas efficiency program dollars in the nation. These leading investments help manage demand.

While customer growth on the gas system has occurred, methane emissions attributed to natural gas systems have continued to go down - reduced by 67% over the last 25 years, according to the MA Dept. of Environmental Protection. Natural gas, by replacing other fuels in power generation and home heating, has been a key part of the state's improving clean air position. The central reason that the state is even close to achieving its 2020 targets for the Global Warming Solutions Act is natural gas.

Natural gas expansion projects are designed to meet customer demand and must go through rigorous and lengthy regulatory and siting reviews (as do renewable energy projects, which also face delays and challenges). The demand for gas remains strong – in fact, we have several communities in this state whose demand has exceeded their local delivery capacity, resulting in several local moratoria on new connections.

Natural gas will be here to sustain and balance the energy system as the use of renewables increases. That is fortunate for the citizens, economy and environment of Massachusetts.

Tom Kiley is president and CEO of the Northeast Gas Association, based in Needham.