

Residential Natural Gas Bills Expected to be Lower Compared to 2014-2015 Winter

American Gas Association News Release

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Washington, D.C. – The direct use of natural gas continues to be the most affordable energy option for home heating and offers lower greenhouse gas emissions than other home energy sources. The American Gas Association (AGA) held its annual winter outlook event today where the Association explored expectations for the 2015-16 winter heating season. On average, residential natural gas bills may be 5 to 7 percent lower this winter compared to the previous winter.

“Abundant supplies, reasonable temperatures and a moderate increase in total U.S. demand may result in residential natural gas bills lower compared to last year,” said Bruce McDowell, AGA’s Managing Director of Policy Analysis. “This winter, many Americans on average may see the second-lowest bills they’ve seen in the past decade.”

Encouraging the increased use of natural gas can achieve significant efficiency improvements and carbon emissions reductions. The production of natural gas through its delivery into buildings is more efficient than grid-delivered electricity, propane, or oil. Even as more renewable sources are added to our nation’s electric generation mix, the direct use of natural gas will remain an efficient, affordable, and low-carbon option for consumers. AGA’s Manager of Policy Analysis Richard Meyer outlined the steady improvements in efficiency natural gas homes have made during the past four decades and the value of considering natural gas applications in meeting efficiency and emissions goals.

“As our nation continues to modernize the natural gas pipeline network and connect more homes and businesses to this system, new opportunities arise to achieve low-cost carbon emissions reductions by leveraging this existing infrastructure and the nation’s abundant natural gas resources. Gas utility efficiency portfolios, conversion programs, consumer education campaigns, and other efforts may be leveraged to count emissions reductions that are consistent with broader federal, state, and local environmental goals currently under consideration, such as the EPA Clean Power Plan,” Meyer stated.

According to Chris McGill, AGA’s Vice President of Policy Analysis, the price of natural gas this winter is largely due to stable production and a strong underground storage position. Utilities work all year to prepare for the possibility of extreme temperatures and employ a portfolio approach to help ensure they can meet the needs of their customers at affordable prices on the coldest days of the year. Natural gas storage levels in the U.S. are nearing 4 trillion cubic feet and injection levels are among the highest ever.

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The American Gas Association, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 72 million residential, commercial and industrial natural gas customers in the U.S., of which 94 percent — over 68 million customers — receive their gas from AGA members. Today, natural gas meets more than one-fourth of the United States’ energy needs.