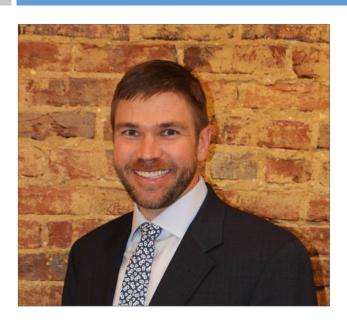


Climate Change and Natural Gas: Concern and How YOU Help

Sept. 2020

Stuart Saulters, VP of Government Relations, APGA

Your Presenter



Stuart Saulters joined APGA as a Director of Government Affairs in April 2019. Became Vice President of Government Relations in February 2020. Previously worked for API and Chevron.

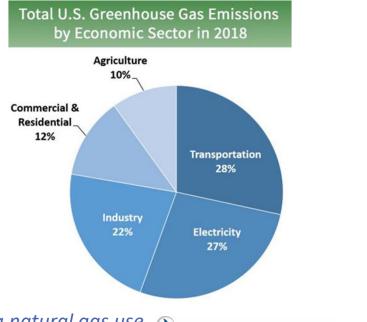


Natural gas has a role in America's clean energy future.



What is the concern?

- ✓ Emissions
- ✓ Direct CO2e emissions from buildings were 12.3% of total
- ✓ Indirect (electricity)
 emissions from buildings
 were 20% of total



Varying motivations challenging natural gas use



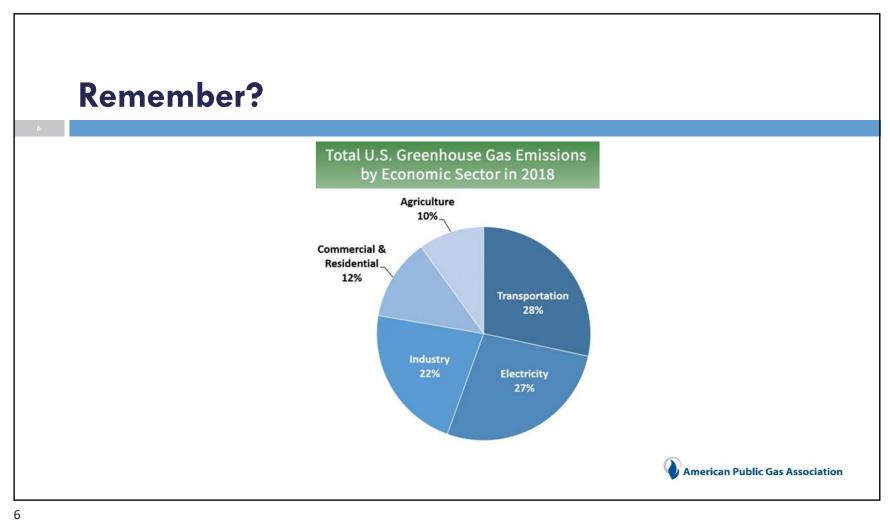
Δ

Their solution: Electrification

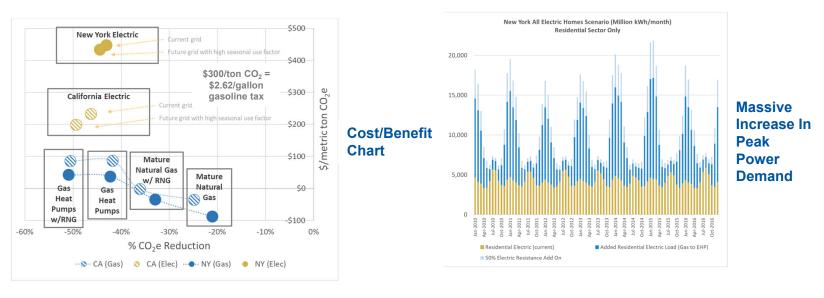
- ✓ Specifically for buildings
 - Residential
 - Multi-family
 - Commercial







Cost vs Benefit



Electrification of homes an expensive carbon abatement measure (\$200-500/MT). Like adding a \$1.70-\$3.50/gallon tax on gasoline. Large seasonal burden on electric system.

Our solution: Balanced Energy

Abundant, affordable, and American natural gas is a part of the solution.



Practical Environmentalists

- ✓ Public Gas Utilities are "environmentalists" but practical
 - Balance between financial realities and environmental goals
 - Cost of full decarbonization of the grid is ~\$4.5 TRILLION or ~\$35,000/household
 - Some proposed policies would reduce GHG by just 1 1.5%



Specifically why Public Gas Systems



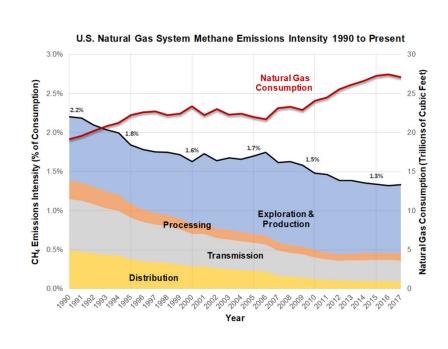


UNIQUE VOICE: COMMUNITY-FOCUSED

UNIQUE SKILLS: OPERATE INFRASTRUCTURE SAFELY



"Track Record"



- ✓ Methane Emission Intensity is 1.3% in 2017 vs. 2.2% in 1990
 - Significant infrastructure investment
 - Updates to equipment
 - Ongoing commitments to driving methane emission reduction



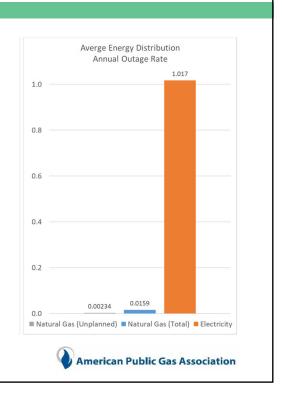
Preserve Consumer Choice Customers who have gas National: Current vs. Preferred Energy Source Customers who would prefer gas 80% 70% 60% Customers who have electric 50% 40% 30% Customers who would prefer electric 20% 10% 0% Water Heating Clothes Drying Home Heating Cooking Current Gas 42% 50% Preferred Gas 67% 69% 49% ■ Current Electric 44% 25% 25% ■ Preferred Electric

12

American Public Gas Association

Reliable and Resilient

- ✓ Customers want reliability and resilience
- ✓ Natural gas standby generators
- ✓ Self-powered natural gas equipment
- ✓ Micro CHP systems with black start capability



"But wait...there's more"

Natural gas has a role in "deep decarbonization"
Improve efficiency further and significantly reduce GHG impacts

- Gas heat pumps
- Improved building envelopes
- Renewables (biomethane, and H2)
- Lower methane emissions

Still reliable and resilient











Advocating for our solution

LEGISLATION

Engaging with the States

- >AZ
- >TN
- **≻**OK
- >LA



Advocating for our solution

REGULATION

Engaging with the States

- > CA Building Decarbonization
- > NC
 - >Governor's Clean Energy Plan

Appliance Efficiency Rulemakings

> "Process" Rule



Communicating on our Solution

COMMUNICATING WITH VARIOUS AUDIENCES

Target audience: Consumers

The Natural Gas Genius marketing campaign

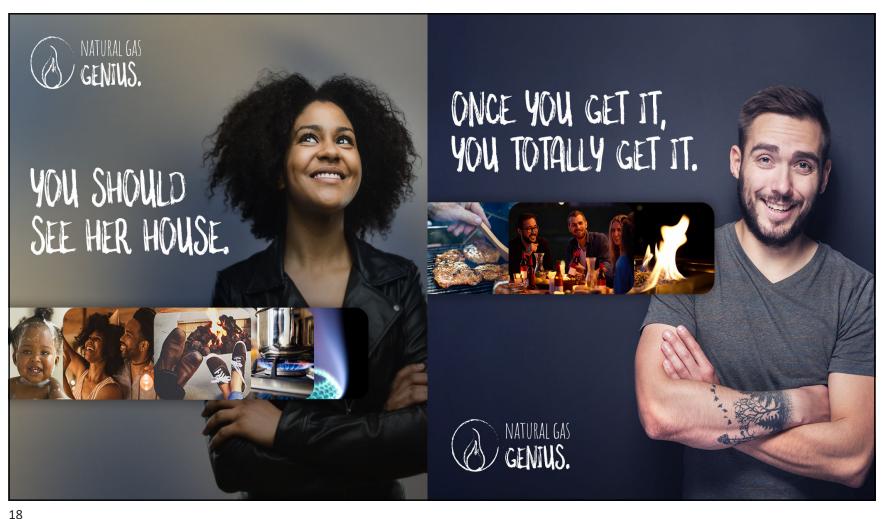
- > Instagram: https://www.instagram.com/naturalgasgenius/
- > Facebook: https://www.facebook.com/NaturalGasGenius/
- > Website: https://www.naturalgasgenius.com/

Target audience: Media

Proactive outreach to media via reporter engagement and social

media





More Work to Do: Advocacy

More State "Energy Choice" Legislation

NC Energy Council Recommendation

US Congress

Building Code Adoption in the States

Appliance Efficiency Rulemakings

- Commercial Packaged Boilers
- > Separate Product Classes

Possible New Administration

Congressional Review Act



More Work to Do: Communications

- ✓ Natural Gas Genius marketing campaign continues
- Increased interaction with traditional media
- Additional social media posts





Seniors and low-income families would be impacted the most by the move to a higher-cost all electric system.

Eliminating cost-effective and reliable natural gas as an energy source is a bad policy for low-income families and seniors.



America's public gas utilities are responding to COVID-19 by:



Maintaining the reliability of natural gas in homes



Participating in roundtable discussions on reliability and access with other gas utilities



Suspending utility shutoffs for natural gas customers



Equipping utility workers with protective gear



Learn more at: www.apga.org/COVID

Why Not You?

You are Natural Gas Industry Leaders. You have a unique voice.

Embolden others with our solution

- Balanced Energy
- Practical Environmentalists

Join the DUTG

Always know, if you are not sure what to do or how to do it, you can ask!



Questions?



Stuart Saulters ssaulters@apga.org

www.apga.org
LinkedIn.com/stuart-saulters
Twitter.com/stuartsaulters

