



**COMMENTS OF
NORTHEAST GAS ASSOCIATION**

Regarding H.B. 5350

**JOINT COMMITTEE ON
ENERGY AND TECHNOLOGY**

March 5, 2020

Members of the Committee, the Northeast Gas Association (NGA) appreciates the opportunity to offer comments on proposed H.B. No. 5350, "An Act Concerning Natural Gas Infrastructure." We wish to express our opposition to a central provision of this proposed legislation regarding a potential limitation on utility revenue recovery for infrastructure investments - even as we support some of the other provisions related to biogas and upgrading infrastructure.

The Northeast Gas Association (NGA) is a non-profit trade association based in Needham, MA, representing natural gas interests in nine northeast states focusing on education, training and qualification and research. The natural gas utilities in Connecticut are among our members.

Connecticut's natural gas distribution companies deliver natural gas to over 600,000 customers every day. This industry has been part of the state for over 100 years, and provides employment for thousands of state residents.

Natural gas demand in Connecticut continues to rise. About 36% of the state's homes now heat with natural gas, compared to oil at 40% and electricity at 17%. Natural gas also provides a major part of the state's power generation needs, as well as about 50% of New England's electric generation mix.

According to the state's most recent Greenhouse Gas Emissions Inventory, released in January 2020, GHG emissions from the residential sector have declined in the last twenty years, due in great part to the increased share of natural gas in this sector. Likewise, in the power generation sector regionally, air emissions since 2001 have declined substantially. ISO-NE reports that from 2001 to 2017, total emissions from power plants in New England dropped by 98% for sulfur dioxide (SO₂), 74% for nitrogen oxides (NO_x), and 34% for CO₂.

Natural gas prices remain low compared to other fuels. Natural gas is the most affordable energy source for homes – lower than heating oil, propane, and electricity. This remains positive news for homeowners managing energy budgets, as well as for businesses and industry in Connecticut.

We cite these points as an introduction to our comments about the proposed legislation being discussed at your public hearing today.

We support the legislation's encouragement of the incorporation of biogas into the natural gas system. Biogas has great potential for achieving a lower carbon content in natural gas supplies as well as encouraging local agriculture and feedstock sources.

We support the provision relating to accelerating the repair and replacement of aging infrastructure.

We do not support the proposed provision that would result in limiting the length of time that a natural gas utility has to recover its investments related to natural gas expansion. Such a change would make it cost-prohibitive for consumers seeking to access natural gas, resulting in higher energy costs overall and a likely negative impact on air emissions as well.

This provision would restrict consumers' ability to choose their energy source for their homes. For business and industry, it would limit their ability to be cost-competitive. For communities looking to natural gas expansion to provide efficient, cost-effective energy for town buildings and schools, it would impose a real barrier.

In conclusion, we respectfully urge the Committee to remove this proposed restriction on access to natural gas as harmful to the state's economy and environment.

Thank you for the consideration of our comments.