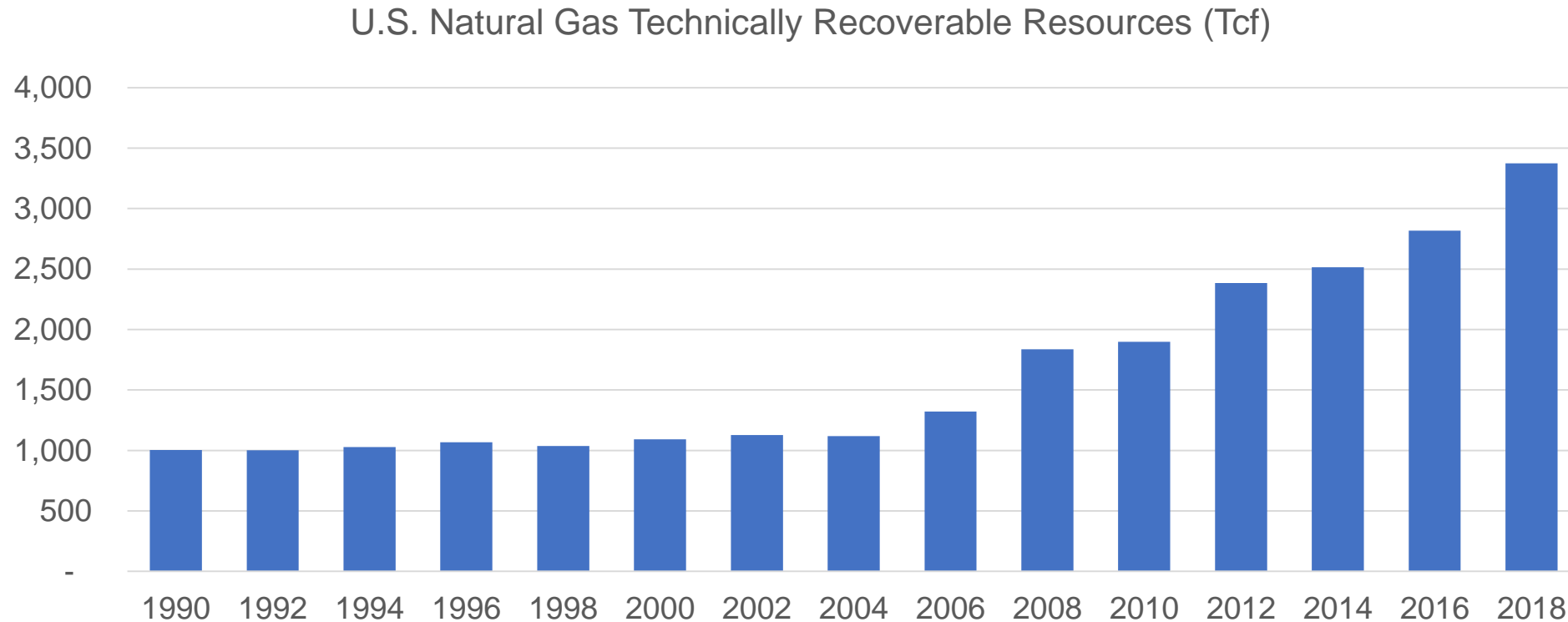




NATURAL GAS

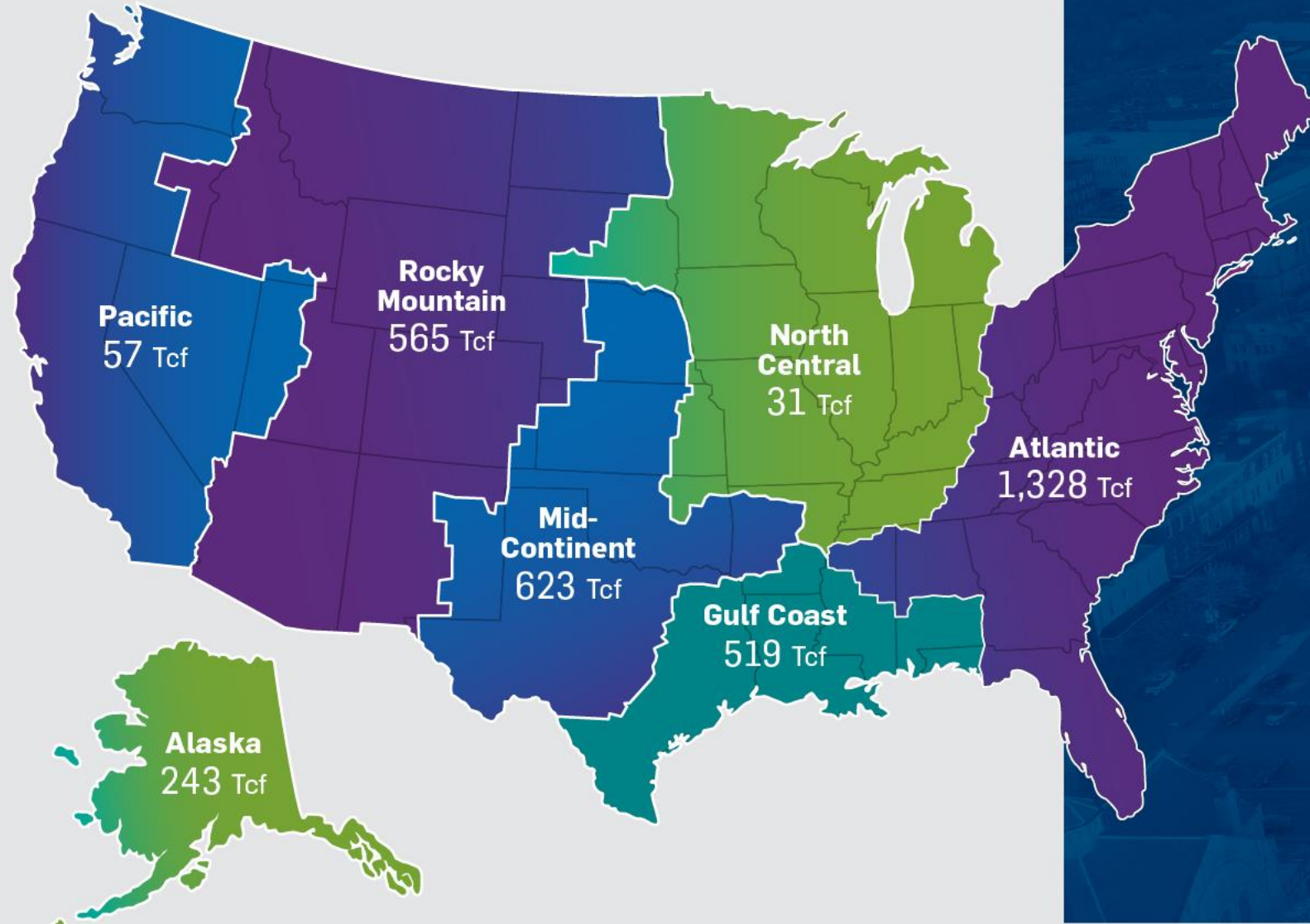
# Market Conditions

# Potential future supply of natural gas is at a record high.



Source: Potential Gas Agency (2019)

# Abundant Supply



**3,838 Tcf \***  
TOTAL FUTURE SUPPLY

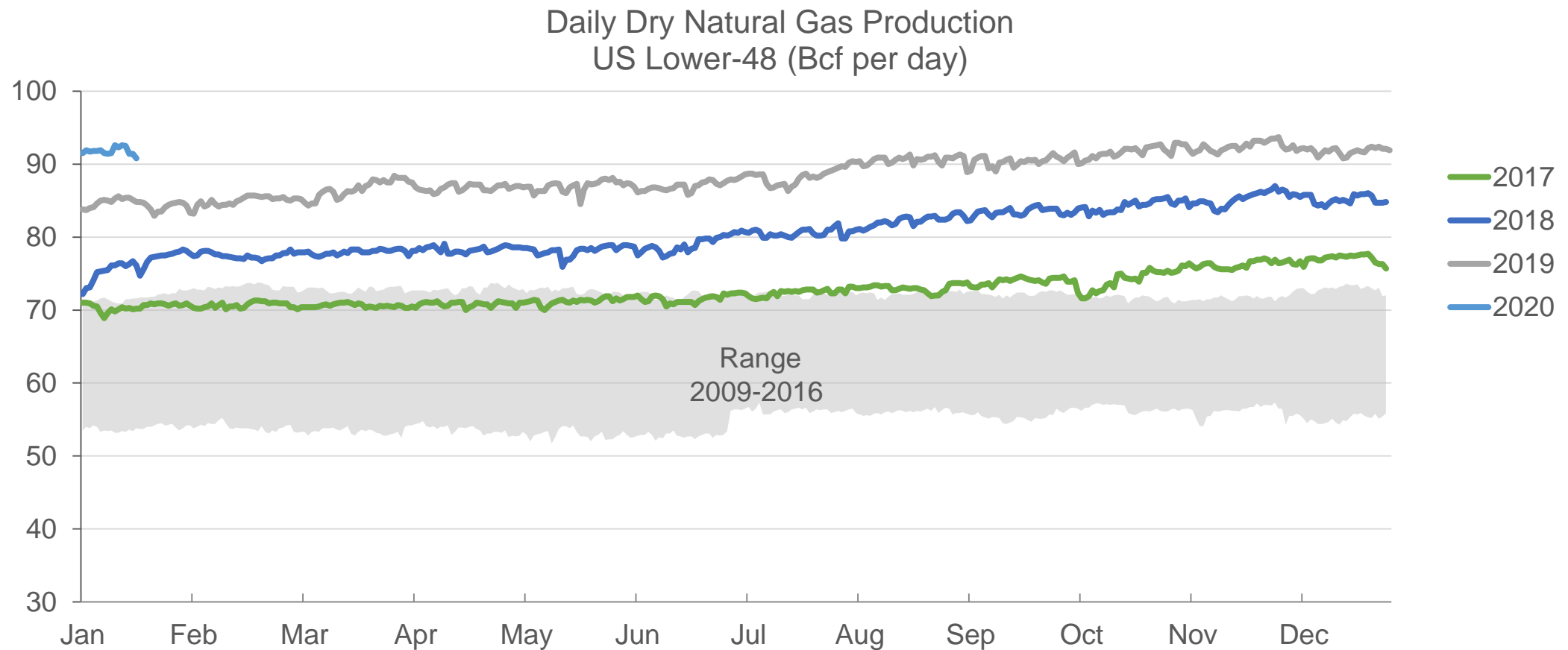
**3,374 Tcf \***  
TOTAL U.S. GAS RESOURCES (MEAN)

**464 Tcf \***  
U.S. PROVED GAS RESERVES  
(EIA)

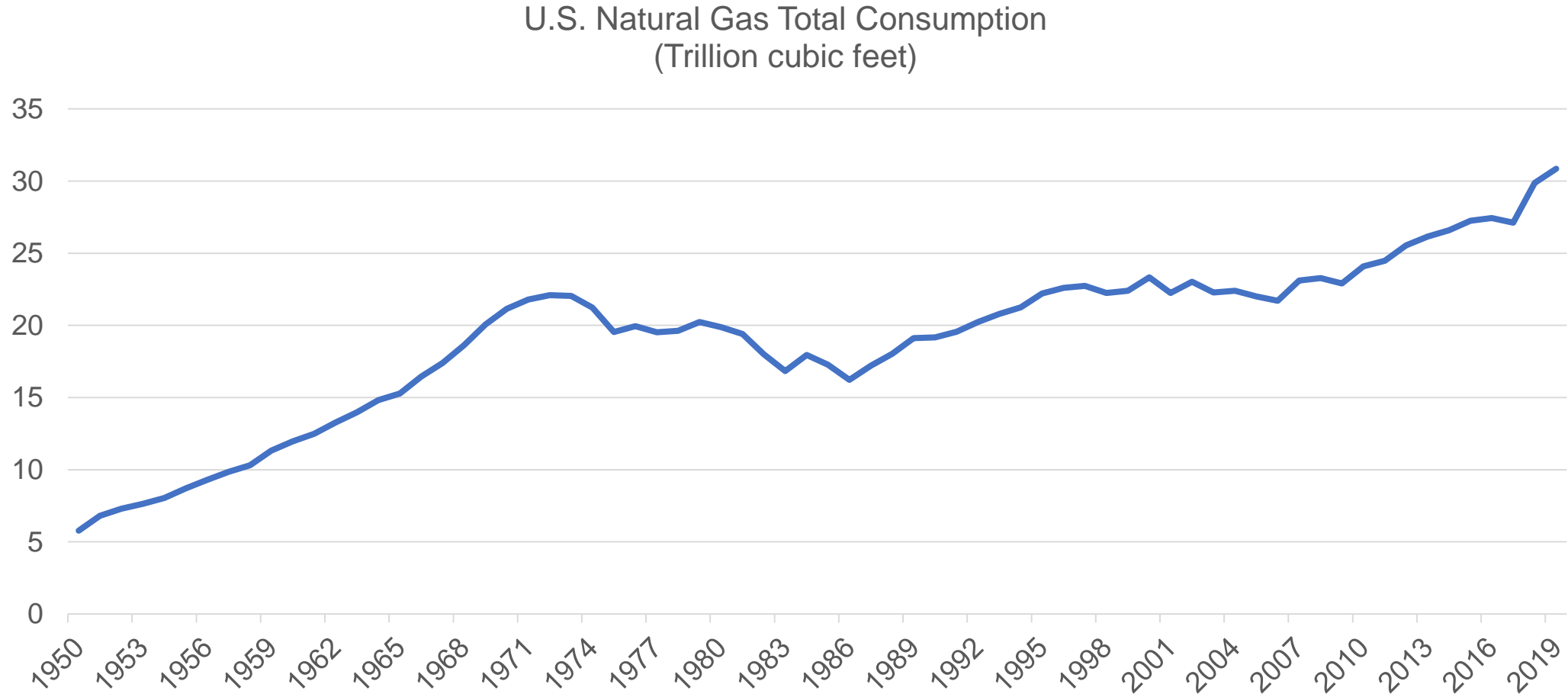
When the PGC's results are combined with the U.S. Department of Energy's latest available determination of proved gas reserves, the U.S. has a total available future supply of 3,838 Tcf.

\* Total numbers, listed in trillion cubic feet (Tcf), account for resources in conventional (onshore and offshore), tight, shale and coalbed reservoirs. Source: Potential Gas Agency (2019) | Separately aggregated from all province data.

# Record levels of natural gas production in 2019

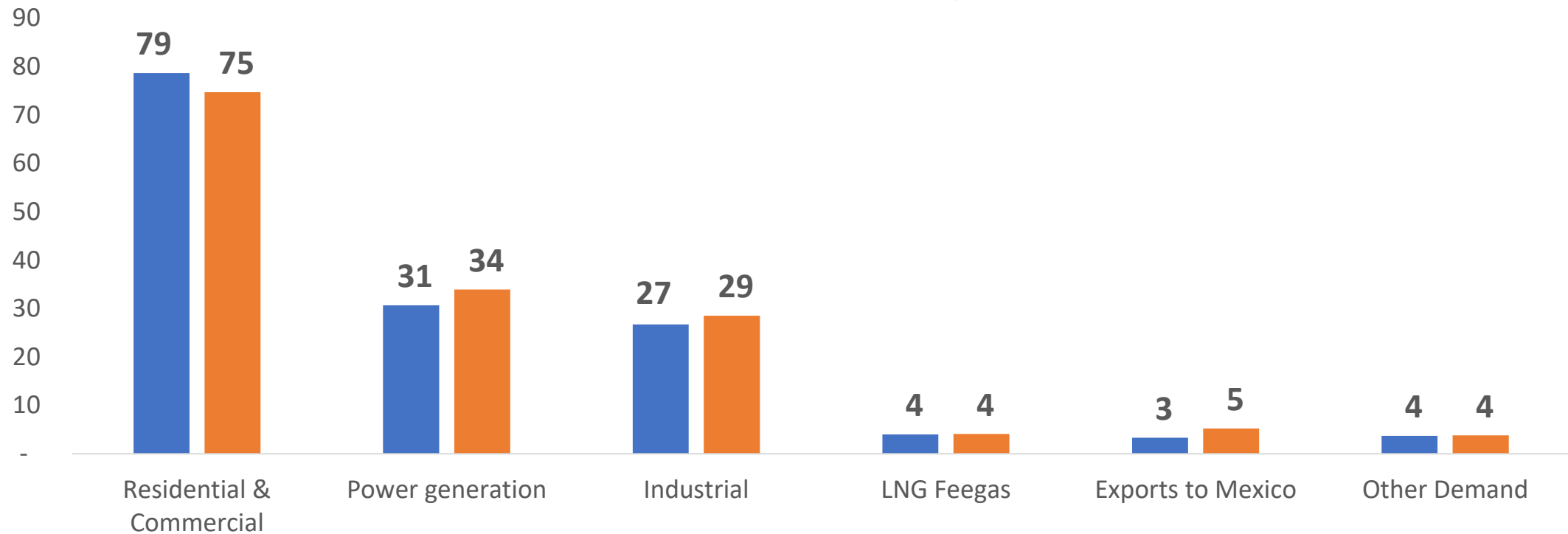


# Domestic consumption of natural gas at a record level

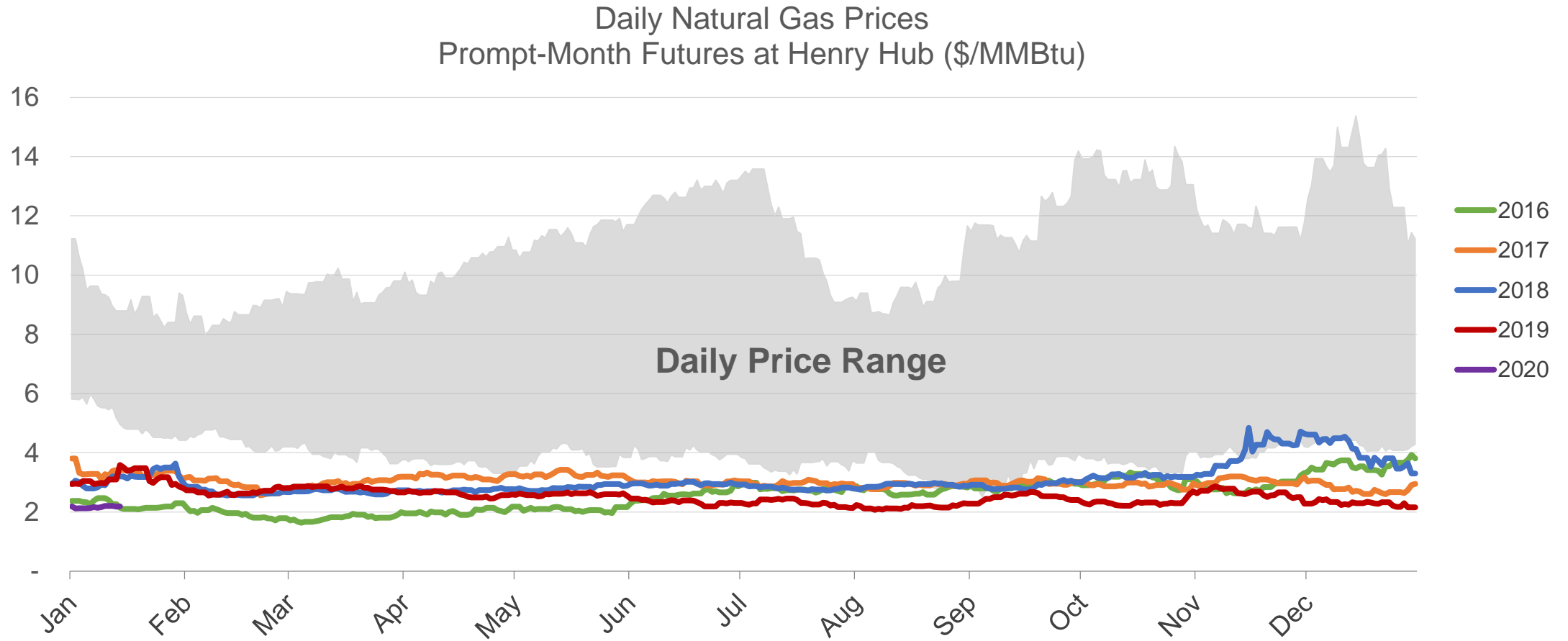


# New records for Power Gen, Industrial; Residential and Commercial close

US peak-day natural gas demand by sector  
January 1, 2018 (Blue) vs January 30, 2019 (Orange)  
(Billion cubic feet per day)



# Natural gas prices still trading at low-end of historical range





# Abundant Savings

Average Savings of

**\$875**

per year for households that use natural gas for heating, cooking and clothes drying — compared to homes using electricity for those appliances



in savings for  
American businesses  
since 2009

Low domestic natural gas prices have led to savings of almost

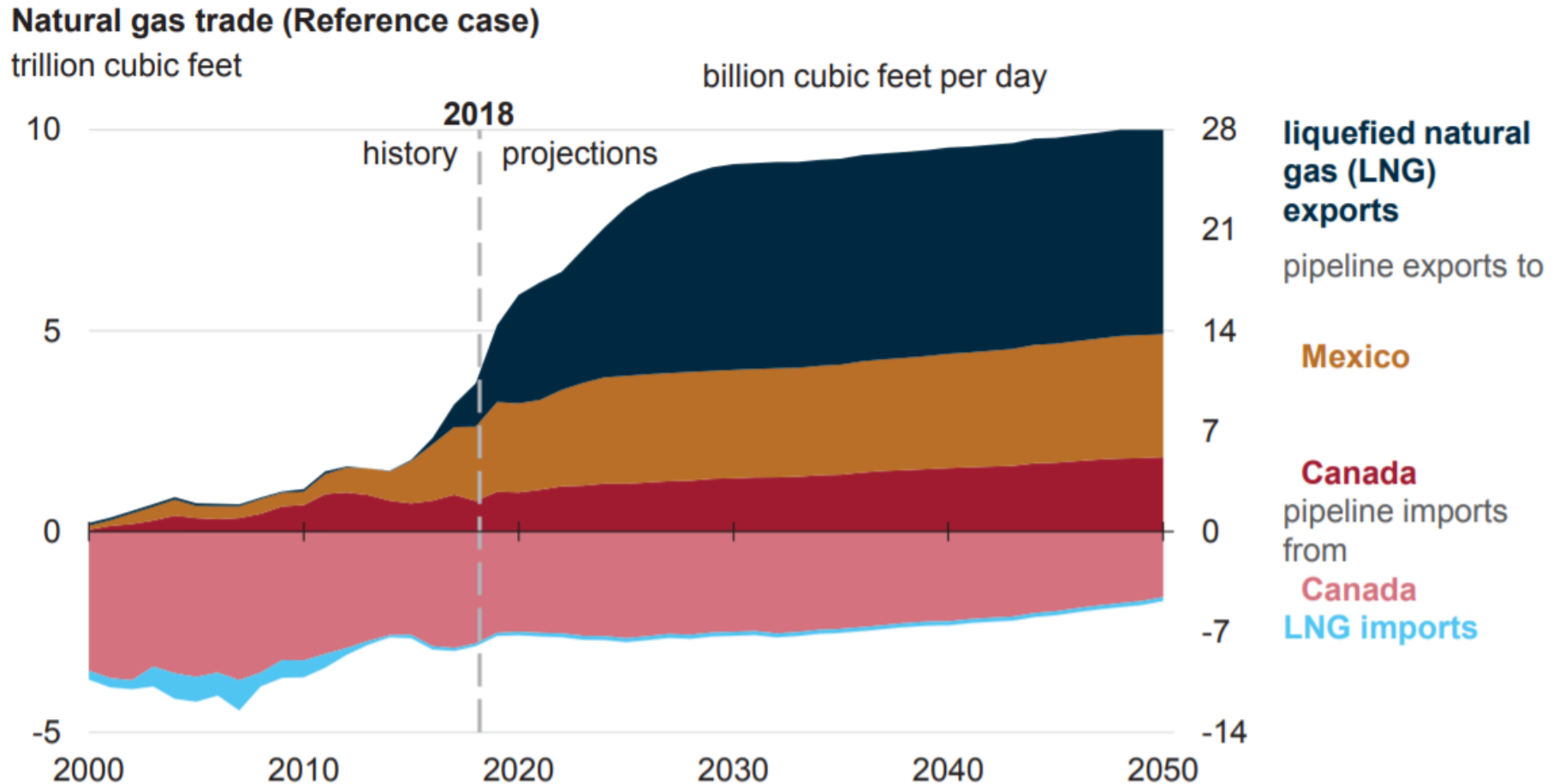
**\$66  
billion**

for customers who have used natural gas for heating, cooking and clothes drying over the past four years





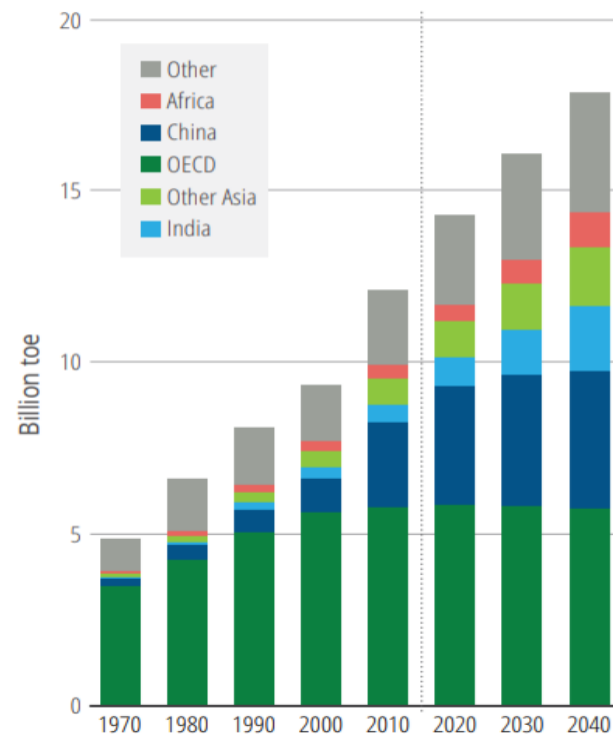
# The US is now a net exporter of natural gas, and exports are growing.



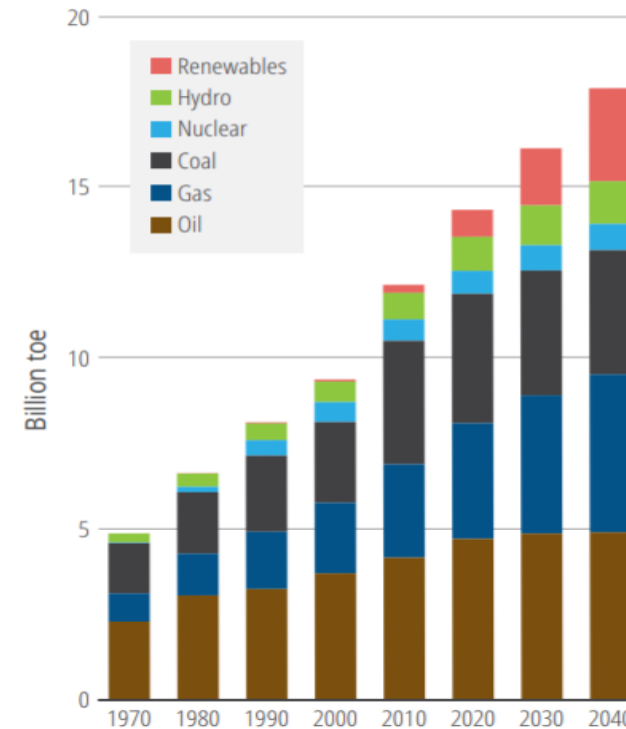
# Global energy demand is growing

Many countries will look to natural gas as a versatile energy source to reduce emissions and pollution.

**World Primary Energy Demand by Region**

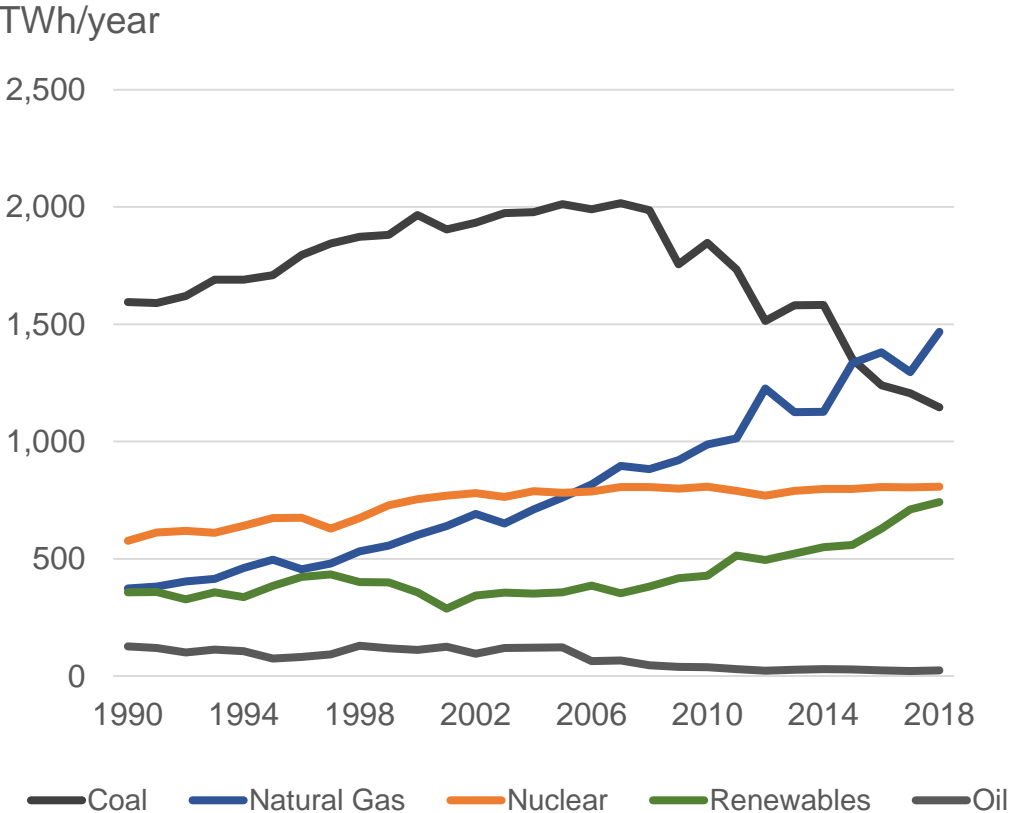


**World Primary Energy Demand by Fuel**

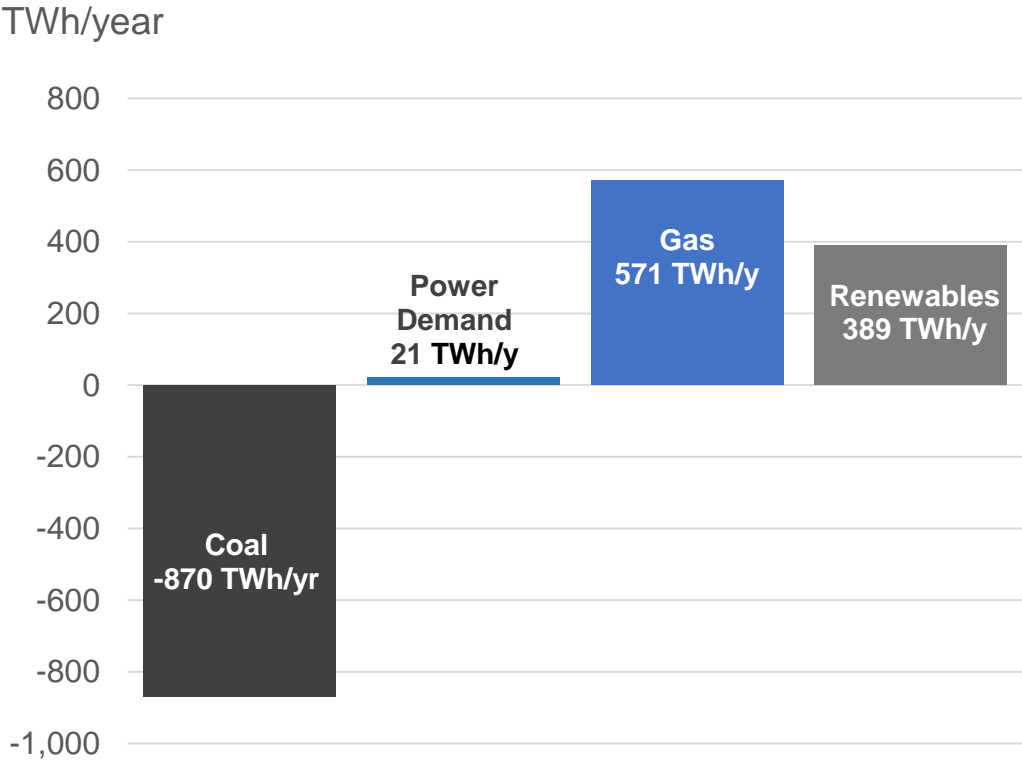


# U.S. electricity sector fuel mix has shifted from coal to gas and renewables

Generation by Source

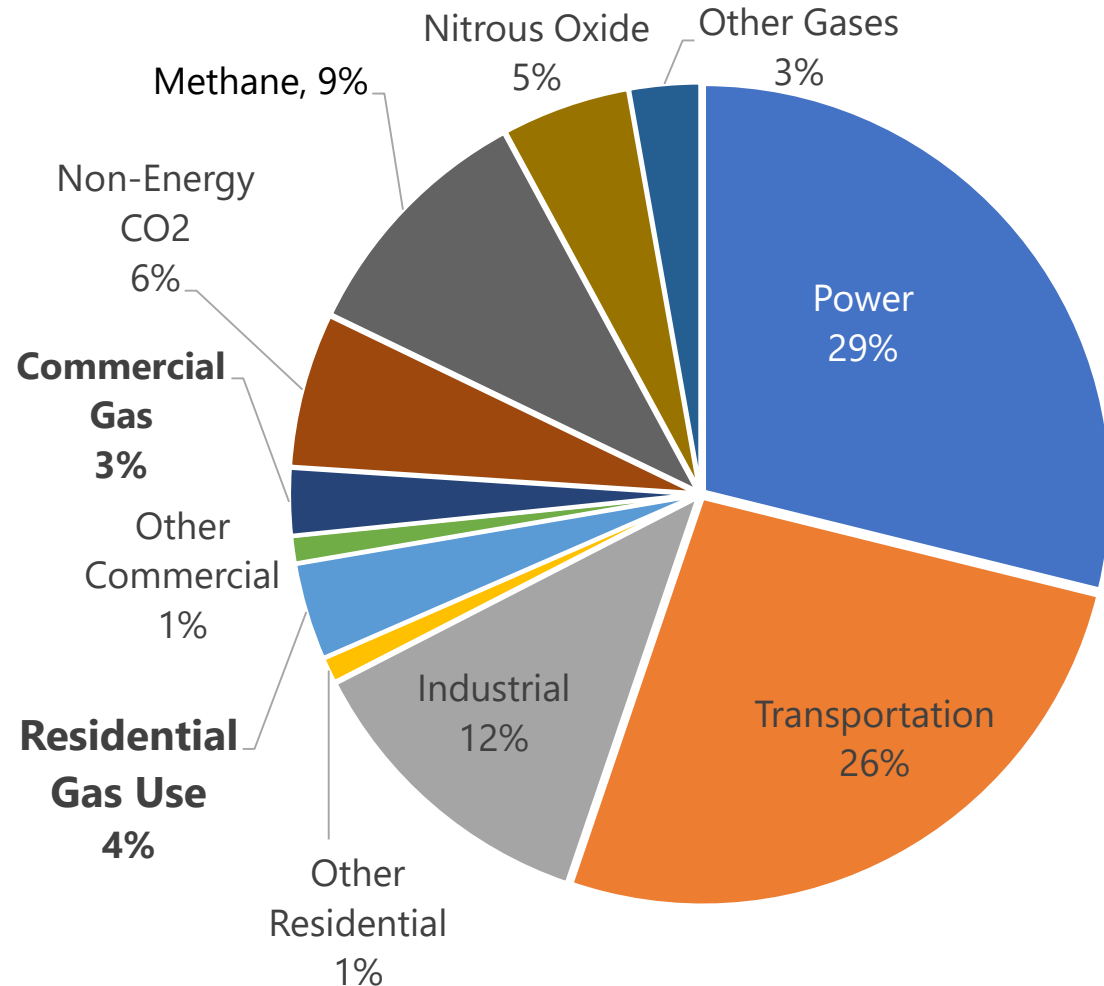


Change in generation 2007-2018

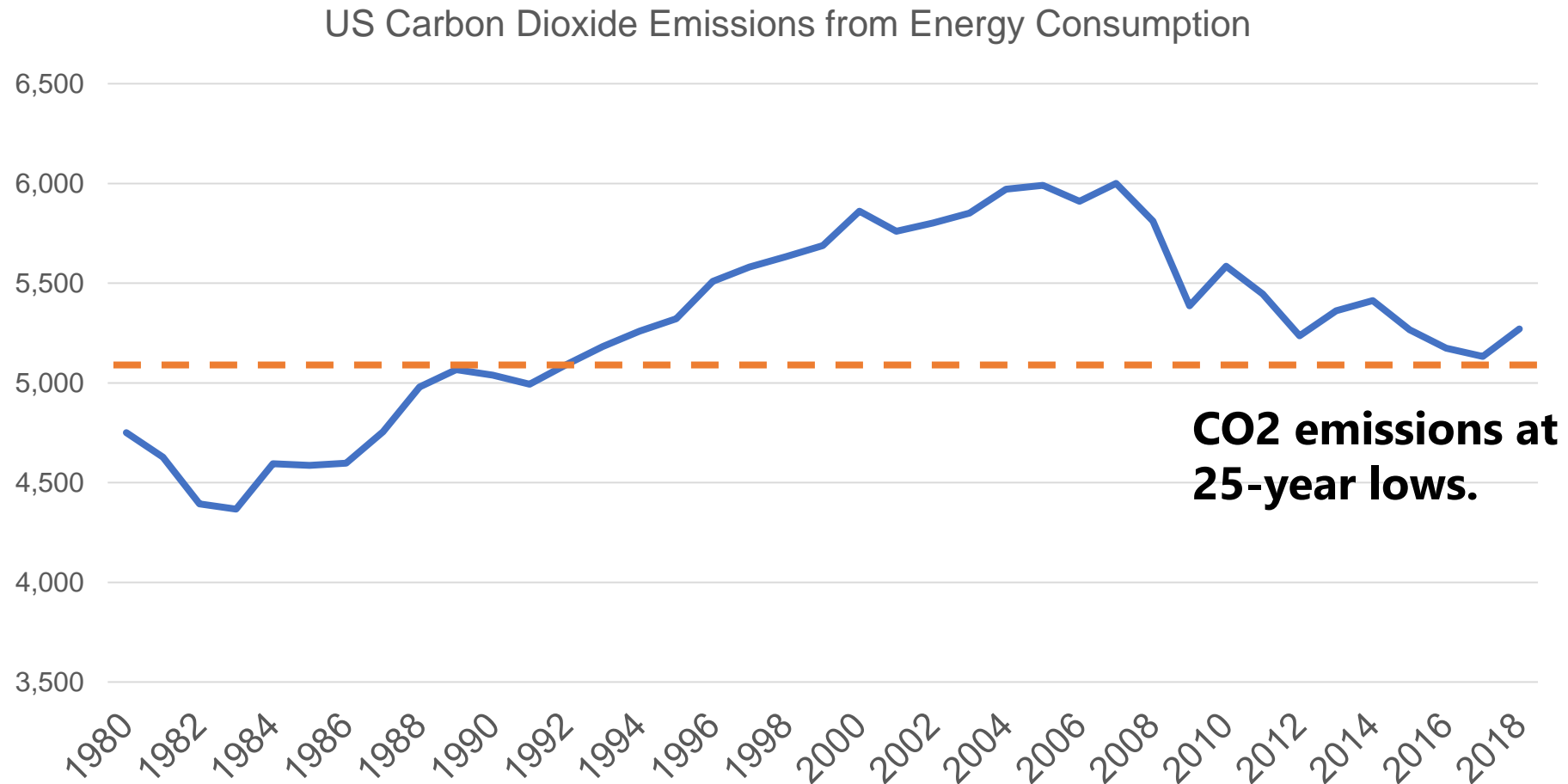


# Residential gas use is a small part of the US GHG Inventory

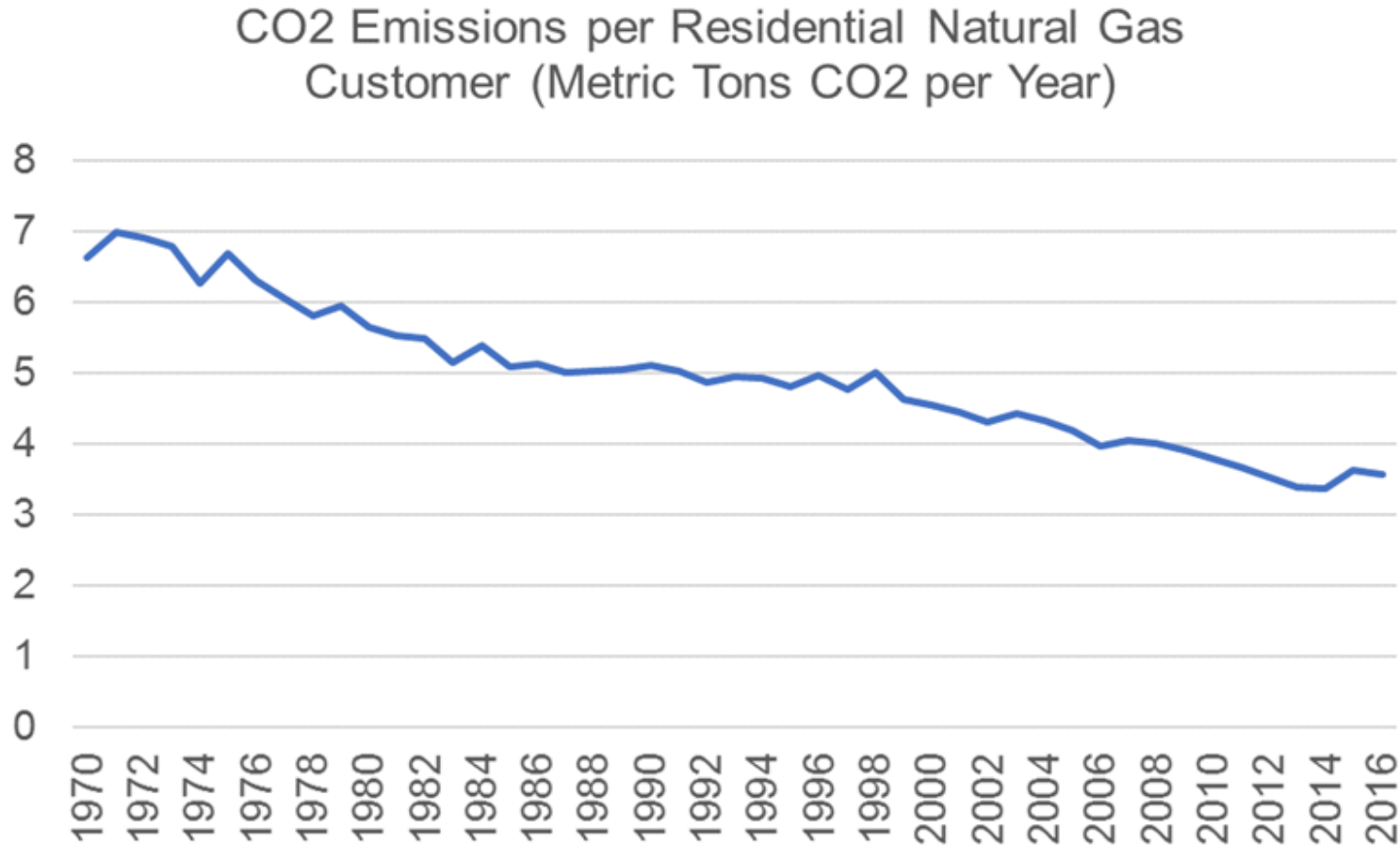
- Electricity generation and transportation are the two largest GHG sources.
- Residential gas use is 4% of total GHG emissions.
- Commercial gas use is 3%.



# Natural Gas has Led Reduction in US Carbon Dioxide Emissions

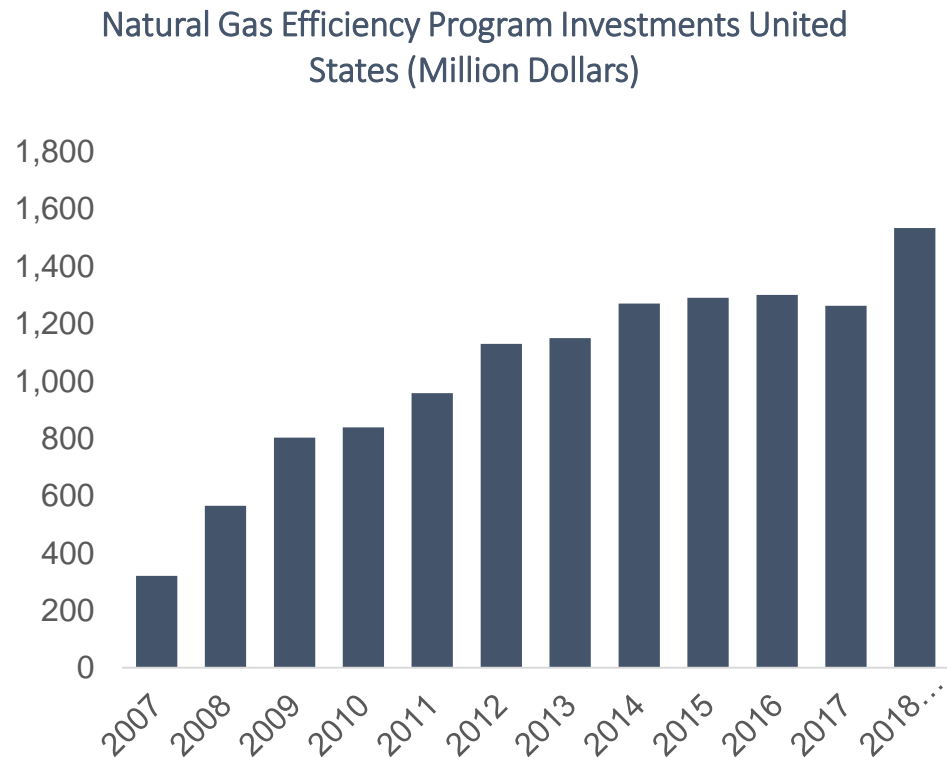


# Residential natural gas customers have led emissions reductions for 40 years

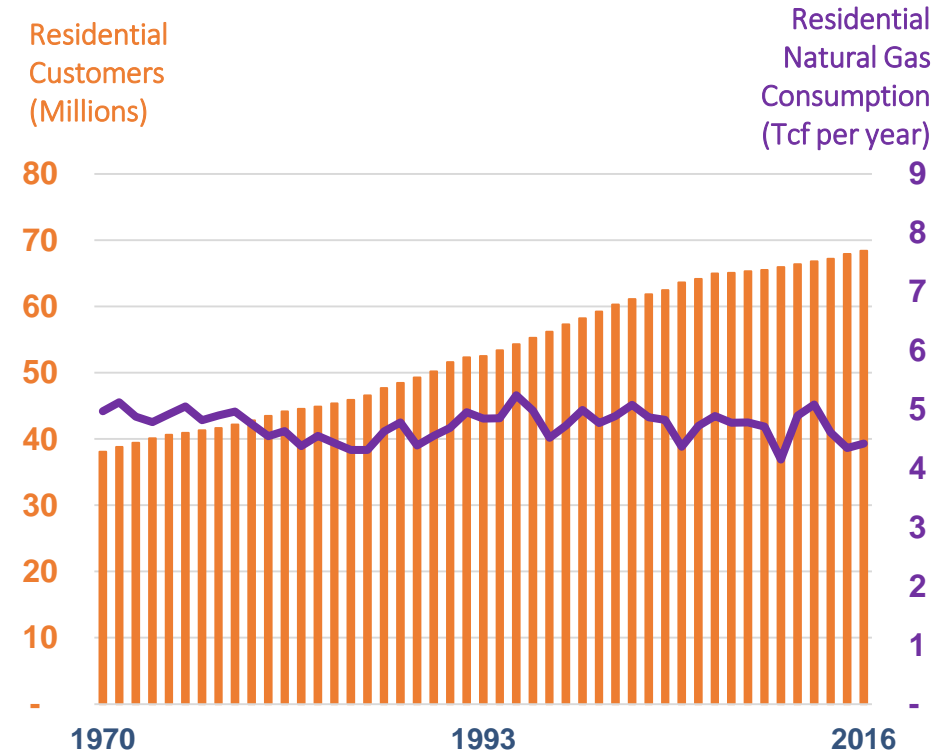


Based on AGA calculations of weather-normalized residential gas consumption per customer

# Natural gas utilities demonstrate continued commitment to energy efficiency

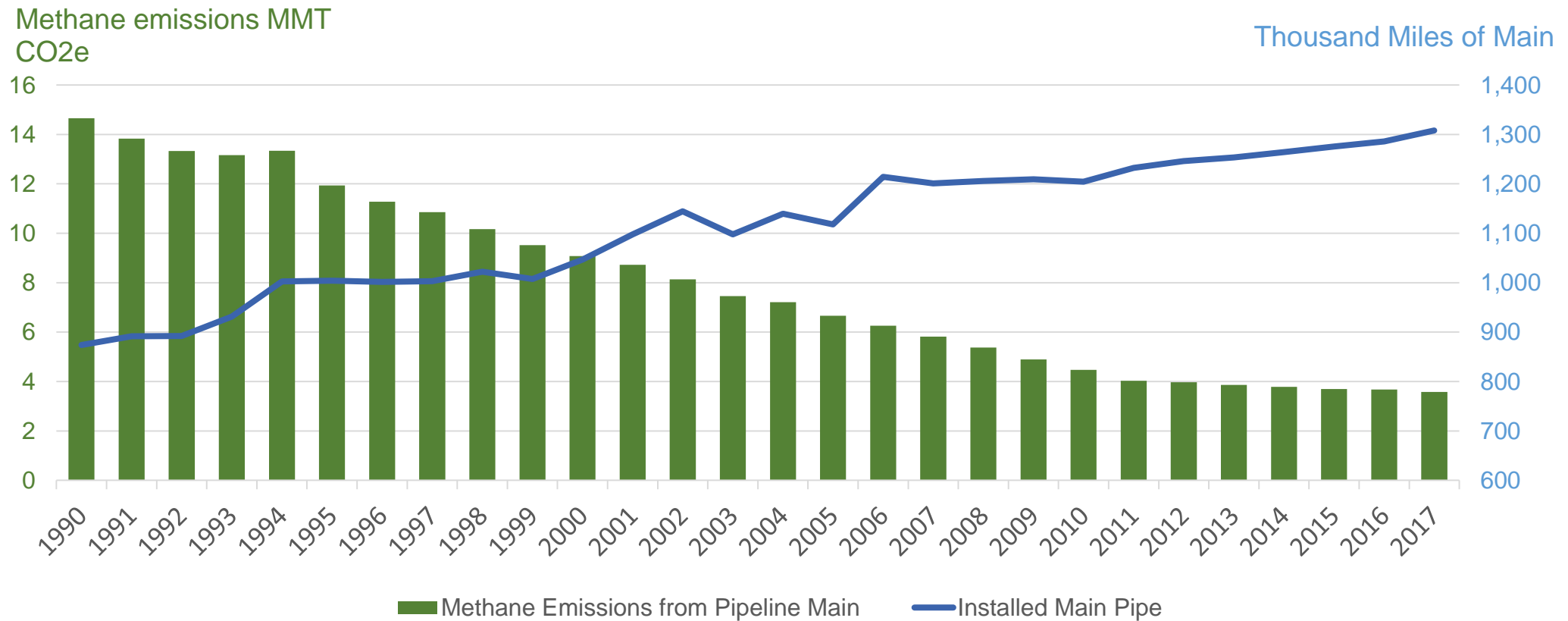


Left: AGA Natural Gas Efficiency Programs (2017 Program Year)  
Right: Energy Information Administration





# Pipeline replacement has reduced methane emissions



# Climate Change Position Statement

- Committed to reducing greenhouse gas emissions through:
  - ✓ Smart innovation
  - ✓ New and modernized infrastructure
  - ✓ Advanced technologies
- Ten collective commitments by natural gas utilities
- Eight principles for policy action
- A better, more thoughtful pathway

[www.aga.org/climate](http://www.aga.org/climate)



America's natural gas  
utilities invest more than

**\$1,000  
EVERY  
SECOND**

on enhancing the  
safety of natural gas  
distribution and  
transmission systems

## **AGA's Commitment to Enhancing Safety**

- Reasonable regulations to meet federal objectives and National Transportation Safety Board recommendations.
- AGA's Commitment to Enhancing Safety entails voluntary actions that are being taken by AGA or individual operators
- 2.6 million miles of natural gas pipeline which span all 50 states with diverse geographic and operating conditions

# Natural gas is a solution to the “Energy Trilemma”

