

Energy Efficiency and Natural Gas Utilities

ADVANCING ENERGY EFFICIENCY GOALS

By investing in the efficiency of buildings and appliances, promoting smart energy choices and subsidizing energy-saving efforts for low-income families, natural gas utilities are helping their customers save money and reduce their carbon footprint, while maintaining the comfort and productivity of their homes and businesses.

Saving Customers Money

America's natural gas utilities have demonstrated their commitment to promoting cost-effective and practical approaches to increasing energy efficiency. In 2016 utilities invested \$1.3 billion in natural gas efficiency programs, and budgeted \$1.5 billion for the 2017 program year.

As part of these programs, utilities provide valuable tools, incentives and information to help their customers understand and reduce their energy usage. These include:

- Offering low-interest financing, cash rebates and other financial subsidies for high-efficiency natural gas appliance purchases and whole home or building efficiency improvements.
- Providing home energy audits, weatherization kits and programmable thermostats.
- Supplying information on insulation and high-efficiency appliances.
- Connecting customers with experienced and reliable appliance and service providers.
- Providing web-based information resources and energy usage calculators.

Assisting Low Income Customers

The typical low income family spends 13 percent of its income on home energy, four times as much as families that fall above the poverty line.

Utility-funded gas efficiency programs helped customers reduce their typical annual natural gas usage by an average **17 percent** and save **\$137** on their annual energy bill.

Nearly half of low-income families use natural gas to heat their homes, and they benefit from assistance offered to them by many natural gas utilities in the form of:

- Bill payment assistance
- Free home energy audits and low- or no-cost equipment replacement
- Weatherization assistance – a service provided by natural gas utilities in 74 percent of natural gas efficiency programs and by the federal Weatherization Assistance Program

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Natural Gas Use in Home and Commercial Appliances Is the Efficient Choice

Nearly 67 million American homes use natural gas, and 57 million are heated with natural gas. Natural gas utilities provide this efficient energy source that helps customers reduce their total energy consumption, particularly in residential and commercial (R&C) end-use applications.

- Gas use efficiency and appliance technology have improved tremendously over the past four decades, resulting in natural gas furnaces and boilers that can achieve 97 percent efficiency.
- The average American home consumes 40 percent less natural gas than it did 40 years ago. Since 1970, the decrease in natural gas use per residential and commercial customer has averaged one percentage point per year.
- For most end use applications, natural gas is the more efficient energy source, compared with electricity on a full-fuel cycle basis – a fact supported by high efficiency appliances connected to a natural gas production and

distribution value chain that delivers three times more useful energy to consumers nationally compared to the electric grid.

Residential Natural Gas Consumers Are Leaders in Energy Conservation

American households' natural gas usage has steadily decreased since the 1970s, even as homes have grown and more customers than ever enjoy the comforts and benefits of natural gas. This trend is due in part to installations of tighter-fitting windows and doors, better insulation, increased attention to thermostat control, consumer conservation, and the development of increasingly efficient gas appliances. These improvements translate into big energy savings:

- Customers can shave up to a third off their space heating energy use by upgrading their equipment to a state of the art natural gas condensing furnace.
- Customers can save 10 percent per year on their energy bill by adjusting their thermostat setting by 7 to 10 degrees Fahrenheit for eight hours each day.
- Customers can achieve more savings by upgrading insulation, doors and windows.

Natural Gas Efficiency Programs Save Energy and Reduce Emissions

By funding natural gas efficiency programs, natural gas utilities helped customers save 239 trillion Btu of energy and offset 12.5 million metric tons of carbon dioxide emissions in 2016. This represents a 33 percent increase from the 180 trillion Btu of energy savings and 9.4 million metric tons of avoided CO₂ emission achieved in 2015.

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Natural gas utility efficiency programs helped offset **12.5 million metric tons of carbon dioxide emissions in 2016.**

12.5
MILLION