




2023

YEAR END REPORT



Two thin, dark blue arrows pointing to the right, one above the other.

THIS YEAR HAS BEEN A RECORD YEAR FOR THE

NATURAL GAS INDUSTRY

Three thin, dark blue arrows pointing to the right, arranged vertically.A large, stylized flame graphic in a light cream color, positioned on the right side of the page.

YEAR END

SUMMARY

Over the past year, the U.S. natural gas industry has made history with record-high production, demand, and exports while continuing to supply reliable energy to American homes and businesses amidst global turbulence. AGA's member companies have **delivered more than 25 Tcf of natural gas, invested nearly \$33 billion in modernizing our distribution systems, added 763,000 new customers**, all while reducing emissions.

The American Gas Association has brought the story of our industry to the fore of America's energy conversation, highlighting the important roles natural gas utilities play in delivering safe, reliable and affordable energy to homes and to businesses that drive the American economy. Our commitment to our nation's environmental goals has yielded a **70% reduction in our methane emissions** and 60% reduction in power sector emissions.

Safety and security will always be our industry's highest priority and AGA continues to enhance resources for our members. The AGA-led Downstream Natural Gas Information Sharing and Analysis Center, the industry's premier alert system for both physical and cyber threats, has issued more than **2,000 alerts** and shared more than 650,000 indicators of compromise between members and partners on its digital platform.

Additionally, AGA has continued its steadfast focus on providing a safe industry for our customers and employees. AGA has supported its members with **11 in-person peer reviews** and virtual assessments to ensure our industry not only meets but exceeds standards in safety and security to protect our critical infrastructure.



AGA and its member companies have immense gratitude for **2023 Board Chair Suzanne Sitherwood of Spire Inc.** for her unwavering commitment to our industry and we celebrate her many accomplishments. As we advance into **2024, Jerry Norcia, Chairman and CEO of DTE Energy**, stands ready to build on the progress of the past year and to support the progress and growth of America's natural gas industry. The AGA Board of Directors has great confidence in our industry's ability to continue to "advance America" through safe, affordable, and reliable energy for American families and businesses. Our energy future remains strong and our environmental progress continues to accelerate with the help of natural gas.





ENHANCING SAFETY & SECURITY

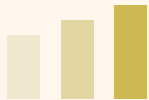
IN THE NATURAL GAS INDUSTRY





Expanding the Peer Review Program

AGA's **Peer Review Program** is a decade old with 135 peer reviews administered since the program's inception, including 11 peer reviews featuring 26 topics in 2023.



LEADING THE DISCUSSION

14,000+

More than **14,000 member employees** participated in AGA Best Practices meetings, Discussion Groups, workshops, and forums, including the semi-annual Security Conferences, 16th annual Executive Leadership Safety Summit, and the eighth annual Pipeline Safety Management Systems Workshop.

Safety and security will always be our industry's highest priority.

AGA filed comprehensive comments in response to two monumental **Pipeline and Hazardous Material Safety Administration Notice of Proposed Rulemakings** — Leak Detection & Repair and Safety of Gas Distribution Pipelines. AGA worked closely with hundreds of its utility members to advocate for changes for reasonable, practicable, and cost-effective regulations that advance public safety and environmental protection.

AGA fostered opportunities for greater **collaboration between the U.S. Transportation Security Administration and pipeline operators** through in-person TSA Inspection Forums, virtual TSA Technical Roundtables, and topical TSA Stakeholder calls. These educated TSA and informed pending proposed cybersecurity rulemaking. The **Securities and Exchange Commission** incorporated a dozen of AGA's comments into its final rule on cybersecurity incident reporting.

The natural gas industry's premier technical event, the **2023 AGA Operations Conference & Exhibition** convened a record-breaking **3,200 attendees**, showcased two football fields of technological innovation, and presented more than 200 speakers focused on advancing safety, reliability, and operational efficiency.

"Impacts of Hydrogen Blending on Gas Piping Materials" and *"Working with Other Stakeholders to Advance Pipeline Safety in Damage Prevention"* are among more than a dozen timely **technical notes** and **security infographics** authored by AGA's technical committees to effectively educate industry stakeholders and inform federal and state policies.





CHAMPIONING NATURAL GAS FOR
**A SUSTAINABLE
FUTURE**



Advancing Data and Market Insights in Natural Gas

AGA continues to highlight the essential role of natural gas and its infrastructure in sustainable energy solutions.

Key Energy Analyses conducted this year include studies on home appliance energy use and operating costs, the growth of natural gas utility consumers, record levels of future natural gas supplies, and the increasing use of natural gas in electric power generation, among others. These analyses detail natural gas's affordability, reliability, and environmental benefits.

WINTER HEATING OUTLOOK

1,000+

AGA also conducted thorough analyses of natural gas market fundamentals and utility planning for the winter heating season, showcased in our **Winter Heating Outlook** series. Through three webinars, AGA reached more than 1,000 industry members and stakeholders, reinforcing natural gas as a cost-effective and reliable home heating fuel.

Evaluating the Industry's Commitment to Emissions Reduction and Energy Efficiency

AGA's **Energy Efficiency Survey Report**

reflects the natural gas industry's dedication to reducing emissions. Investments in energy efficiency programs have dramatically increased since 2007, with \$941 million invested in 2023.

Furthermore, AGA's report *Understanding Greenhouse Gas Emissions from Natural Gas* highlights a significant 70% reduction in gas utility distribution system methane emissions since 1990, underscoring the industry's progress in environmental sustainability.

Pioneering Research in Low-Carbon Solutions and System Resilience

AGA has advanced research with two new studies from the American Gas Foundation. *Regulatory Pathways for Advancing Low-Carbon Gases for Gas Distribution Companies* assesses policies for establishing regulatory frameworks to incentivize low-carbon gas production and use. *Enhancing and Maintaining Energy System Resilience* explores the technical, commercial, and regulatory aspects necessary to bolster the U.S. gas system's resilience. These studies highlight AGA's commitment to sustainable energy infrastructure and system resilience.

The Advancing America Series highlights the critical role of natural gas in fueling American prosperity. Launched by AGA in 2023, the series examines the critical role of natural gas to many U.S. sectors – including agriculture, hospitality, healthcare, and pharmaceuticals. This ongoing series is another opportunity to discuss the benefits of natural gas to the broader economy and to engage new coalition partners.



BOOSTING

OUTREACH & LEADERSHIP

DEVELOPMENT IN THE NATURAL GAS INDUSTRY



Developing Strong Leaders Through the Next Level Leadership Women's Program

AGA brought together 50 rising stars from America's natural gas utilities for three in-depth sessions to cultivate new leadership skills, network with peers across the industry and meet industry leaders. Due to consistent and expanding interest, the program will grow to 60 participants in 2024. AGA also launched book club for alumna, and we are building a new slate of alumna activities in 2024.

EXECUTIVE LEADERSHIP Development Program

Twenty-nine individuals representing 17 AGA member companies joined AGA for a successful **Executive Leadership Development Program**, where participants learn how to successfully navigate the political and regulatory maze of Washington, D.C. Since the event in June 2023, several attendees have received promotions, making it a valuable investment for members aiming to prepare their organization for effective leadership.

AGA continues to increase **financial community outreach** on behalf of the natural gas utility industry. More than 500 attended the 2023 Financial Forum and 33 publicly traded AGA member companies participated in this annual event. For the first time, AGA's Mini-Forum was held in Boston with a record 70 attendees at the event.



The 2023 **Executive Conference**, the association's premier conference for member company CEOs and their senior leaders, drew more than 200 attendees. In conjunction with this year's event, the **Leadership Council** met and hosted Margaret Spellings, the new president and CEO of the Bipartisan Policy Center.

For the first time in the program's history, AGA hosted **Basic Rate School** and **Advanced Rate School** at AGA's offices in Washington, D.C. A record 55 participants attended the Basic Rate School. The Advanced Rate School featured a new program, advanced witness preparation, a first-of-its-kind offering designed to supplement the traditional rate school programs.

ENGAGING MEMBERS

3,000+

Member communication and engagement were enhanced by continuing our popular **educational webinar series** and the **AGA Updates** newsletter with **more than 3,000 member company employees** receiving updates on key issues and AGA activities.





Sharing voices of chefs. Through the #CookingWithGas campaign, AGA highlighted the stories and love of #CookingWithGas from three talented chefs in Kansas City.



Humanizing the Natural Gas Industry

AGA shared the insights, knowledge, success and impact of employees across the country. Learning from Leaders highlights the vision of industry leaders. Natural Gas Heroes and Making a Difference spotlight impact employees have on the communities they serve.





ADVOCATING NATURAL GAS IN **LEGISLATIVE VICTORIES**

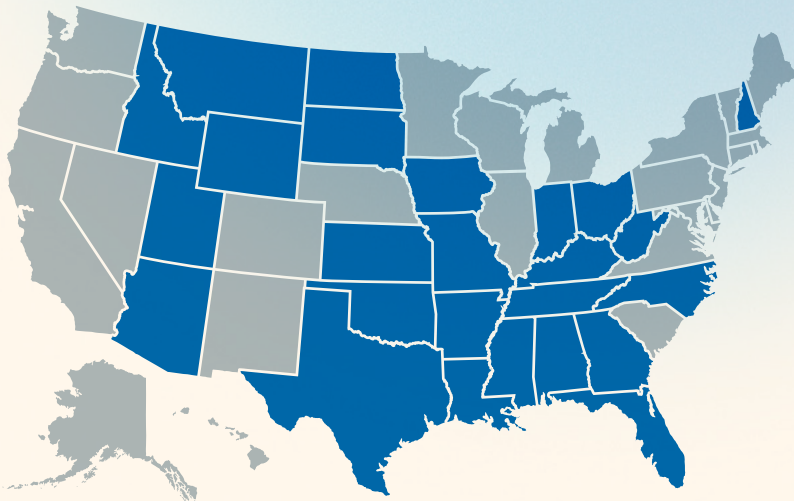
Supporting Customers and Communities

Negotiations for the fiscal year (FY) 2024 **Low Income Home Energy Assistance Program (LIHEAP)** last fall provided cause for hope, with the release of nearly \$3.7 billion of the \$4 billion in FY2024 funds plus \$100 million in funds authorized by the Infrastructure Investment and Jobs Act. The continued funding of LIHEAP underscored the bipartisan congressional support for the program as well demonstrating the successful advocacy work from AGA, Edison Electric Institute and our LIHEAP and low-income home energy assistance grassroots advocacy partners in the National Energy and Utility Affordability Coalition.

Advocating for Our Members

AGA worked to support local and state advocacy efforts led by our member utilities. In 2023, five states adopted **fuel choice legislation**, bringing to **25 the number of states**, ensuring that homes and businesses maintain the opportunity to use affordable, reliable natural gas.

■ FUEL CHOICE STATES



Engaging Communities

11

ENGAGING IN THE FEDERAL
REGULATORY
AGENDA





AGA is extensively engaged in the federal regulatory agenda through comments and intervening on initiatives that directly affect AGA members.

Supporting AGA's Advocacy Efforts

AGA filed comments in **50 pending regulatory matters** impacting members and the natural gas industry, including proposed revisions to the EPA's Greenhouse Gas Reporting Program, permitting reform, and numerous energy efficiency proposals. These filings ensure the natural gas industry's voice is heard and represented at the highest level.

Gas/Electric Harmonization

AGA participated in the **North American Energy Standards Board's** (NAESB) Gas-Electric Harmonization Forum and filed multiple comments on coordination matters. The final report was issued by NAESB and filed at FERC, and it included more than 20 recommendations to improve harmonization. AGA also supported efforts at NAESB to update the force majeure provisions of the Base Contract for Sale and Purchase of Natural Gas to help improve supply reliability.

Understanding Natural Gas Combustion Emissions

In response to regulatory inquiries into the potential health effects of natural gas residential use, AGA supported independent research and analysis which resulted in published data driven, objective, and nonpartisan scientific studies.



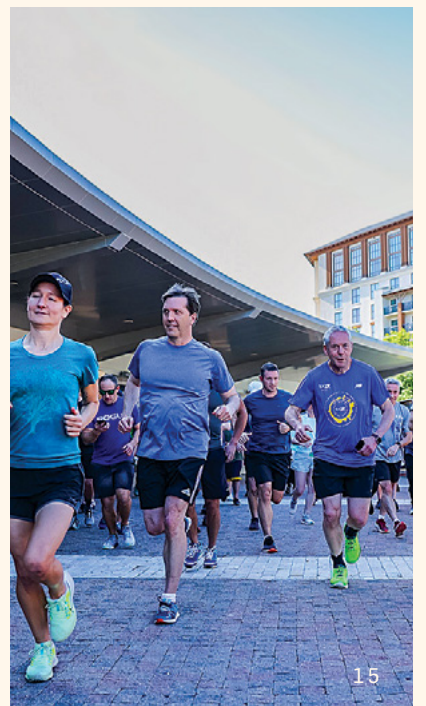


SERVING OUR
COMMUNITIES





AGA is proud to be Certified™ by Great Place To Work®



2023 IMPACT

Natural Gas Industry Impact

INVESTED

\$33B ON SAFETY

\$1.4B ON ENERGY
EFFICIENCY PROGRAMS

ADDED

20,700 MILES OF
DISTRIBUTION PIPE

763,000 NEW CUSTOMERS

AGA's Impact

2,000 Capitol Hill
meetings, individual
calls, emails and letters

29,000 State events,
individual and group
calls, emails and letters

200+ events and **14,000**
attendees at operations
and engineering events

15 Peer reviews and
virtual assessments
on **27** topics

22 Discussion groups
and more than **2,000**
participants

2024 AGA Officers

CHAIR OF THE BOARD

Jerry Norcia

*Chairman and CEO, DTE Energy
Detroit, Michigan*

FIRST VICE CHAIR

Lloyd Yates

*President and CEO, NiSource Inc.
Columbus, Ohio*

SECOND VICE CHAIR

Robert “Sid” McAnnally

*President and CEO, ONE Gas, Inc.
Tulsa, Oklahoma*

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President and CEO

Kimberly Denbow

Vice President, Security and Operations

Megan Dunn

Vice President, Talent Operations

Sue Forrester

Vice President, Advocacy and Outreach

George Lowe

*Vice President, Governmental Affairs
and Public Policy*

Andrew Lu

*Vice President, Safety, Operations
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*Vice President, Membership, Strategic
Development and Corporate Secretary*

Terri Oliva

Chief Financial Officer

Jennifer O'Shea

Vice President, Communications

Christina Sames

*Senior Vice President, Safety,
Operations, Engineering and Security*



American Gas Association

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 77 million residential, commercial and industrial natural gas customers in the U.S., of which 96 percent — more than 74 million customers — receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets nearly one-third of the United States' energy needs.

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