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Natural Gas Utilities Winter Outlook: Customers Can Continue to Rely on Natural Gas to Meet Energy Needs

Washington, D.C. – The American Gas Association (AGA), which represents 202 local natural gas utilities across the nation, today held a press conference on the 2008-2009 winter heating season and its projected impact on the nearly 70 million natural gas customers in the United States who rely on natural gas to meet their daily energy needs. AGA executives explained that while current production activity and storage figures remain strong, several factors will contribute to a likely 10 – 30 percent increase in home-heating costs this winter.

“While natural gas prices have declined substantially since reaching their all-time highs in early July, they are still higher than they were at this time last year,” said Chris McGill, AGA’s managing director for policy analysis. “Because utilities purchase natural gas from suppliers throughout the year and store it in underground facilities for winter delivery, much of the natural gas utilities will deliver to households this year was purchased when prices were at or near these historic highs.”

Other factors, including colder-than-normal winter temperatures, can also affect the demand for, and price of, natural gas. America’s local natural gas utilities are committed to offering customers every means of assistance possible to help keep their homes warm without hurting their pocketbook.

According to AGA, most local natural gas utilities offer billing plans that help spread the winter heating bills over many months. For those most in need and vulnerable to the high costs of heating, utilities also encourage income-eligible customers to sign-up for bill payment assistance. And with historic funding approved last week by Congress for the Low Income Home Energy Assistance Program (LIHEAP), many more elderly and low-income citizens will not have to choose between buying groceries and heating their homes this winter.

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“The record \$5.1 billion in LIHEAP funding will provide much needed help to low-income families by allowing states to increase the number of families served from 5.8 million to 7.8 million,” said Mark Wolfe, executive director of the National Energy Assistance Directors Association. “It will also allow states to pay for an average 50 percent of the cost of home heating this winter up from about 36 percent last year.”

Natural gas is the premier energy source from the environmental perspective. It accounts for less than six percent of total U.S. greenhouse gas emissions despite providing energy to nearly 70 million homes and businesses, and it releases 45 percent less CO₂ than coal and 35 percent less CO₂ than fuel oil.

For more information on energy-saving tips and home-heating assistance provided to consumers by local natural gas utilities, please visit www.aga.org.

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The American Gas Association, founded in 1918, represents 202 local energy companies that deliver natural gas throughout the United States. There are nearly 70 million residential, commercial and industrial natural gas customers in the U.S., of which 92 percent — more than 64 million customers — receive their gas from AGA members. Today, natural gas meets almost one-fourth of the United States' energy needs. For more information, please visit www.aga.org.