



American Public Gas Association

APGA & LNG Exports

**2013 Florida Gas Utility
Annual Meeting**

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American Public Gas Association**

June 12, 2013



the voice and choice of public gas

APGA

- **The** national trade association for publically-owned natural gas utilities
- ~1000 community-owned gas systems
 - ▶ 36 states
 - ▶ >5M Customers
 - ▶ ~21,000 Employees
 - ▶ ~120,000 Miles of Main
- Meters: 12 to ~500,000
- Largest : Philadelphia, San Antonio, Indianapolis, Memphis, Omaha, Long Beach
- Smallest: Freedom, OK (12 meters)



LNG Export

- Over 20 Applications to Date
- Total Export Capacity Applied for roughly 29 Bcf/d
- Equates to Approximately 45% Daily Consumption
- APGA filing motions to intervene in opposition to applications

Arguments Against Export

- Price Impacts upon Consumers
- Energy Independence
- Increased Demand in the U.S.
- Unknowns Regarding Shale

Impacts upon Consumers

- Studies have projected that LNG export will increase domestic natural gas prices anywhere from 3%-47% depending on what study is examined
- NERA Consulting study showed that LNG exports have negative wage and employment impacts on all sectors of the economy other than producers and exporters.
- In effect, NERA shows that exports are a wealth transfer from all other sectors to producers and exporters.
- EIA Study affirms price increase concerns
 - ✓ Larger export levels lead to larger domestic price increases



Energy Independence

- Opportunity to move towards greater energy independence
- Chance to increase NGV's to reduce dependence on foreign oil
- Increased NG prices which will result from exports threaten this opportunity



Increased Demand in the U.S.

- EPA rules regarding coal generation will further drive NG for generation
- U.S. coal-fired generation retirements will be significant
- Forecasts over 300,000 mw of natural gas-fired generation capacity additions in next 25 years
- Increases in manufacturing sector



Unknowns Regarding Shale

- Unknowns regarding production
 - EIA has reduced estimates of shale from 827 Tcf to 482 Tcf
 - Marcellus Shale reduced from 410 Tcf to 141 Tcf
- Impact of federal regulation
- Impact of state regulation





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Questions?

www.apga.org

