

Anmar Frangoul
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CNBC.com

Dear Anmar,

We read with interest your recent article on the CNBC website titled: *Natural gas: Why it's important and what you need to know*. Upon completing the story, however, it appears that you omitted a very important reason “why natural gas is important and what you need to know” – that is – the direct use of natural gas in homes and businesses.

Our members are the local natural gas distribution companies that serve about 70 million residential and commercial customers here in the United States. The customers and communities they serve readily recognize why natural gas is important: because this primary energy source stands alone as the reliable, affordable, abundant, domestic and clean fuel.

These customers already know the benefits, both economic and environmental, that direct natural gas use in homes and businesses provides. The direct-use of natural gas, such as space and water heating, cooking, lighting and other uses, represents a much more efficient use of the fuel (up to ~90% or greater) versus burning it as a generation fuel for electricity (~40%). Using it directly is also much less expensive for consumers than purchasing electricity.

Just a decade ago, when people talked about energy, it was more likely to be about coal or oil. Now, as your article suggests, it is about natural gas. This significant shift in America’s acceptance of natural gas as the smart and strategic energy source was amply proven by how it helped drive our nation’s economy forward and out of the recession.

No longer viewed as just a bridge fuel, but by all measures according to the Energy Information Administration (EIA), natural gas is fully accepted as the foundational fuel for America through the 21st Century. Currently, EIA reports that about 30% of total natural gas demand in the United States is direct use by residential and commercial customers; while gas demand for power generation and industrial feedstock is about 35% each. It is important to distinguish, but more often than not overlooked, that the direct

use of natural gas in homes and businesses is often more than twice as energy efficient than to generate electricity for those same uses.

While the article points out that natural gas has a range of uses and a growing demand from power generation, LNG export, and transportation, the message it conveys is incomplete without mentioning direct use. In this Era of Natural Gas, there remain unexplored avenues for greater direct use and even more opportunities for growth across all of the end-use sectors.

We very much appreciate the story highlighting the importance of natural gas. But, we also believe the article should be supplemented in order to be complete. That would necessitate mentioning the direct use of natural gas in the same phrase as the other application and uses.

Best Regards,



Bert Kalisch
President and CEO
American Public Gas Association



Dave McCurdy
President and CEO
American Gas Association