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Contact: Robin Tilley, 202-568-4740

Natural Gas and Related Infrastructure to Play Integral Role in U.S. Transition to a Lower-Carbon Economy

Washington, D.C. — Natural gas will remain a significant contributor to the energy portfolio and to economic growth in the United States over the next two decades, playing a key role in meeting low-carbon goals, a new study commissioned by the INGAA Foundation finds.

Conducted by Black & Veatch Management Consulting, the report, “The Role of Natural Gas in the Transition to a Lower-Carbon Economy,” presents a comprehensive analysis of the future role of natural gas and natural gas infrastructure in a greener economy over a 20-year period from 2020 to 2040. The study analyzes and compares two scenarios: a Balanced Future scenario, representing a balance of policy initiatives and market economics; and a Rapid Renewables Transition scenario, representing a transition heavily driven by policy and intended to accelerate the penetration of renewables in power generation.

“This research provides policymakers, key stakeholders and the industry context about the diversity of natural gas’ role in our nation’s economy and how natural gas – and gas pipeline infrastructure – will play an essential role in facilitating the transition to a lower-carbon energy economy,” said INGAA Foundation President Don Santa.

The report’s findings, supported by detailed modeling and industry subject matter expertise, are based on two future scenarios that consider different levels of renewable escalation and how these levels will affect natural gas demand, representing possible paths toward an energy portfolio that is increasingly reliant on renewable energy.

In both scenarios studied, natural gas will play a key role in the transition to a greener economy, and natural gas infrastructure will continue to be needed.

“As demonstrated by this report, America’s natural gas will serve both domestic and global needs for many years to come,” said Santa. “The members of the INGAA Foundation look forward to contributing to the safe, efficient and environmentally responsible transmission of natural gas to customers as we transition to a lower-carbon economy.”

According to the report, the intermittent nature of solar and wind power generation will intensify the need for flexible, nimble, fast ramp-up generation that natural gas supplies to maintain the reliability of the electric grid in the United States. Natural gas power generation will require additional, flexible transmission services to balance the growth in renewable generation and support electric grid reliability. New pipeline capacity will support this transition.

“Natural gas has undergone a transformation over the past decade, and this study illustrates the attributes of natural gas and our robust natural gas infrastructure mean that natural gas will remain an essential source of energy within a greener U.S. energy mix,” said Deepa Poudval, associate vice president and industry executive for oil and gas at Black & Veatch’s Management Consulting business. “We have a decades-long track record of providing deep expertise on gas-electric interdependence issues, and we’re honored to have partnered with the INGAA Foundation in this thoughtful examination.”

The INGAA Foundation Inc. * 20 F Street, N.W., Suite 450 * Washington, D.C. 20001 * 202.216.5900
Download the report here.

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About the INGAA Foundation

The INGAA Foundation facilitates the safe, efficient, reliable and environmentally responsible design, construction, operation and maintenance of the North American natural gas transmission system to advance the delivery of natural gas for the benefit of the consuming public, the economy and the environment. Its more than 220 members represent natural gas pipeline companies, construction companies, engineering firms, pipe and compressor manufacturers, accounting firms, companies providing information technology services and other suppliers of goods and services to the pipeline industry. The Foundation's primary activity is to sponsor research aimed at promoting natural gas use and safe, efficient pipeline construction and operation. Since 1990, the Foundation has completed over 150 studies, in addition to many projects and workshops which benefit the industry.

About Black & Veatch

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