TESTIMONY OF SANDRA SNYDER VICE PRESIDENT, ENVIRONMENT INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA

BEFORE THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS UNITED STATES SENATE

REGARDING BUILDING BACK BETTER: ADDRESSING CLIMATE CHANGE IN THE ELECTRICITY SECTOR AND FOSTERING ECONOMIC GROWTH

MARCH 10, 2021

Chairman Carper, Ranking Member Capito, and Members of the Committee: Good morning. My name is Sandra Snyder, and I am the Vice President of Environment at the Interstate Natural Gas Association of America (INGAA). Thank you for holding this hearing and the opportunity to testify today.

INGAA appreciates the Committee's focus on climate change, energy reliability, and fostering economic growth as we "build back better." INGAA's members transport natural gas through an underground network of pipelines that is analogous to the interstate highway system. These transmission pipelines typically span multiple states and they provide an essential link between every major natural gas supply basin in the country and every major consumption area in the lower 48 states. This extensive infrastructure network has been built and maintained using private capital.

I have four main points that I would like to convey today.

Continuing Climate Progress in the Natural Gas Transmission and Storage Sector

First, the natural gas transmission and storage sector has been and continues to be committed to being part of the climate solution. Between 2011 and 2019, the average methane emissions from natural gas transmission and storage compressor stations reporting data to EPA decreased by 31 percent. Even as we made these improvements, in 2018, INGAA issued voluntary commitments to further reduce methane emissions from natural gas transmission and storage facilities while maintaining pipeline integrity, safe operations and minimizing adverse customer and community impacts. This January, INGAA's members went a step further by committing to working together as an industry to achieve net-zero GHG emissions from their natural gas transmission and storage assets by 2050. In making this commitment, we recognize that technical and policy changes will be necessary to achieve this goal. Our members are committed to reducing the carbon intensity of their infrastructure, which means not only reducing emissions from the transmission of natural gas using new technologies but also exploring opportunities for our infrastructure to potentially evolve in the future. For example, some members are transporting

renewable natural gas or exploring hydrogen blending pilot projects. To be successful, we will need greater investments into research and development, as well as new constructive energy policies and practices that support and encourage more innovation while ensuring that the cleaner energy our nation needs remains safe, reliable, and affordable.

Enabling Cleaner, Reliable, and Affordable Energy Across the U.S. and the World

Second, in addition to driving down emissions in our own sector, natural gas infrastructure enables reductions in carbon dioxide emissions across the U.S. and global economies without compromising energy reliability or affordability. According to the EIA, between 2005 – 2019, carbon dioxide emissions from the U.S. power sector declined by 33%, with fuel switching to natural gas accounting for more than half of those reductions. Additionally, to support the growth of renewable energy, members of INGAA are committed to providing the services necessary for flexible, fast-ramping generation and reliable energy storage to help minimize the risk of power disruptions.² America's natural gas pipeline network links geographically dispersed production and storage areas and provides numerous pathways to transport natural gas, providing reliability and resiliency even in the face of peak demand events. In April 2017, INGAA conducted a survey of 51 interstate pipelines, and found that over the ten-year period from 2006 – 2016, pipelines delivered 99.79% of "firm" contractual commitments to transportation customers at the primary delivery points specified in their contract. As this statistic shows, firm natural gas pipeline transportation service is extremely reliable. Furthermore, liquefied natural gas exports from the U.S. can help other countries meet their energy needs while also reducing emissions.

Infrastructure Permitting Predictability is Key to "Building Back Better"

Third, clarity and predictability in the infrastructure permitting process are key to "building back better." Projects that seek to maintain or expand the interstate natural gas pipeline network typically are subject to regulatory oversight by multiple federal agencies. For example, the construction or operation of interstate natural gas pipelines requires that the Federal Energy Regulatory Commission (FERC) issue a certificate pursuant to the Natural Gas Act finding that the pipeline is in the public convenience and necessity, but a pipeline project typically also requires permits and reviews from the U.S. Army Corps of Engineers, the U.S. Fish & Wildlife Service, and other federal agencies. As we look ahead to the future of energy, we are prepared to expand the natural gas transmission system to increase access to natural gas, complement the growth of renewable energy, and deliver lower-carbon fuels. However, to do so, we need to ensure we have permitting predictability, which means we need clear regulatory requirements that can be applied in a consistent fashion. Our members' projects have sometimes faced years of litigation because certain states refuse to comply with Congress's clear direction under the

https://www.eia.gov/totalenergy/data/browser/index.php?tbl=T11.06#/?f=A&start=1973&end=2019&charted=0-1-6

² For example, the Energy Futures Initiative has emphasized that firm electric generation capacity, such as natural gas generation, is essential to ensuring reliable, cost-effective while we continue to invest in renewables because wind and solar generation is intermittent. *See* ENERGY FUTURES INITIATIVE, EFI'S PORTFOLIO FOR ACCELERATING THE CLEAN ENERGY TRANSITION: A GUIDE FOR THE BIDEN-HARRIS DEPARTMENT OF ENERGY (DOE) TRANSITION TEAM (2020).

Clean Water Act regarding the timeline and scope of their authority to assess water quality impacts. Revisions to EPA's Clean Water Act Section 401 regulations were recently made, after notice and comment rulemaking, to conform with these judicial decisions to prevent certain states from overstepping their authority granted by Congress so that they cannot "veto" infrastructure projects and dictate the energy policy for neighboring states that may have a strong need for natural gas. Similarly, we appreciate the Council on Environmental Quality's amendments to its National Environmental Policy Act (NEPA) regulations last year because the implementing regulations to this important statute had not been updated in over 40 years. These amendments addressed many of the contested issues raised in litigation, including the scope and content of a federal permitting agency's NEPA review. A lack of regulatory clarity and predictability hampers not only development in the natural gas industry but also other sectors that are trying to move America towards a cleaner energy future.

Natural Gas Empowers Critical Energy Services Vital to Our Current and Future Economy

Fourth, natural gas is a foundational fuel that empowers critical energy services vital to our current and future economy. We need stable and affordable energy for everyone to help our nation recover from the pandemic, while creating new jobs, fueling economic growth, and minimizing greenhouse gas emissions. Approximately 1/3 of the natural gas consumed in the U.S. in a year is used for power generation.³ Natural gas is also used to support businesses and industries such as restaurants, pharmaceutical research, steelmaking, refining, and plastics. These businesses and industries use natural gas to produce the products and services that we all rely on, such as food preparation, cars, cell phones, computers, prescription drugs, construction materials, and more. So even as the opportunities for renewable energy may expand, there will continue to be a need for natural gas and associated infrastructure in this country.

Thank you again for the opportunity to testify today. INGAA and its members look forward to working with you to identify sound public policies that will protect the environment while ensuring a safe, reliable and resilient energy transmission system that provides the affordable energy all families and businesses need.

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³ https://www.eia.gov/energyexplained/natural-gas/use-of-natural-gas.php.