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Natural Gas May Be Biggest Winner of Election Night Industry congratulates President-elect Obama – but notes challenges ahead

(Washington, DC) Natural gas could turn out to be one of the biggest winners of Tuesday's elections, representatives of the Natural Gas Council said today.

“President-elect Obama has announced his support for increasing American natural gas production as part of his energy agenda. We will work with his administration to ensure new supplies of clean-burning, American natural gas,” said Barry Russell, president and CEO of the Independent Petroleum Association of America. “We also look forward to working with him on the federal resource leasing process, including the recently expired offshore moratoria and the necessity of acquiring new leases.”

Natural gas now accounts for approximately 20 percent of the energy used to create electricity in the United States, and the Council expects natural gas will become even more important in the upcoming climate change debate.

In the last 10 years over 90 percent of the new electric capacity built in the United States has been natural gas-fired generation.

“We are blessed as a country to have so much domestic natural gas in the ground. If the Obama administration and Congress follow through on their campaign promises to rely on more renewables to make electricity, natural gas will prove extremely useful in enhancing the reliability of those fuels,” said R. Skip Horvath, president and CEO of the Natural Gas Supply Association.

Approximately 84 percent of the natural gas used in the U.S. is produced domestically, while most of the rest is primarily from Canada. Only 2 percent of natural gas used in the U.S. comes from other countries.

“In August Senator Obama said that the United States should work with the Canadian government to build a natural gas pipeline from Alaska to the lower 48 states. He recognized that such a project will deliver a clean, domestic fuel and create good jobs here in America in the process. We're excited to work with him on that effort,” said Don Santa, president of the Interstate Natural Gas Association of America, a trade group that represents pipeline operators that transport natural gas in both the U.S. and Canada.

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While electric generation and industrial use makes up the biggest portion of natural gas used in the U.S., most Americans know natural gas as a heating fuel.

“Natural gas heats more U.S. homes than all other energy types combined. Consumers select natural gas heat because it is efficient, clean, reliable, and performs well. We congratulate President-elect Obama on his victory and look forward to working with him to ensure that natural gas remains affordable for all Americans,” said David Parker, president and CEO of the American Gas Association.

During the campaign, Sen. Obama said he would seek to increase taxes on energy companies. If enacted, those costs will be passed along to American consumers and negatively impact investors, the Natural Gas Council warned.

The Natural Gas Council includes the American Gas Association, the Independent Petroleum Association of America, the Interstate Natural Gas Association of America and the Natural Gas Supply Association. It was formed in 1992 to provide a forum for leaders in the natural gas industry to discuss common concerns, and to advocate the removal of impediments to the efficient production, processing, transmission, distribution and consumption of natural gas.

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