



350, rue Sparks Street  
Suite/bureau 809  
Ottawa, ON  
K1R 7S8  
www.cga.ca

Tel: 613-748-0057  
Fax: 613-748-9078  
Tél. : 613-748-0057  
Télééc. : 613-748-9078

Ottawa, October 10, 2014

Office of Energy Policy and Systems Analysis, EPSA-60, QER Meeting Comments,  
U.S. Department of Energy,  
1000 Independence Avenue SW.,  
Washington, DC 20585-0121.

Submitted via email to: [QERComments@hq.doe.gov](mailto:QERComments@hq.doe.gov)

Dear Quadrennial Energy Review Task Force,

The Canadian Gas Association (CGA) participated in the recent public meeting held in Ottawa to discuss and receive comments from Canadian stakeholders as part of the Quadrennial Energy Review (QER) process. CGA is providing this submission to elaborate further on the perspectives provided at the public session.

CGA is the voice of Canada's natural gas distribution industry. Our members are distribution companies, transmission companies, equipment manufacturers and other service providers. Today, with over 400,000 kilometres of underground transmission and distribution pipelines, natural gas meets over 30% of Canada's energy needs - more than electricity - and Canadian natural gas distribution companies serve over 6.5 million customers - over half of all Canadians in their homes and at work.

It is important to first emphasize that CGA strongly supports the recently signed Memorandum of Understanding (MOU) on enhanced energy collaboration between Natural Resources Canada and the U.S. Department of Energy. The MOU notes plans for collaboration on a wide range of energy issues and shared interests including: enhancing the reliability and security of the North American energy infrastructure; enhancing coordination between Canada and the United States on the use of natural gas as a transportation fuel; improving energy efficiency; and expanding partnerships between research institutes. A number of initiatives are already underway on both sides of the border in these areas and we believe that this MOU will serve to further enhance that work.

When we consider the role of natural gas in meeting future energy needs on both sides of the border, it is important to appreciate several unique attributes of natural gas that are to our mutual benefit in Canada and the United States.

- The affordability of the fuel. For all energy users, any reduction in energy costs while enjoying the same or improved level of service is a significant benefit as it means money in the pocket - for families in their homes, and for businesses to become more competitive and expand. Affordable energy has long been a competitive advantage in

North America and nothing can assure that better than natural gas. Canada and the United States should work together to ensure this stays the case.

- The abundance of the fuel. North America has significant supplies of natural gas in both countries (and indeed in Mexico, although these are much less developed). The affordability of natural gas in North America is reinforced in large part by the stable and growing supplies from across the North American marketplace.
- The environmental performance of the fuel. Natural gas is an efficient and clean burning energy choice with fewer emissions than many other fuels. As well, natural gas is an important partner for renewables and emerging low-emission technologies. And finally, Canadian and U.S. natural gas utilities have a long history of delivering conservation, demand-side management programs and other measures to help customers in the efficient use of energy.
- The reliability of the delivery system. Hundreds of thousands of kilometres (or miles) of underground transmission and distribution infrastructure and well-located storage facilities have been built out on both sides of the border to bring natural gas to customers, often back and forth across our common border. Significant investment in this system continues to maintain very high reliability levels. Companies in our industry on both sides of the border own assets in neighbouring provinces and states, speaking to remarkable integration and enhancing reliability.
- The safety of the delivery system. The natural gas distribution industry is committed to the safe delivery of natural gas to its customers. Natural gas systems are designed, built and operated to equal or exceed quality standards, and our utilities cooperate with one another across the border to learn from and assist one another on safety matters where possible.

As noted at the QER public session held in Canada, both nations' governments are working to identify policy and regulatory measures that: enable consumer choice; foster economic growth; support the development of domestic natural resources to enable greater energy security and provide low cost energy solutions to drive industrial growth and manufacturing; and drive better economically sound environmental performance. On both sides of the border natural gas and gas delivery systems, given the attributes noted above, can help achieve all of these objectives.

We believe a more formal mechanism should be established – building on the recently signed MOU – for ongoing deliberations between governments and industry on how natural gas and its delivery infrastructure can help achieve economic prosperity, environmental goals, and infrastructure security interests in both countries. Three key goals of this effort should be:

- **Ensuring seamless cross-border infrastructure to support natural gas as a transportation fuel.** Natural gas offers an affordable, low-emitting fuel option for all transportation applications. This is being realized to varying degrees in Canada and the United States.

Ensuring that the infrastructure evolving in both countries is seamlessly integrated is key to achieving the maximum benefit for consumers in both countries.

- **Facilitating cross-border government-industry cooperation on technology Innovation.**  
As both countries realize the long term supply opportunity that natural gas presents, more and more attention is being paid to innovative uses of the product. Cooperation on such efforts across the border offers opportunities to leverage on one another's efforts to our collective benefit – in residential, commercial, industrial, transportation and other applications.
- **Pursuing cooperation that is mutually beneficial with respect to improved energy safety and security.**  
Significant efforts are under way to facilitate mutual aid in times of need – to ensure that skilled professionals can efficiently cross the border with their equipment to help neighbors in need and monitoring and coordinating responses to attacks on critical energy infrastructure. These deserve continued support. And a concerted effort should be undertaken to think about how infrastructure for all energy systems can be better integrated: for example how a robust gas delivery system can serve to reinforce the electricity delivery system in times of need, and vice versa.

As noted above, the Canadian natural gas distribution industry believes that there is an opportunity for natural gas to support several national objectives on both sides of the border and we think the product, its delivery infrastructure, and the opportunity it represents for greater cooperation between us should play prominently in the final report of the QER.

We thank you in advance for taking the time to review our comments, and we would be happy to discuss them in detail.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tim Egan', with a horizontal line underneath.

Timothy M. Egan  
President & Chief Executive Officer  
Canadian Gas Association