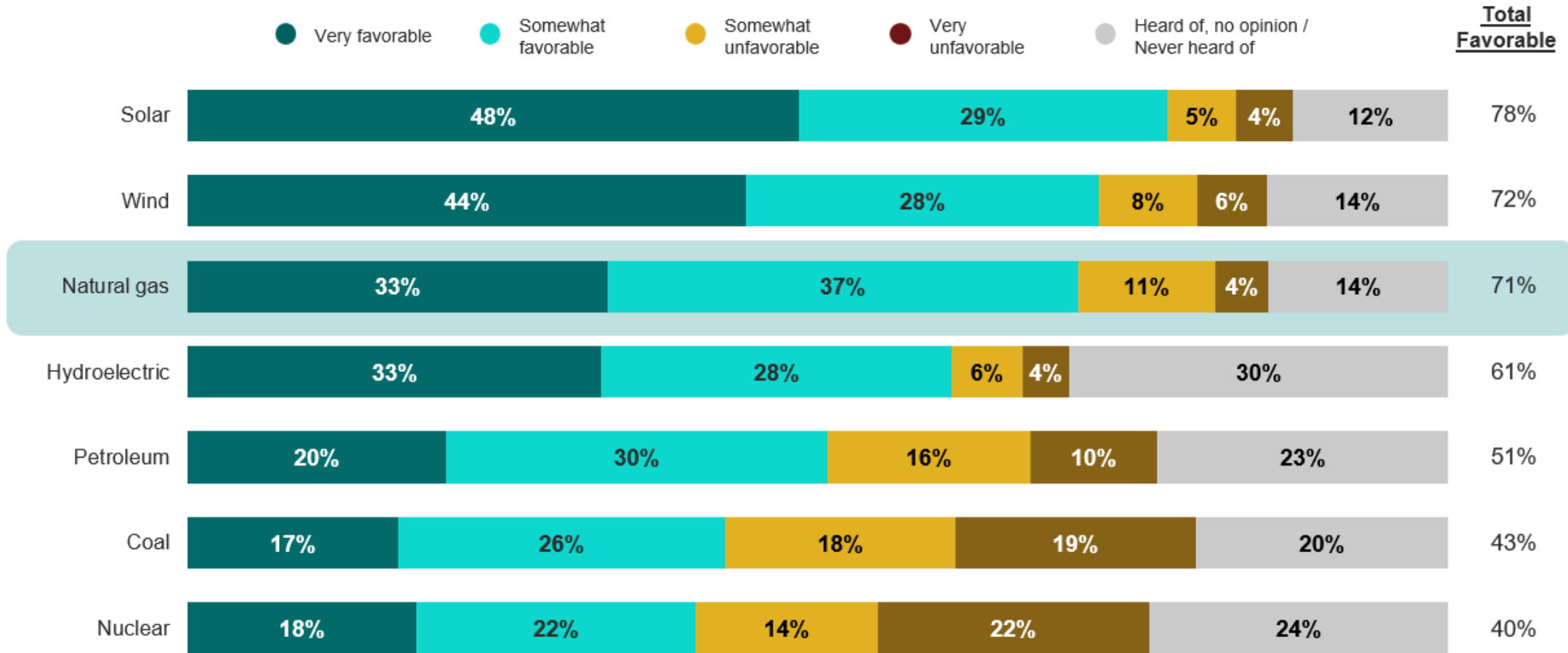


Capitol to Capitol: DC and the States

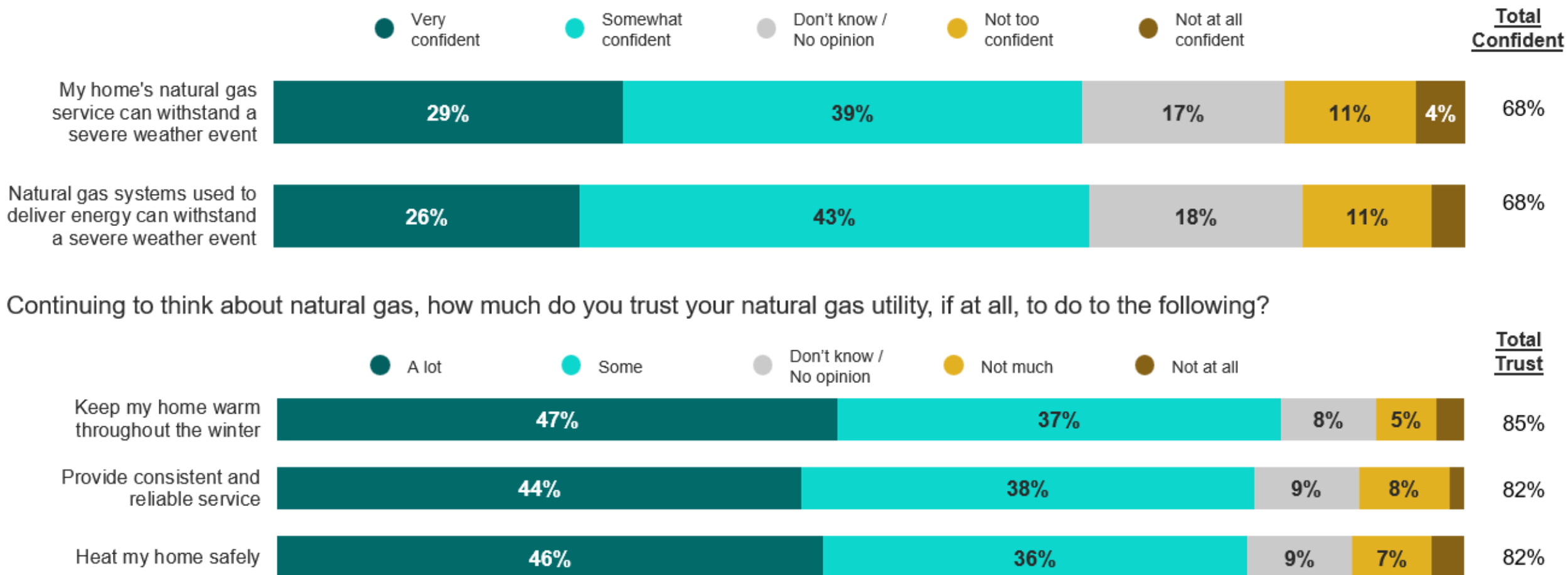
Northeast Gas Association Policy Symposium

People Like Us

Natural gas remains one of America's most favored energy sources



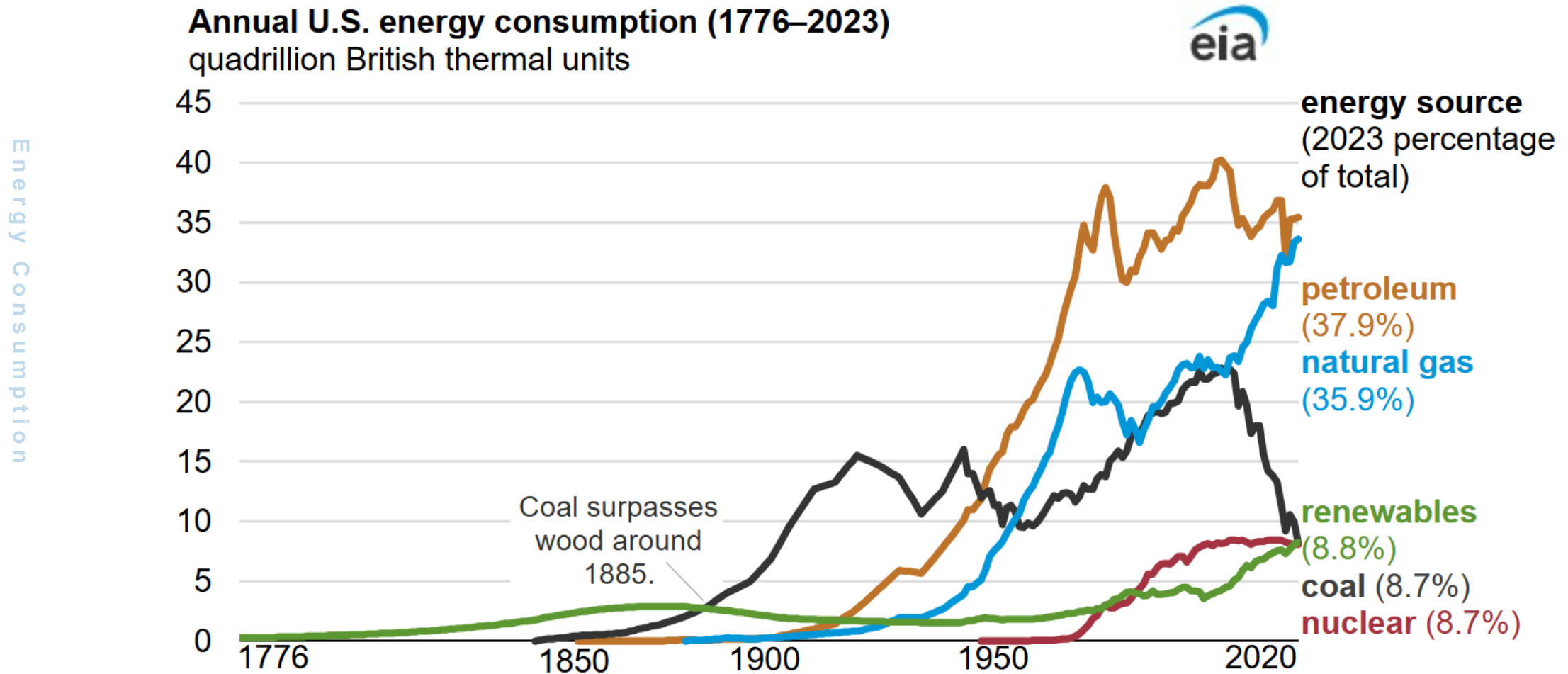
U.S. adults have high trust in natural gas service



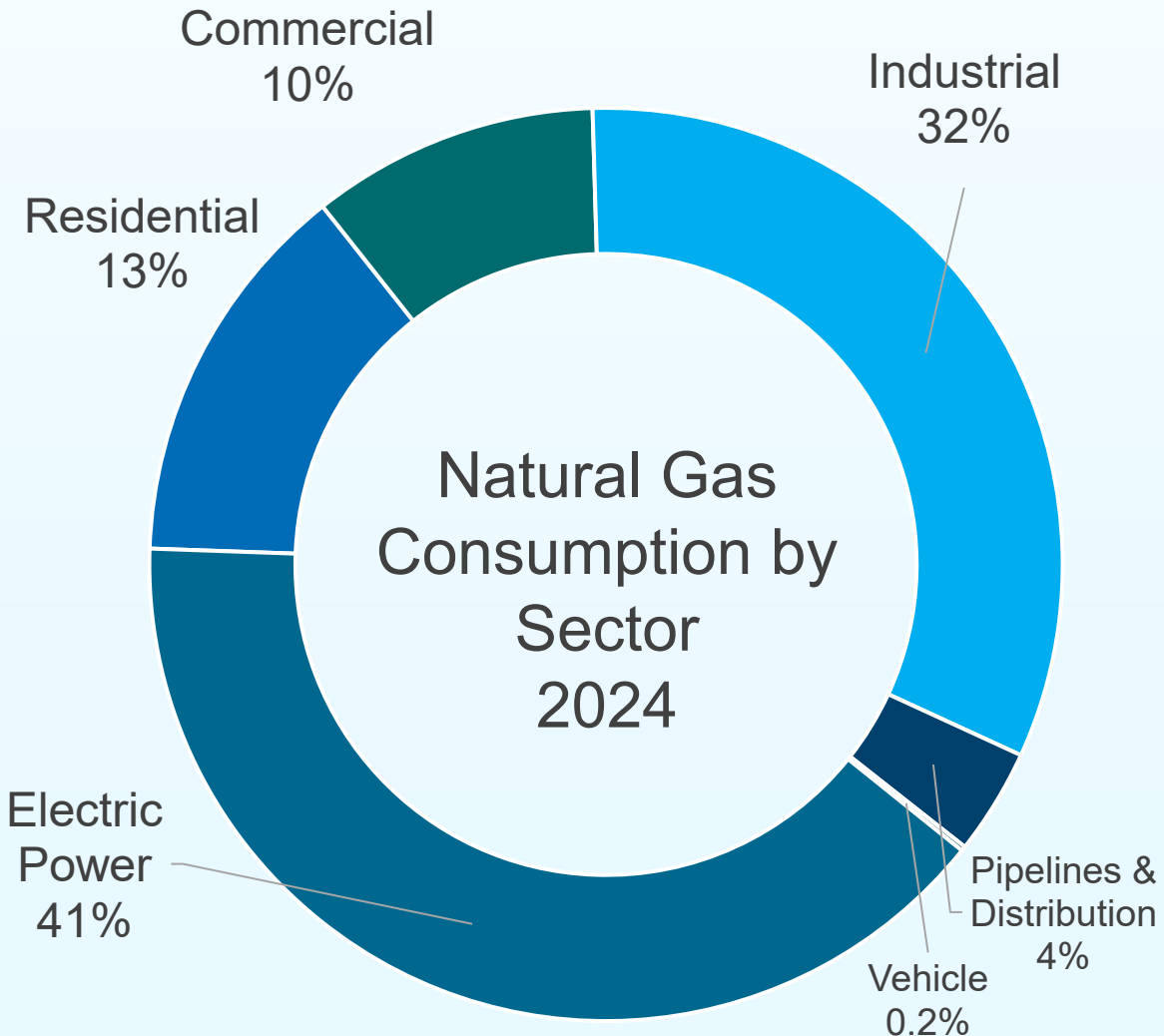
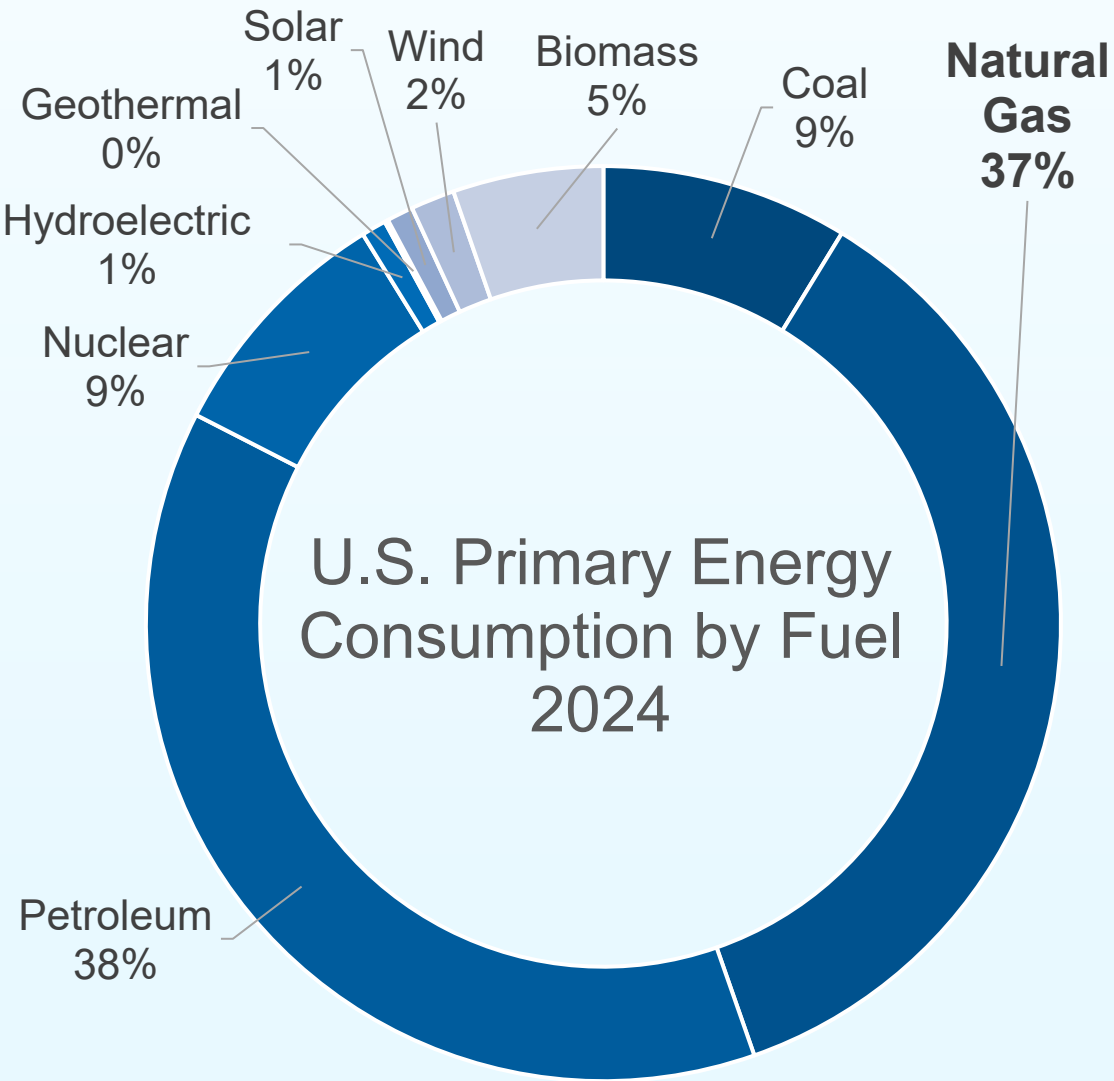
Markets, Supply and Affordability

Natural gas is on the verge of becoming the #1 U.S. energy source

Energy consumption over time

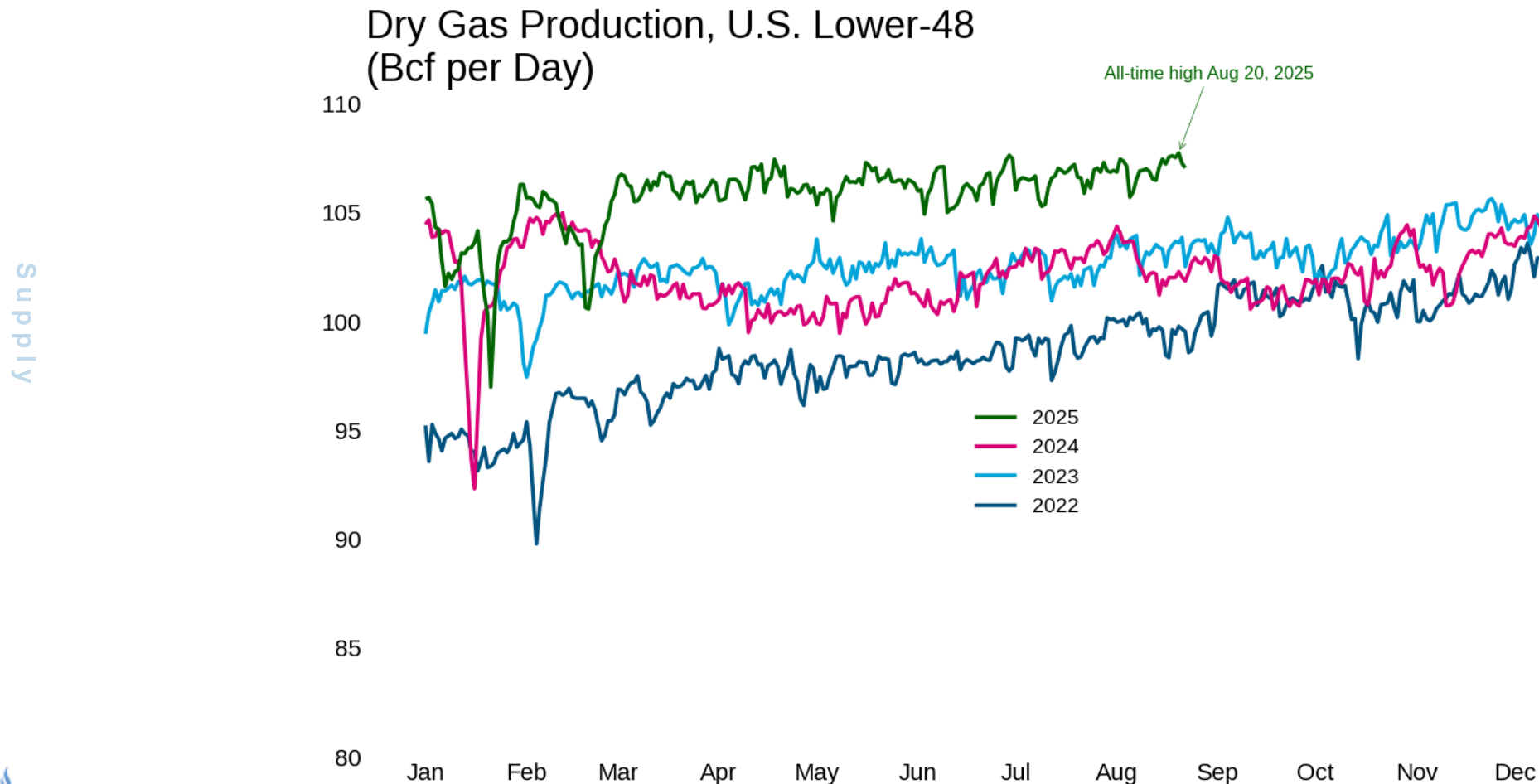


Natural gas provides one-third of U.S. energy across the economy



Record high daily natural gas production on August 20

Natural Gas Production



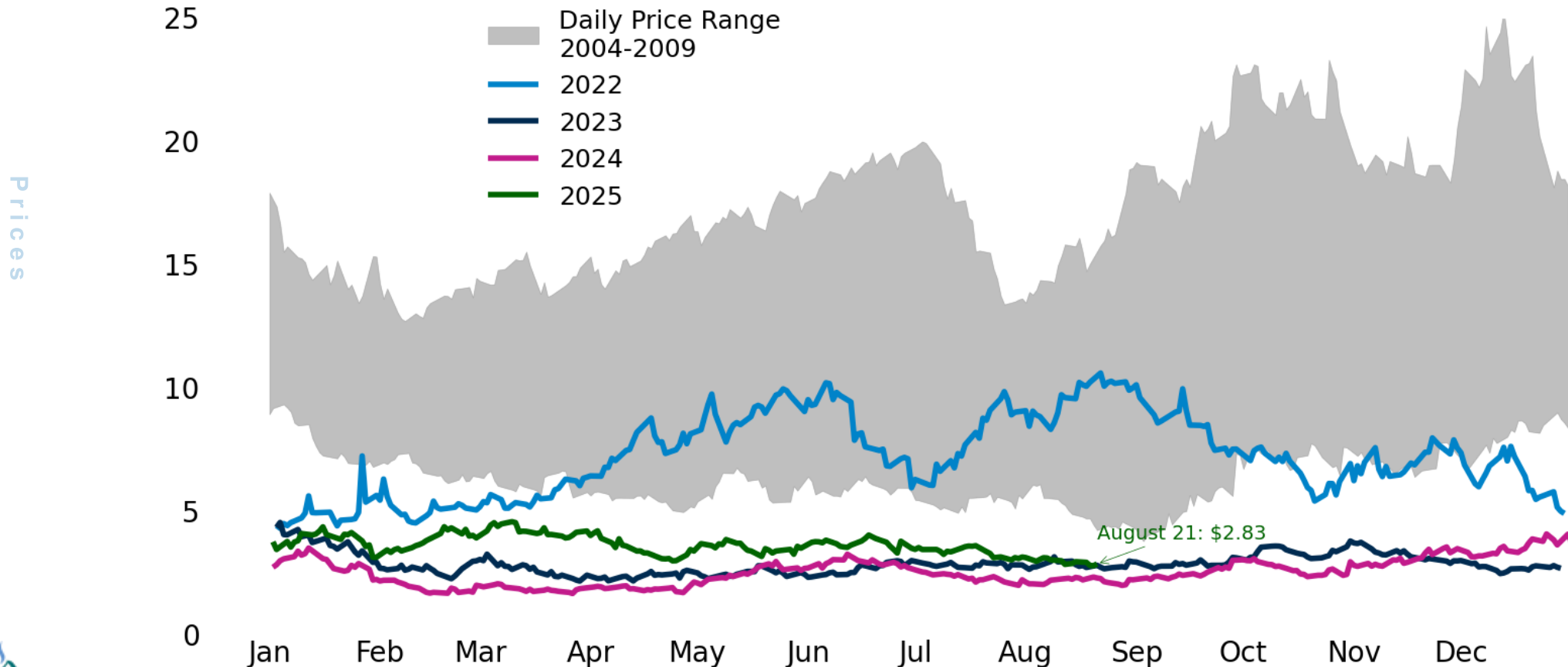
Source: S&P Global Commodity Insights, ©2025 by S&P Global Inc. Chart: American Gas Association, Data as of Aug 22, 2025, Subject to Revision

Inflation-adjusted prices are much lower compared to history

Natural gas futures prices

Natural Gas Prompt-Month Futures Prices, Henry Hub
Inflation Adjusted (Jul-2025 USD/MMBtu)

Source: S&P Global Market Intelligence / FRED
Chart: American Gas Association



State of Play



Record Gas Demand

Industrial reshoring, growing electric power requirements, LNG exports, new consumers



Record Gas Supply

Return to historical natural gas pricing trends



Affordability Front of Mind

Rising electricity prices, while natural gas remains an affordable solution



The Need to Build

Infrastructure additions are needed, and permitting reform is key

A View From the Federal Government

AGA Priorities for the New Administration & Congress

**Economic
Competitiveness**

**Affordability & Customer
Choice**

Safety & Security

Permitting Reform

National Security

First Year

An Abundance of
Activity

VS.

Successful
Implementation

**Testing the Limits of
Executive Branch**

Rush of Policymaking

**Reshaping & Shrinking the
Federal Government**

Durability Question

Impacts of Regulatory Actions and Potential Actions



Affordability and Consumer Choice

- Fuel Choice for retail consumers, business, and government installations
- Access to natural gas appliances



Infrastructure Permitting Reform

- Expand access to natural gas supplies
- Improve reliability and resiliency of the energy system
- Updating NEPA regulations



Regulatory Reform

- Reduction of regulatory burdens
- Compliance costs
- Refocus the regulatory scope

Administration Actions



Executive Orders & Declarations

- Unleashing American Energy
- National Energy Emergency
- Unleashing Prosperity Through Deregulation
- Zero-Based Regulatory Budgeting to Unleash American Energy
- Protecting American Energy from State Overreach



Appointments

- Sec. of the Interior – Burgum
- Sec. of Energy – Wright
- Admin. of EPA – Zeldin
- Sec. of Transportation – Duffy
- SEC Chair – Atkins
- FERC Chair – Christie



Memoranda

- Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis
- Updating Permitting Technology for the 21st Century
- OMB Guidance Implementing “Unleashing Prosperity Through Deregulation”



Energy Dominance Council

- Chair DOI & Vice Chair DOE
- Expand all forms of reliable and affordable energy production
- Advise the President on improving the processes for permitting, production, generation, distribution, regulation, transportation, and export of energy

Looking Forward



Adjustments

Focus on Popular & Successful Programs



Reassure Markets

Reduce Trade Uncertainty



Navigating the Courts

Biggest Check on Administration Actions



Engaging Congress

Executive Action
Moving to Collaboration with Congress

- Budget
- Boost Economy

Regulatory Filings & Court Activities



Filings at Federal Agencies

- 2022 to 2025 (so far) = 158

Amicus Briefs Filed in Federal and State Court

- 2022 to 2025 (so far) = 19

Pending Litigation

- Ranges from 5-20 a year

Comments & Briefs

AGA v. Department of Energy

Background on Final Rules

Interpretive Rule

- DOE Rejected Separate Product Classes for Condensing/Non-Condensing Products

Furnace Rule

- Final Rule mandates 95% AFUE level, effectively eliminating non-condensing furnaces in Dec. 2028
- Affects 45-55% of Non-Weatherized Gas Furnaces Shipments
- Loss of 9% of space heating for consumers

Commercial Water Heater Rule

- Final Rule sets a condensing-only standard
- Requires gas-fired storage water heaters and storage-type instantaneous water heaters to have a 95% thermal efficiency and 96% thermal efficiency for gas-fired instantaneous water heaters and hot water supply boilers except storage-type instantaneous water heaters.

AGA v. Department of Energy (Nov. 4, 2025)

- Court denied petitions challenging three interrelated DOE energy efficiency rules
- The DC Circuit's decision was 2-1
- Upholds DOE's rules that will eliminate from the market non-condensing gas residential furnaces and commercial water heaters.
- Judges Wilkens and Pillard, both appointed by President Obama, held that DOE acted within the scope of the EPCA when it issued rules eliminating from the market non-condensing natural gas furnaces and commercial water heaters
- Judge Rao, appointed by President Trump, dissented
 - She would have granted AGA's petitions and vacated the rules, concluding that these standards "run afoul of the careful balance Congress struck" in EPCA between improving energy efficiency and preserving consumer choice
- Next Possible Steps: Rehearing, Rehearing En Banc, Supreme Court

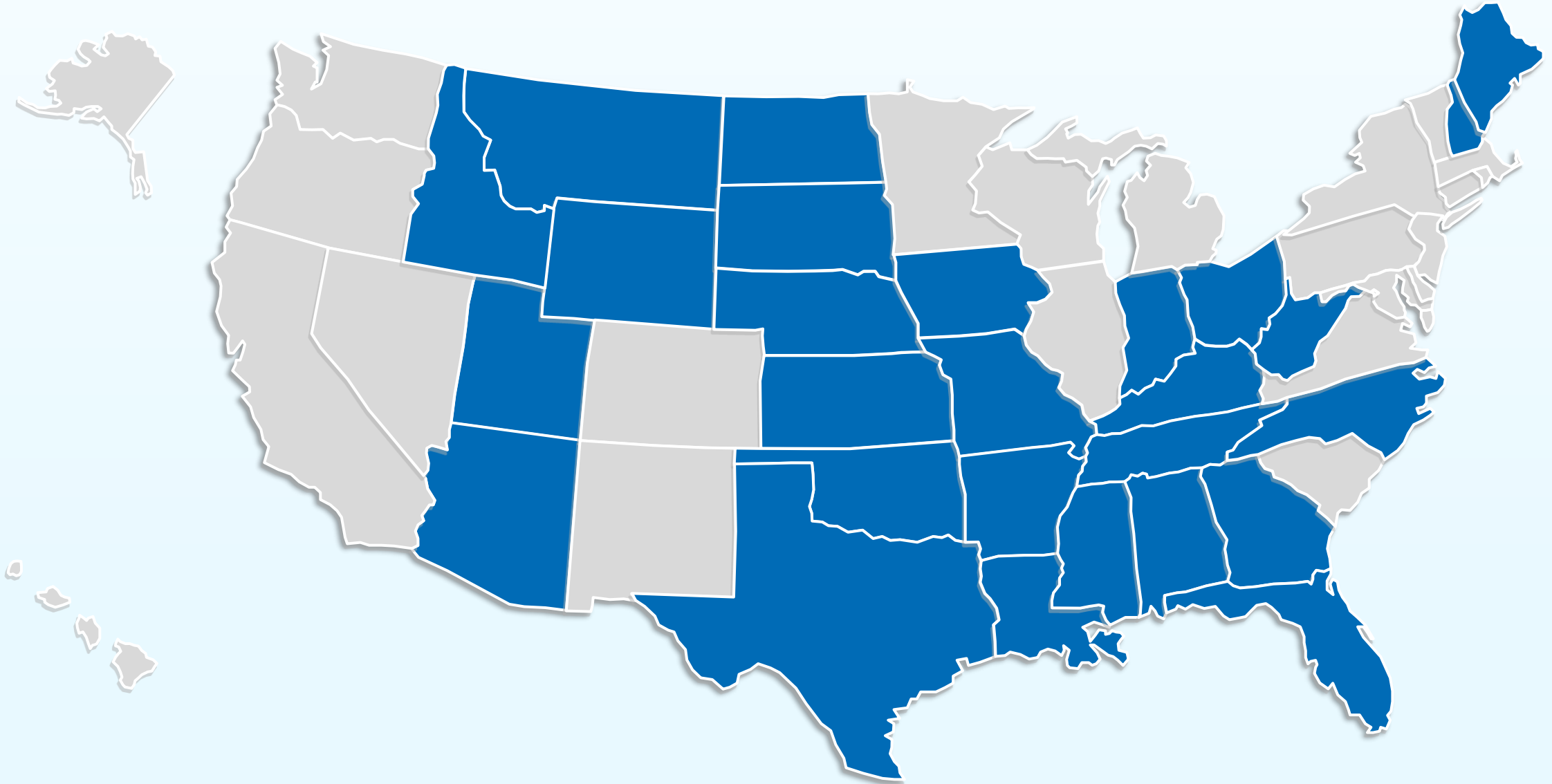
A View From the States

Evaluation of the Policy Debate

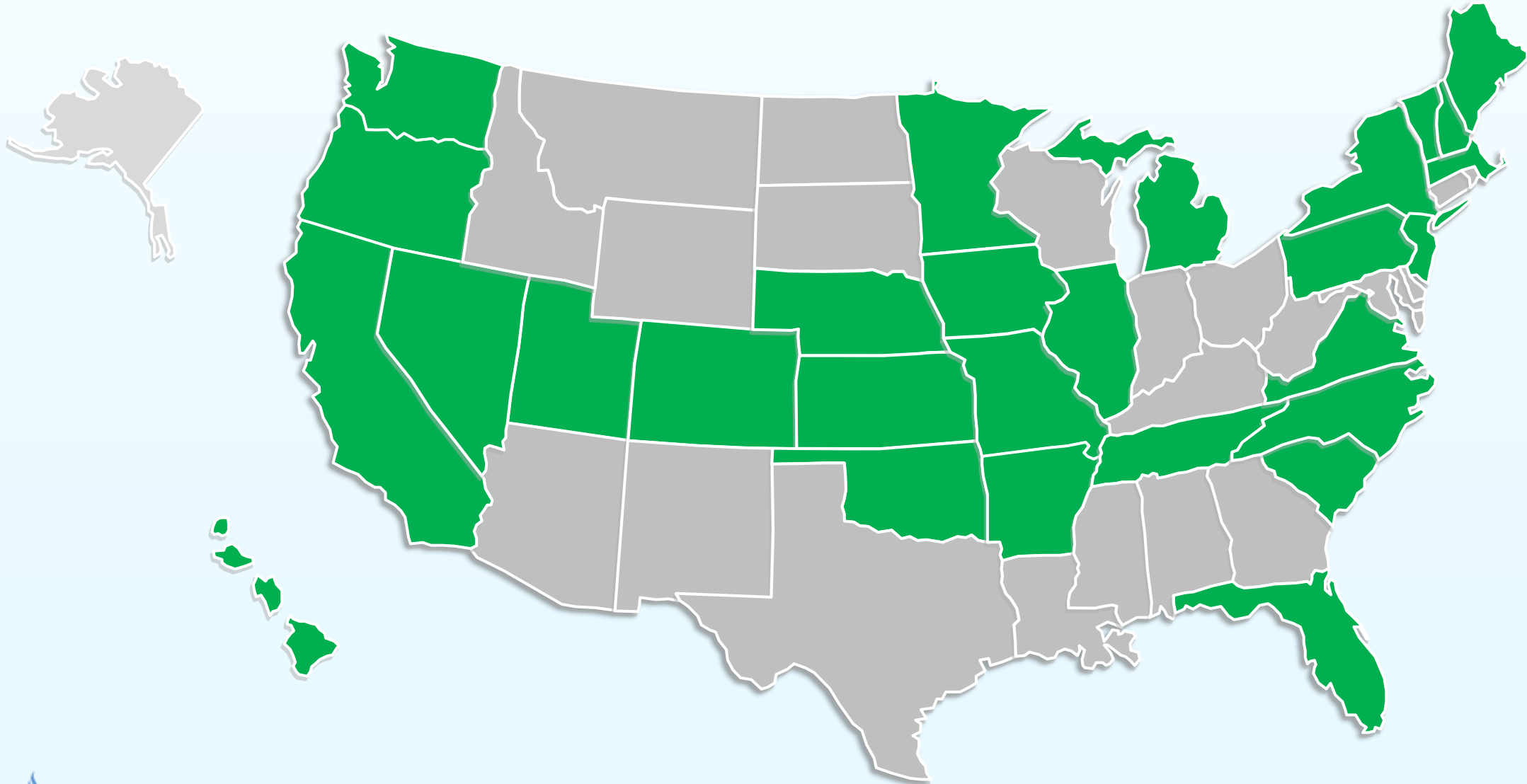
State and local level

- Pre-Berkley
- Post-Berkley
- Berkley to New York City
- Post New York City

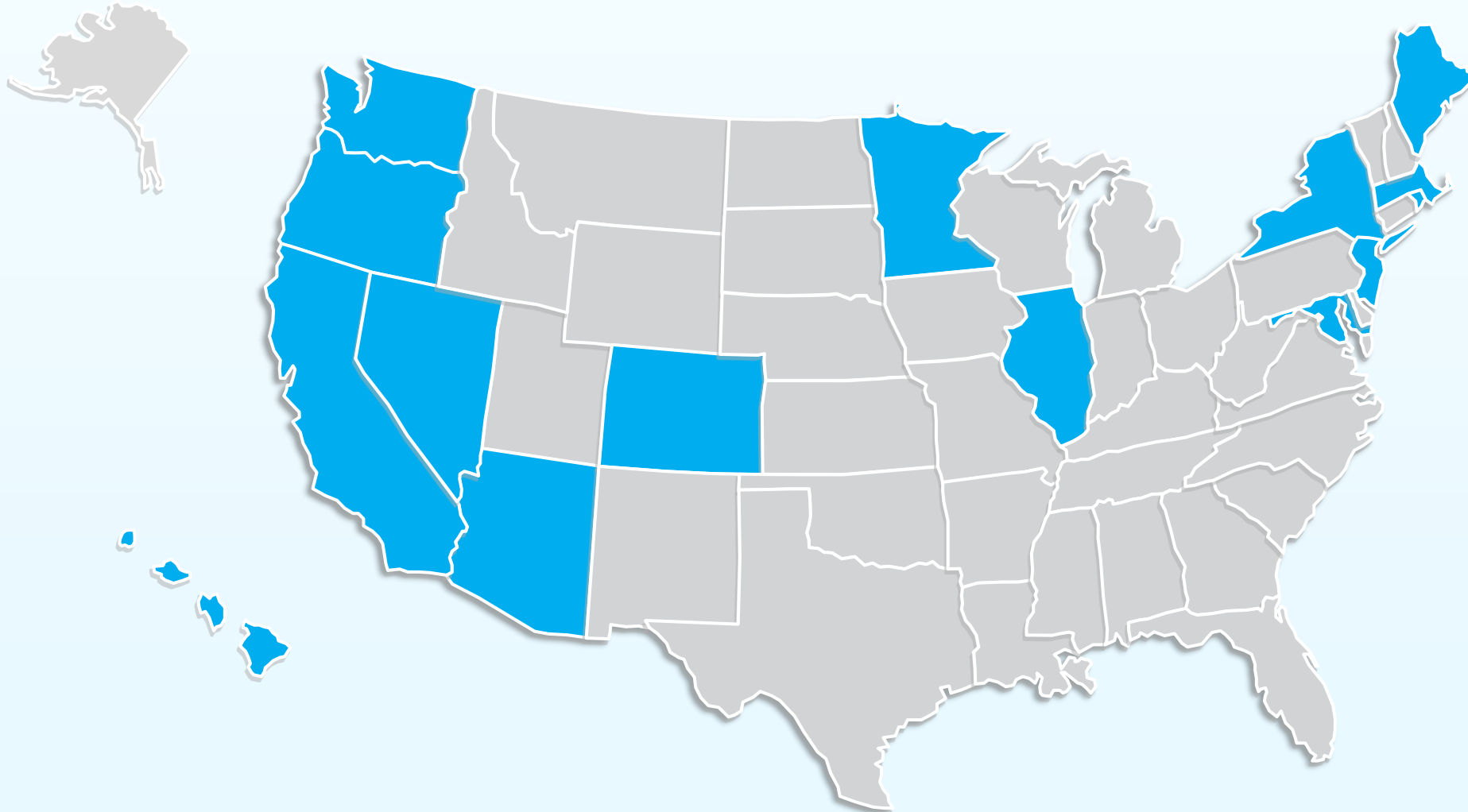
Access to Natural Gas Remains Bipartisan



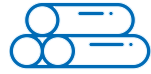
28 States Leading on Gas Utility Innovation



Long-Term Gas Planning



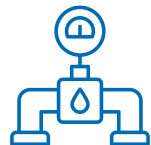
Regulatory Activity



Pipeline Replacement Programs



Line Extension Allowances



Alternative Ratemaking

State Actions



Administrative

Challenges

- Building Codes
- Emissions Standards

Opportunities

- Economic Development



Legislative

Challenges

- Cap and Invest
- Bans/Curtailment of Use
- Clean Heat

Opportunities

- Fuel Choice
- Worker Protections



Regulatory

Challenges

- Future of Gas Proceedings
- Gas/Electric Coordination

Opportunities

- Economic Development



Legal

Challenges

- State-wide Bans
- State-on-State Litigation

Emerging Local Trends



Coalition Partners



State and Local Partners



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