

Pipeline Pinch

Imagine no heat in your house and the temperature outside is in the single digits. Well, thousands of people in Rhode Island found out what that's like in early 2019 because their natural gas heating supply had to be shut off. It was bad. The governor called a state of emergency. And no doubt a few weeks later millions of people across the northeast got a severe case of heartburn when they opened their utility bills.

Interestingly, at the same time people in Rhode Island didn't have enough gas and millions of people across the region were paying sky-high electricity and heating prices, the rest of the country was weathering the Polar Vortex just fine. Weird, right? People in Texas are probably saying, "What's going on with those Yankees. Don't they have all that gas in the Marcellus and Utica Shales?" Well, yes, they do. But what they don't have, are enough pipelines to get the gas where it is needed.

You see the state of New York has been blocking natural gas pipelines for years. That matters to New England states because New York is acting like a giant stop sign. It's a land barrier between it and the six states to the north. But New York is also hurting itself. Pipeline capacity is such a problem that new customers in Westchester County are being told they can't hook up to existing natural gas lines and construction of 16,000 homes may be suspended. Long Island is facing the same situation.

The Empire State has been blocking two federally-approved pipelines that could be bringing low-cost natural gas to northeastern customers from the giant shale formations nearby. The Constitution and Northern Access pipelines have been obstructed for four and three years respectively. New York's Department of Environmental Conservation claims constructing the pipelines would be too dangerous for streams and rivers. Never mind that there are thousands of miles of pipelines carrying natural gas, other products and waste material all over the state. These pipelines cross rivers and streams countless times.

The "We're worried about our rivers and streams" claim is a transparent excuse that allows state politicians to cater to anti-energy activist groups. It's a costly maneuver... for everyone who lives north of the Pennsylvania-New York border.

During the 2019 Polar Vortex people across the northeast were paying four to five times as much for natural gas than people in nearby states that have an adequate number of pipelines. In January of 2018 gas prices in New York City hit a record-breaking \$175 per Mcf. Spot prices in the northeast region were more than 20 times higher than in Appalachia. A 2017 report by the U.S. Chamber of Commerce discovered that residents of the Northeast pay 44 percent more than the national average for electricity and 29 percent more for natural gas. The report claimed if

these blocked pipelines and others aren't built the region will suffer a loss of 78,000 jobs and many billions of dollars in labor income and gross domestic product.

And that's not it. When the cold snaps come, as they do every winter, the region imports Liquefied Natural Gas from Trinidad & Tobago as well as Vladimir Putin's Russia. Imagine that, buying gas from Russia when there's a giant supply of cheap, clean natural gas just across the New York state line.

People in Texas, Pennsylvania, and Ohio must be shaking their heads hearing about all those people up north unnecessarily turning down their thermostats while shaking out their wallets.

For the Clear Energy Alliance, I'm Mark Mathis. Power On.



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