

**Testimony of John Humphries
Before the Energy and Technology Committee**

In Support of

H.B. 5410 AAC GAS COMPANIES' COST RECOVERY OF LOST AND UNACCOUNTED FOR GAS

Submitted by

John Humphries, Convener; CT Roundtable on Climate and Jobs
March 4, 2014

Senator Duff, Representative Reed, and members of the Committee,

Thank you for the opportunity to comment in support of HB 5410, An Act Concerning Gas Companies' Cost Recovery of Lost and Unaccounted for Gas, a bill that can reduce the greenhouse gas emissions from the state's natural gas infrastructure while creating good-paying jobs to implement the needed repairs.

HB 5410 seeks to establish incentives for gas companies to repair pipeline leaks that are allowing methane to escape into our atmosphere. Rather than charging customers for the leakage – gas that they are not even using, gas companies should invest the necessary resources to repair leaking infrastructure. If the state is going to implement the plan to significantly expand this fossil fuel infrastructure, we must at least ensure maximum efficiency and minimum waste.

Currently, natural gas distribution companies are allowed to charge customers for the cost of unlimited “lost and unaccounted for gas,” much of which is gas that escapes through small leaks throughout the distribution system. Companies are only required to fix leaks that threaten public safety, and since they can recover the cost of leaked gas, they have no incentive to repair non-hazardous leaks. This is troubling on two fronts:

1. Customers are made to bear the cost of gas they are not using; and
2. Methane has truly dangerous global warming potential—it is 56 times stronger than carbon dioxide over a 20-year period and 21 times stronger over a 100-year period.

HB 5410 would address these problems by limiting gas companies' ability to recover the cost of lost gas, which provides an incentive to fix leaks; over time, this will cut greenhouse gas emissions and reduce the cost of gas. A similar bill has been in effect in New York State since the 1990s; the New York Public Service Commission estimates it saves consumers in that state \$48 million a year.

A further benefit of HB 5410 is that it would generate employment opportunities for skilled tradesmen in implementing the needed infrastructure repairs.

Please support both HB 5410.

Thank you for your consideration.

Sincerely,

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