

Natural Gas and Policy

Because it is clean burning, natural gas is the most desirable hydrocarbon for many uses, although not for transportation. There, because it is a gas, it is energy diffuse, limiting the range one can travel without a refill.

It is desirable to encourage the use of natural gas where practical. The problem is that substituting natural gas for other hydrocarbons without significantly reducing overall hydrocarbon use would put pressure on natural gas supplies, causing prices to rise and more rapid depletion of reserves. Rising prices would then discourage the use of natural gas, as other hydrocarbons would be significantly less expensive. Coal would likely be much cheaper, unless its price were increased by a carbon tax or cap & trade system. Solving this riddle requires a more careful analysis than these white papers can provide.

- As with all types of energy, conservation and greater efficiency should be the essential first policy. For natural gas, that would mean encouraging conservation and increased efficiency at home and in commercial establishments, especially in HVACⁱ and water heating. Missouri does not have a state building code. One possibility might be state incentives or requirements for energy efficiency in new construction and major renovations.
- One policy direction might involve encouraging new electrical generation plants to use natural gas as their primary fuel. Kansas recently denied an application to build a coal fired power plant on the grounds of climate change.ⁱⁱ
- Another policy direction might involve encouraging the conversion of existing power plants to natural gas where possible. Missouri's dirtiest coal plants emit 6 times as much CO₂ per watt of electricity generated than do typical gas turbine plants.ⁱⁱⁱ Conversion of plants like these might be particularly beneficial.
- Another potential policy direction would be to encourage the use of natural gas in those vehicles where extended range on a single tank is not required. Examples of such vehicles might include bus fleets, fleets of taxis, some portions of the fleets of state and municipal vehicles, and personal vehicles used only for urban travel.

Adoption of natural gas in vehicles is also hindered by the limited availability of refilling stations. Encouraging use in fleets as described above helps with this problem, as the uses envisioned would require new infrastructure only in limited areas.

- Developing a widespread natural gas refilling infrastructure would be a large project carried out by the private sector, but requiring guidance and incentives from government. It would require a stable energy policy to be feasible.

ⁱ HVAC = heating, ventilation, and air conditioning.

ⁱⁱ Roy, Bill. (11/19/2007). Sunflower sues over coal plant denial. *Wichita Business Journal*. Viewed online at <http://www.bizjournals.com/wichita/stories/2007/11/19/daily1.html>

ⁱⁱⁱ The Carbon for Monitoring For Action Database, <http://carma.org/dig/show/country+202+plant>