

Move to import gas raises concern in Vermont

DAVE GRAM, Associated Press

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MONTPELIER, Vt. (AP) — MONTPELIER, Vt. (AP) — Vermont Gov. [Peter Shumlin](#) is strongly supporting a proposal to expand natural gas service from northwestern Vermont as far south as Middlebury.

But some are questioning whether expanding Vermont's use of Canadian natural gas squares with the governor's long-time support for getting Vermont to use smaller amounts of imported fossil fuels.

Matt Cota, executive director of the [Vermont Fuel Dealers Association](#) — who fears his member fuel dealers could be hurt by expansion of natural gas — is accusing Shumlin of hypocrisy on the issue.

But Shumlin and other supporters of natural gas note that it burns more cleanly than other fuels like coal and oil, and that it is currently much cheaper than oil.

Shumlin, a Democrat who took office in January, has been pushing hard to put Vermont in the forefront of the fight against global climate change tied to greenhouse gas emissions.

But he's also a vocal advocate for expanding Vermont's use of natural gas, a fossil fuel with global warming ramifications of its own. Methane, the prime component of natural gas, generates greenhouse gas emissions when it is burned and is 20 times as potent as carbon dioxide if it escapes unburned into the atmosphere, according to the [U.S. Environmental Protection Agency](#).

Shumlin is talking up the idea of expanding natural gas pipelines from Franklin and Chittenden counties down the western side of the state to Addison, Rutland and perhaps one day Bennington counties. Gas is cheaper than oil and a good alternative to electricity for many industries, Shumlin argues.

"As you know, the western side of the state, Rutland and the Middlebury region, are transportation-challenged, because they don't have an interstate highway," he said recently. "We're trying to improve rail in that sector of the state, but if we could get them natural gas, that would be a huge help to job growth and economic recovery."

Shumlin and other natural gas proponents acknowledge it generates some greenhouse gas emissions, but say it burns much cleaner than coal and oil. It's also cheaper than oil — by about 37 percent, at current prices.

Vermont Gas Systems, the company serving northwestern Vermont — the only part of the state with piped natural gas service — is asking the Public Service Board for permission to use millions of dollars that would otherwise go to ratepayer refunds to pay part of the cost of the southward expansion. Shumlin has endorsed the plan.

The Department of Public Service, which appears before the board and whose commissioner reports to Shumlin, "has made a recommendation to the Public Service Board suggesting that we start pooling some money to get this effort started," Shumlin said.

Shumlin's stance rankles the fuel dealers' Cota, who says the state may end up giving an unfair competitive advantage to gas over the heating oil and propane sold by his group's members.

"The climate change governor needs to know that not everyone is going to look the other way when he seeks to import double the methane gas into the state," Cota says.

Others have concerns.

"It's still a fossil fuel," said [Sandra Levine](#), senior attorney with the Conservation Law Foundation, an environmental advocacy group. "It still produces greenhouse gases. We're concerned about expanding infrastructure for natural gas that will be in place longer than we should be using natural gas. Forty years from now, we should not be relying on natural gas."

She said natural gas makes sense as a replacement for oil or coal, but that it's a "bridge fuel" to cleaner energy sources, like solar.

Annette Smith of Vermonters for a Clean Environment said the abundance and affordability of natural gas make it attractive.

"It should not give anybody a false sense of security that we are helping the plant in any major way," Smith said.

Donald Gilbert Jr., president and CEO of [Vermont Gas Systems Inc.](#), also pointed to natural gas burning more cleanly than other fuels. He added that the company has a modern, tight system of pipes in the areas it serves and a strong incentive not to let natural gas leak into the atmosphere.

His company is proposing to use about \$4.4 million a year from ratepayers over the next four years to support expansion of its system south from the Burlington area to Vergennes and Middlebury.

"Over the past two and a half years, we've had nine reductions in rates because of the decline in the wholesale cost of natural gas," he said.

Wholesale price declines are projected to continue, but the company now wants to keep rates flat and set aside the extra money it collects to put toward the estimated \$59 million to \$67 million cost of the expansion to Middlebury.

That formula doesn't work for trying to meet the estimated \$177 million cost of expanding south to Rutland, Gilbert said. There simply isn't enough of a market to cover that cost and make a profit — unless a big new user like an electrical generating station were to come on the scene.

Gilbert said no such thing has been proposed as of now, but his company would welcome it.

Gilbert said his company doesn't want to push the southward expansion unless Vermonters want it.

"It takes time to do it right," he said. "We need to do all the environmental work, we need to work with the towns and the communities to make sure we find a route that would be acceptable to them."